CPBRD

AGENCY BUDGET NOTES

For FY 2026

DEPARTMENT OF NATIONAL DEFENSE

P295.18B
TOTAL NEW APPROPRIATIONS FOR 2026

COST STRUCTURE

General Admin and Support	Operations
P44.92B (15.2%)	**P250.26B** (84.8%)

ALLOCATION BY AGENCY

PHILIPPINE ARMY	**P142.03B**	(48.1%)
PHILIPPINE NAVY	**P59.38B**	(20.1%)
PHILIPPINE AIR FORCE	**P59.08B**	(20.0%)
GHQ, AFP & AFPWSSUs	**P22.46B**	(7.6%)
VMMC	**P3.14B**	(1.1%)
OFFICE OF CIVIL DEFENSE	**P2.56B**	(0.9%)
GOVERNMENT ARSENAL	**P2.36B**	(0.8%)
OTHER DND AGENCIES	**P4.18B**	(1.4%)

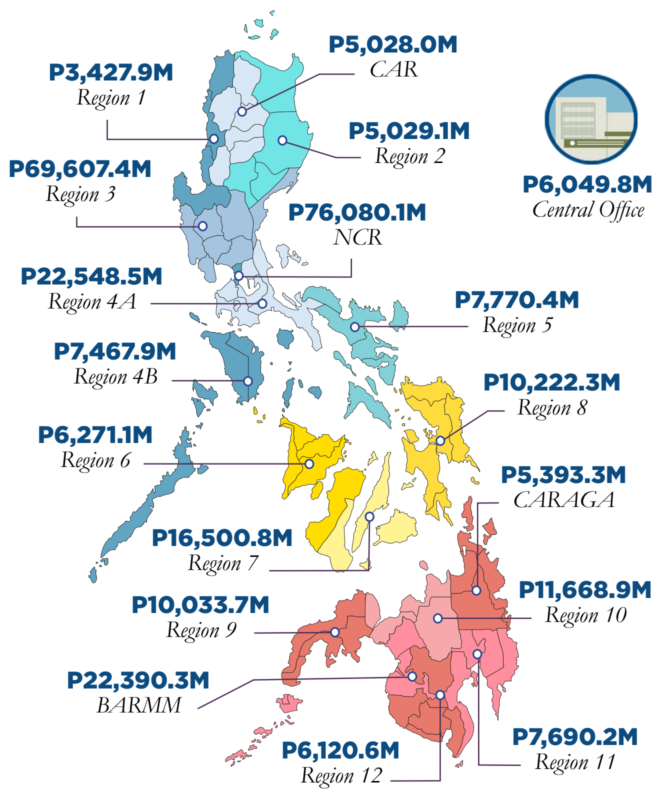
BREAKDOWN OF OPERATIONS BUDGET

Land Forces Defense Program	**P116.31B**	(46.5%)
Air Forces Defense Program	**P54.06B**	(21.6%)
Naval Forces Defense Program	**P53.73B**	(21.5%)
Joint Force Operations Program	**P10.16B**	(4.1%)
Joint Force Capability Program	**P6.19B**	(2.5%)
Veteran Health Care Program	**P2.28B**	(0.9%)
Small Arms, Ammunition, Weapons and Munitions Program	**P2.16B**	(0.9%)
Civil Protection Program	**P1.99B**	(0.8%)

Other Programs **P3.39B** (1.40%)

REGIONAL ALLOCATION OF THE 2026 EXPENDITURE PROGRAM (P299,300.1M)

(New and Automatic Approriations)



QUICK FACTS

Global Peace Index (GPI)

GPI Scores	2023		2025					
ASEAN Countries	Rank	Score	Rank	Score		Level of Safety and Security	Extent of Ongoing Conflict	Degree of Militarization
Singapore	9	1.358	6	1.357	↑	1.294	1.000	2.011
Malaysia	15	1.469	13	1.469	↑	1.974	1.008	1.202
Viet Nam	37	1.702	38	1.721	↓	2.014	1.421	1.613
Lao PDR	45	1.776	47	1.783	↓	2.155	1.403	1.679
Indonesia	52	1.836	49	1.786	↑	1.958	1.879	1.366
Thailand	91	2.059	86	2.017	↑	2.413	1.611	1.835
Cambodia	69	1.940	87	2.019	↓	2.263	1.767	1.987
Philippines	116	2.237	105	2.148	↑	2.429	2.182	1.709
Myanmar	152	2.947	153	3.045	↓	3.582	2.917	2.326

Notes: GPI uses 23 indicators that measure the state of peace across three domains as presented in the table above. Scores for each indicator is normalized on a scale of 1 to 5, to the third decimal point. Lower numerical score means better performance.
Source: Global Peace Index (GPI), as of July 2025

Internal Security and Stability

2023 DND Accomplishment Report, pp. 24-25

	CTGs	LTGs
Neutralized	1,042 CPP-NPA Terrorists 63 High-Value Individuals (HVIs)	381 LTGs Members 25 HVIs
Seized	1,454 Firearms	354 Firearms
Cleared	10 of 22 Guerilla Fronts 409 CTG-affected Barangays	no recorded kidnap-for ransom activities by the ASG since year-end 2022 and throughout 2023.

Acronyms: CTGs – Communist Terrorist Group; LTGs – Local Terrorist Groups

Territorial Integrity

2023 DND Accomplishment Report, p. 14

Efforts on West Philippine Sea

186 conducted Air Patrols

637 conducted Surface Patrols

213,562 detected and challeged vessels transiting through the Philippine Waters

Countries with Most Internal Displacements

2024

	Conflict and Violence	Disasters
Philippines	193,000	8,996,000
China	-	3,926,000
Myanmar	1,232,000	525,000
Indonesia	14,000	516,000
Viet Nam	-	284,000

Conflict and Violence Disasters

Source: Global Report on Internal Displacement 2025 (GRID) from the Internal Displacement Monitoring Centre (IDMC)

Reserve Force (RF) Development

1,298,266 RF Strength (2023) *(an increase of 36,953 from 2022)*

569 Additional Commissioned Officers

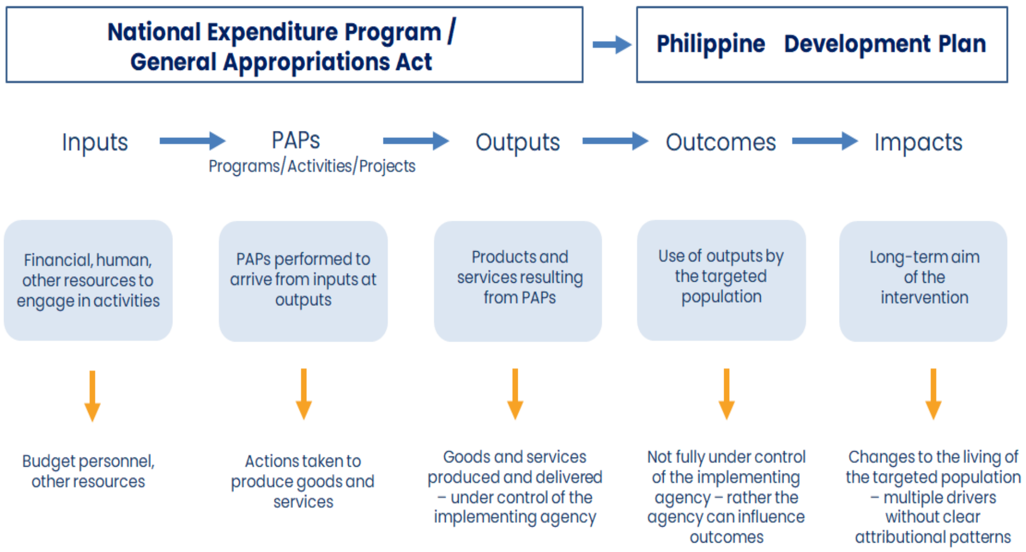
6,286 Graduated from pre-entry training

Source: 2023 DND Accomplishment Report, Chapter 8

Results Accountability: "Dapat May Kwento ang Kwenta"

- ❑ The agency budget should inform Congress not only about proposed expenditures and past budget utilization, but more importantly, about the goods and services it delivers—and how these contribute to the results outlined in the development plan.

- ❑ The alignment of the **Agency Budget** to the **Philippine Development Plan (PDP) 2023–2028** is established through performance indicators across the results chain—from inputs and programs, activities, and projects (PAPs) to outputs, outcomes, and impacts. The PDP and its Results Matrices define outcome and impact indicators that track improvements in the lives of Filipinos, consistent with the 8-Point Socioeconomic Agenda and *AmBisyon Natin* 2040. The agency budget complements this by specifying output indicators, resource allocations, and the services to be delivered.



QUESTIONS:

- What key result areas in the Philippine Development Plan does the agency contribute to?
- Which PDP performance indicators are relevant to the agency, and what is the progress toward their targets?
- How do the agency's programs, activities, and projects support PDP outcomes and impacts?
- What are the main outputs (products and services) delivered, and how do they contribute to PDP targets?
- How are budget allocations aligned with programs that advance PDP priorities?
- What is the agency's budget utilization rate, and how does it relate to output delivery?
- How is efficiency being measured and improved in the use of resources?
- To what extent have outputs translated into meaningful outcomes and impacts?
- What challenges are hindering progress, and what corrective measures are being taken?
- What strategies are in place to sustain or strengthen the agency's contribution to PDP goals in the coming years?
- What is the variance between the agency's total budget proposal and the amount reflected in the NEP? Of the proposals excluded, which priority items merit reconsideration based on their urgency, strategic importance, or impact on service delivery?

HIGHLIGHTS

- *Expenditure Program.* The proposed 2026 expenditure program for the Department of National Defense (DND) amounts to P299.3 billion—of which P295.2 billion are New Appropriations, and P4.1 billion are Automatic Appropriations. The DND budget for 2026 is 8.5% higher than the approved spending of P275.9 billion in 2025, with increments mostly going to the three (3) major commands, namely the Army, Air Force, and Navy, including the General Headquarters (GHQ) of the Armed Forces of the Philippines (AFP). For 2026, 56% of the entire budget of DND covers Personnel Services (PS) requirement amounting to P167.7 billion.

- *New Appropriations by Cost Structure.* About 84.8% or P250.3 billion of the total proposed new appropriations for DND in 2026 will go to Operations to support the implementation of DND's programs, activities, and projects (PAPs). Meanwhile, allocation for General Administration and Support (GAS) amounting to P44.9 billion (15.2%) will be used for overall administrative management and operational support to the agency.

- *Allocation by Major Programs.* Total allocation for the implementation of DND programs in 2026 amounts to P250.3 billion. The five (5) major recipients of program funds under the 2026 Operations budget are as follows: (1) Land Forces Defense *(P116.3 billion)*, (2) Air Forces Defense *(P54.1 billion)*, (3) Naval Forces Defense *(P53.7 billion)*, (4) Joint Force Operations *(P10.2 billion)*, and (5) Joint Force Capability *(P6.2 billion)*. Together, these programs receive P240.4 billion, representing 96.1% of the DND's total Operations budget for 2026.

Key Issues and Challenges

- *Funding constraints and timelines for the Revised AFP Modernization Program (RAFPMP).* The RAFPMP is structured into three horizons: **Horizon 1 (2013–2017)**, focused on internal security operations; **Horizon 2 (2018–2022)**, which prioritized territorial defense; and **Horizon 3**, aimed at strengthening the AFP's archipelagic defense capabilities. The Re-Horizon 3 project list was approved by the President in January 2024. However, as of 9 August 2024, the Department of Budget and Management (DBM) reported an unfunded mandate amounting to P2.138 trillion, underscoring the scale of the program's financial gap. By law, the program is designed to run for 15 years (Section 6), with a minimum allocation of P75.0 billion for the first five years (Section 7). Yet, Defense Secretary Gilberto Teodoro Jr. has criticized this rigid 15-year framework as "too long and impracticable," urging instead a more flexible, adaptive modernization strategy—citing Ukraine's rapid retooling model as a benchmark for responsiveness in the face of evolving security threats.

- *Sustainability of the Military and Uniformed personnel (MUP) pension system.* The existing MUP pension scheme poses a significant and growing strain on the national government's finances. Unlike contributory pension systems such as GSIS or SSS, the MUP pension is **non-contributory** and includes **automatic indexation**, resulting in steep fiscal obligations. Projections show that the government may need to allocate around **P537 billion by 2030** and **P1.5 trillion by 2040** just to sustain the pension commitments. For 2026 alone, the Pension and Gratuity Fund (PGF) allocates **P145.2 billion** for MUP pensions, of which **P74.8 billion** is earmarked for the benefits of 347,505 AFP and PVAO pensioners. On average (2020–2023), MUP pensions accounted for 28.8% of the DND's personnel services expenses and 19.6% of its total budget, highlighting the crowding-out effect on defense modernization and operations.

- In the 20th Congress, various House Bills and Senate Bill No. 636 have been filed on the MUP pension reform which are pending with the House of Representatives Committee on National Defense and Security, and National Defense Committee of the Senate. In the 19th Congress, House Bill No. 8969 which aims to create a sustainable fiscal framework for the pension system of the MUP was approved by the House on 3rd reading on 25 September 2023. Various groups have criticized the said version of the bill which requires only new entrants to contribute 9% of their monthly salary to the pension fund, exempting those in active service. Former Finance Secretary and former Governor of the Bangko Sentral ng Pilipinas (BSP) Benjamin Diokno warns that it will not qualify as a reform if the active members will not contribute (Cruz, 2023).

- Meanwhile, the counterpart bill in the Senate, Senate Bill No. 2501 was pending in Second Reading in the 19th Congress. Among the key issues and provisions that need to be harmonized include the: (i) creation and administration of a trust fund for the MUP for sustainability; (ii) lingering issues of mandatory contribution for those in active service, including a counterpart government share due to its current non-contributory nature; (iii) fixing the optimal mandatory retirement age; (iv) indexation of pension, among others.

- *Budget Utilization*. The overall obligations-appropriations ratio of the DND was considerably high at an average of 95.4% from 2022 to 2024**.** However, the DND's total unused appropriations have steadily increased from P8.4 billion in 2022 to P32.4 billion in 2024. Three agencies that contributed the most to the growing unused appropriations of DND in 2024 are GHQ/AFP (P15.4 billion), PA (P10.2 billion), and PN (P2.6 billion). This could weigh heavily on the DND's effort to accelerate defense modernization goals towards advancing the country's security posture amid domestic and escalating external threats especially in the WPS.

- The low obligation rate of RAFPMP at 71.7% and disbursement rate of 52.8% is attributable to the P4.9 billion unreleased funds and P10.0 billion unobligated funds as of December 2024 from the unprogrammed appropriation. Despite the high obligation rates of the Air Forces Defense and Naval Forces Defense, the relatively lower disbursement rates at 71.7% and 65.3%, respectively, need to be improved. Challenges in financial management and execution lead to delays in payments, procurement, and project implementation of the Department and its attached agencies.

- *Unfilled positions***.** The number of unfilled positions in the DND from 2023-2026 is growing. In 2024, the total unfilled positions stood at 5,731 which is 21.5% higher compared to the 4,718 unfilled positions in 2023. PAF and PA posted the highest number of vacancies in 2024 at 1,969 and 1,554, respectively. The number of unfilled positions is projected to grow by 21.2% to 7,189 in 2026 from 6,420 largely driven by the remaining vacant positions in the PA, PAF, and PN military personnel with the approval of additional 1,358 authorized positions.s

- *Strategic Orientation in DND's Performance Framework*. The DND's performance framework is operational but not yet strategically transformative. While aligned with PDP Chapter 13 on "Peace and Security," its indicators rely too heavily on quantity-based measures—such as units deployed, flying hours, or aircraft maintained—rather than demonstrating mission effectiveness, threats deterred, or civilian protection achieved. This risks reducing performance reporting to activities without showing real security outcomes. The absence of quality/impact metrics and feedback loops, such as post-implementation reviews of modernization projects, further limits learning, adaptation, and accountability. A more integrated, outcome-driven, and nationally aligned monitoring and evaluation system is essential to ensure defense efforts truly advance peace, security, and resilience.

- The DND is encouraged to make stronger representation of its contribution in the PDP and provide more relevant indicators as most of the outcome indicators it is responsible with are in collaboration with other agencies. For instance, the outcome indicator "percentage of implementation of peace agreements completed particularly the Comprehensive Agreement on Bangsamoro" is a joint endeavor of the DND with the Office of the Presidential Adviser on Peace, Reconciliation, and Unity (OPAPRU), Department of Interior and Local Government (DILG) and Bangsamoro Autonomous Region of Muslim Mindanao (BARMM).

TABLE OF CONTENTS

		Page
I.	Mandate and Organizational Outcomes	1
II.	Sources of Appropriations	2
Table 1	Sources of Funds (DND), 2024-2026	3
III.	Expenditure Program	3
Table 2	Expenditure Program by Agency, 2024-2026	4
Table 3	Expenditure Program by General Expense Class, 2024-2026	4
Table 4	Number of Authorized and Unfilled Positions by Agency, 2023-2026	7
Table 5	Regional Distribution of the DND Budget, 2024-2026	8
IV.	New Appropriations	8
Table 6	New Appropriations by Agency and Cost Structure, FY 2026	9
Table 7	Summary of Programs for 2024-2026	10
Table 7.A	Revised AFP Modernization Program Budget, 2024-2026.	10
Table 7.B	Status of the Revised AFP Modernization Program	12
V.	Performance Review	12
Table 8	Obligations-Appro Ratio and Unused Appro, 2022-2024	13
Table 9	Disbursement Rate by Agency, 2023-2024	13
Table 10	Budget Utilization by Major Program, 2024	14
Table 11	Performance Indicators of Select AFP Programs, 2024-2026	16
VI.	COA Findings and Recommendations	16
ANNEX		
	Expenditure Program by Agency and by General Expense Class, 2024-2026	20

DEPARTMENT OF NATIONAL DEFENSE*

I. MANDATE AND ORGANIZATIONAL OUTCOMES

1.1 ***Mandate***. The Department of National Defense (DND) is tasked to guard against external and internal threats to national peace and security, promote the welfare of soldiers and veterans, and provide support for social and economic development. The DND, through the Office of the Secretary (OSEC), supervises the Armed Forces of the Philippines (AFP), which is composed of the Philippine Army (PA), Philippine Air Force (PAF), and Philippine Navy (PN). The AFP General Headquarters (GHQ) exercises overall command and control of all AFP units, while the AFP Wide-Service Support Units (AFPWSSUS) provides general support to the GHQ and Unified Commands. The following agencies are under the command and direction of the GHQ/AFPWSSUS: AFP Medical Center (AFPMC), Philippine Military Academy (PMA), and the Presidential Security Group (PSG). The legal bases for the creation of the DND are as follows:

- Commonwealth Act No. 1 (21 December 1935) or the National Defense Act, created the Council of National Defense to advise the President on all matters pertaining to national defense policy;
- Commonwealth Act No. 430 (31 May 1939), as implemented by Executive Order No. 230 (31 October 1939), created the Department of National Defense
- Executive Order No. 94 (04 October 1947) entrusted the DND the duty to supervise the national defense program of the country
- Executive Order No. 292 (25 July 1987) or the Administrative Code of 1987, as amended by Executive Order No. 112 (18 June 1999), directed the DND to exercise executive supervision over the AFP, the Office of Civil Defense (OCD), the Philippine Veterans Affairs Office (PVAO), the National Defense College of the Philippines (NDCP), and the Government Arsenal (GA).

1.2 ***Organizational Outcomes (OOs)***. As an organization, the DND is committed to deliver the following outcomes:

- Defense and security policy and strategy direction provided (OSEC)
- Supply of small arms, ammunition, weapons, and munitions increased to the level of demand (GA)
- Defense and security leaders' capability improved (NDCP)
- Resiliency of communities to disasters improved (OCD)
- Filipino veterans empowered and Filipinos' appreciation and gratitude for veterans' service demonstrated (PVAO)
- Quality health care services provided to veterans and their dependents (VMMC)

---

[1] This document was prepared by Johnry A. Castillo as input to the deliberations of the House Committee on Appropriations on the FY 2026 proposed National Budget. The report benefitted from the inputs of OIC-Director Ricardo P. Mira, Executive Director Novel V. Bangsal, and from the overall guidance of Deputy Secretary General Romulo E.M. Miral, Jr., Ph.D. The layout/design of the Infographics and Quick Facts by the CPBRD Publications Team are also acknowledged. The views, perspectives, and interpretations in this ABN do not necessarily reflect the positions of the House of Representatives as an institution or its individual Members. A copy of this publication is available at the CPBRD's website: cpbrd.congress.gov.ph.

- Level of mission capability of Army/Air Force/Navy units in their ground/air/naval operations attained, and sovereignty of the State and the Filipino people protected (AFP)

1.3 ***Sectoral Goals***. The DND is accountable in producing key PDP outcomes consistent with Philippine Development Plan (PDP) 2023-2028 *(Chapter 13.1)* to ensure peace and security, and enhance the administration of justice. The OCD, which is an attached agency of the DND, is primarily responsible for increasing climate and disaster risk resilience of communities and institutions (*Chapter 15.1*).

Sub-Chapter 13 Outcome: Peace and Security Ensured (DND)
Outcome 1: Protection and development of conflict-affected and conflict-vulnerable communities sustained • Percentage of Barangay Development Program beneficiary-barangays provided with socioeconomic interventions • Percentage of implementation of Peace Agreements completed: Comprehensive Agreement on the Bangsamoro • Percentage of implementation of peace agreements completed: 1996 Final Peace Agreement with the Moro National Liberation Front • Percentage of implementation of peace agreements completed: 2000 Peace agreement with the ***Rebolusyonaryong Partidong Manggagawa ng Pilipinas*** / Revolutionary Proletariat Army/ Alex Boncayao Brigade - Tabara Paduano Group (RPM-P/RPA/ABB-TPG)
Sub-Chapter 15 Outcome: Adaptive Capacity and Resilience of Communities and ecosystems to Climate Change and natural hazards enhanced (OCD)
Outcome 2: Climate and disaster risk resilience of communities and institutions increased • Number of deaths, missing persons, and directly affected persons attributed to disaster per 100,000 population decreased

Source: PDP 2023-2028 Results Matrices (Chapter 13 and 15)

1.4 In support of the broader socioeconomic goals of the PDP, President Ferdinand R. Marcos, Jr. has approved the adoption of the **National Security Policy (NSP) 2023-2028** last 10 August 2023 to provide the security framework that will guide the nation's security efforts by outlining policy objectives and priority areas for safeguarding national interests, including territorial integrity, the people's welfare and economic development. All national security-related strategies, as well as plans and programs of all national government agencies (NGAs) and instrumentalities, including government-owned or-controlled corporations (GOCCs), and local government units (LGUs) should be aligned with the NSP 2023-2028. Through modernization, stronger alliances, and legislative backing, DND is striving to navigate mounting external threats while balancing sensitive internal issues and human rights concerns.

II. SOURCES OF APPROPRIATIONS

2.1 Table 1 shows the sources of appropriations of the DND for 2024-2026 including budgetary adjustments. The total available appropriations of the DND amounts to P299.3 billion in 2026, consisting of the P295.2 billion (98.6%) new appropriations and P4.1 billion (1.4%) automatic appropriations. The 2026 available appropriations are also equivalent to the expenditure program (obligations) for the year and does not include yet the continuing appropriations and budgetary adjustments which are reflected only at the end of the fiscal year.

2.2 Total automatic appropriations in 2024 is P11.9 billion—of which P9.1 billion was recorded by the GHQ/AFP and AFPWSSUs for the following: Customs duties/taxes *(P8.5 billion)*, Retirement and Life Insurance Premium or RLIP *(P121.2 million)*, and Special Account *(P470.2 million)*. Automatic appropriations are funds already covered by a separate law, and it does not require periodic action by Congress.

TABLE I
SOURCES OF FUNDS, 2024-2026
DEPARTMENT OF NATIONAL DEFENSE

Particulars	Amounts (in Million Pesos)			Share to Total Appropriations		
	2024	2025	2026	2024	2025	2026
New Appropriations	238,356.5	271,924.1	295,176.5	61.8	88.7	98.6
Supplemental Appropriations	-	-	-	-	-	-
Automatic Appropriations	11,872.9	4,049.8	4,123.6	3.1	1.3	1.4
Continuing Appropriations	7,734.8	30,750.7	-	2.0	10.0	-
Budgetary Adjustments	127,860.2	-	-	33.1	-	-
Total Available Appropriations	385,824.5	306,724.5	299,300.1	100.0	100.0	100.0
LESS: Unused Appropriations	32,412.7	30,750.7	-			
Total Obligations	**353,411.8**	**275,973.8**	**299,300.1**			

Note: Totals may not add up due to rounding off.
Source of basic date: FY 2026 National Expenditure Program (NEP)

2.3 Continuing appropriations are unused appropriations that are carried over to the subsequent year. Note that despite the adoption of the annual cash-based budgeting system, the validity of the national budget has been extended to allow for unused appropriations to be available the following year. The continuing appropriations for the DND amounted to P7.7 billion and P30.8 billion in 2024 and 2025, respectively.

2.4 Budgetary adjustments which are transfers made within the fiscal year amounted to P127.9 billion in 2024. The DND received such amount particularly from the Miscellaneous Personnel Benefits Fund (MPBF) and the Pension and Gratuity Fund (PGF). A hefty amount is annually transferred to the DND to cover for the payment of pensions and retirement benefits of military and uniformed personnel (MUP). There were also additional transfers from Unprogrammed Appropriations (UAs) for payment of personnel benefits, and additional PGF. Special purpose funds also add up to adjustments in 2024: Contingent fund for DND-OSEC *(P50.0 million)*, NDRMMF/Calamity Fund for OCD *(P557.3 million)*, and Revised AFP Modernization Program releases for the GHQ *(P48.8 billion)*.

III. EXPENDITURE PROGRAM

3.1 ***By Agency.*** Table 2 shows that the total actual spending of the DND in 2024 amounted to P353.4 billion which is relatively higher due to budgetary adjustments from PGF and MPBF, and the Continuing Appropriations. The proposed 2026 expenditure program amounting to P299.3 billion is 8.5% higher than the P275.9 billion in 2025, with increments mostly going to the three Major Commands (i.e., Philippine Army, Philippine Airforce, and Philippine Navy) and the GHQ/AFP. Note that the OCD, in charge of disaster risk reduction management efforts, increased its budget only by 1.9% which represents only 0.9% of the total DND budget.

3.2 In 2026, the bulk of the DND budget at P286.9 billion or 95.8% will go to the AFP and will be distributed to the following commands: PA (*P142 billion or 47.5%*), PAF (*P59.1 billion or 19.8%*), PN *(P59.4 billion or 19.9%)*, and the GHQ/AFP *(P26.2 billion or 8.8%)*. The remaining P12.4 billion or 4.2% will be shared by OSEC, GA, NDCP, OCD, PVAO and VMMC.

TABLE 2
EXPENDITURE PROGRAM BY AGENCY, 2024-2026

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2024	2025	2026	2024	2025	2026
	Actual	Program	Proposed	Actual	Proposed	Proposed
Office of the Secretary	1,182.8	2,258.1	2,364.5	0.3	0.8	0.8
Government Arsenal	1,406.6	2,582.6	2,375.0	0.4	0.9	0.8
National Defense College of the Philippines	193.6	334.6	313.9	0.1	0.1	0.1
Office of Civil Defense	2,566.5	2,552.1	2,601.1	0.7	0.9	0.9
Philippine Veterans Affairs Office (Proper)	11,061.7	1,150.8	1,541.5	3.1	0.4	0.5
Veterans Memorial Medical Center	2,491.5	2,979.0	3,240.6	0.7	1.1	1.1
Philippine Army (Land Forces)	121,727.4	138,273.7	142,083.5	34.4	50.1	47.5
Philippine Air Force (Air Forces)	45,873.9	51,622.2	59,134.8	13.0	18.7	19.8
Philippine Navy (Naval Forces)	42,303.4	51,076.8	59,429.8	12.0	18.5	19.9
GHQ, AFP and AFPWSSUs	124,604.4	23,143.9	26,215.5	35.3	8.4	8.8
TOTAL	**353,411.8**	**275,973.8**	**299,300.1**	100.0	100.0	100.0

Note: Totals may not add up due to rounding-off.
Source of basic data: BESF 2026

3.3 Aside from the P299.3 billion DND expenditure program for 2026, a separate Special Purpose Fund (SPF) amounting to P40.0 billion is provided for the Revised AFP Modernization Program (RAFPMP). In 2024, the RAFPMP has the same allocation amounting to P40 billion but only P38.8 billion was transferred to the DND for the implementation of the RAFPMP. The remaining P1.2 billion is recorded as unreleased appropriation as of December 2024.

TABLE 3
EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2024-2026

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2024	2025	2026	2024	2025	2026
	Actual	Program	Proposed	Actual	Program	Proposed
PS	222,243.2	163,971.4	167,746.0	62.9	59.4	56.0
MOOE	77,370.4	79,392.9	94,029.7	21.9	28.8	31.4
CO	53,798.1	32,609.5	37,524.5	15.2	11.8	12.5
Fin Ex	-	-	-	-	-	-
TOTAL (DND)	**353,411.8**	**275,973.8**	**299,300.1**	**100.0**	**100.0**	**100.0**

Source of basic data: BESF 2026

3.4 ***By Expense Class.*** Table 3 shows the DND expenditure program by expense class for 2024-2026.[2] For 2026, total allocation for Personnel Services (PS) amounts to P167.7 billion, which accounts for 56% of the entire budget of DND. The Maintenance and Other Operating Expenditures (MOOE) and Capital Outlay (CO) will get P94.0 billion (31.4%) and P37.5 billion (12.5%), respectively. Actual expenditures for PS were significantly high in 2024 at P222.2 billion compared to 2025 and 2026 levels, as it already reflects the PS-related transfers from Special Purpose Funds (e.g., pensions). Actual spending for MOOE amounted to P77.4 billion or 21.9% of the total, while CO amounted to P53.8 billion or 15.2% of the total expenditures in 2024.

3.5 ***DND Military and Uniformed Personnel (MUP) Pension***. For 2026, bulk of the Pension and Gratuity Fund (PGF) is allocated for the MUP pension with the total amount of P145.2 billion. Of this amount, P74.8 billion is programmed for the pensions of 347,505 AFP and PVAO pensioners. The existing pension system for MUP has exerted a considerable strain on the national government's (NG) finances and has been the subject of reform proposals in view of the following:

3.5.1 ***Non-contributory.*** Unlike employees in government and the private sector who make regular contributions to the Government Service Insurance System (GSIS) or Social Security System (SSS), MUPs do not pay /contribute into their pension funds. It may be recalled that during the Senate Committee on National Defense and Security, Peace, Unification and Reconciliation hearing (on 15 May 2023), National Treasurer Rosalia V. De Leon said that the government will have to provide about P537 billion in 2030, and P1.5 trillion in 2040 to keep up with the MUP pension commitments unless reforms in the MUP pension system are undertaken.[3]

3.5.2 ***Automatic Indexation.*** Pursuant to Presidential Decree No. 1638, Republic Act (RA) No. 5976, RA No. 8551, RA No. 9263, and RA No. 9993,[4] the MUP pension requirements are automatically indexed to the current base pay scheme for MUP in the active service. The most recent pension indexation for retired MUP was also implemented in 2019 consistent with the second tranche of the Modified Base Pay Schedule for the MUP pursuant to Congress Joint Resolution (JR) No. 1, s. 2018.[5]

3.5.3 ***Considerations moving forward.*** Without reforming the pension scheme, the MUP pension is touted as a "fiscal ticking time bomb" that threatens the country's financial sustainability. This means that it will steadily eat a growing portion of the national budget, crowding out funds for education, health and infrastructure. The ballooning pension requirement for MUPs could risk becoming a heavy fiscal burden to the economy, creating a fiscal strain if not urgently addressed. Former Finance Secretary

---

[2] *Allocation for PS will be used for payment of salaries, wages, and other compensation of government employees. MOOE will be for expenditures to support the operations of government agencies such as expenses for supplies and materials, transportation and travel utilities, and necessary repairs. Meanwhile, CO allocation will be used for the purchase of goods and services, the benefits of which extend beyond the fiscal year and which adds up to the assets of the government.*

[3] *Cruz, Beatriz Marie, D. (15 May 2023). "Uniformed personnel pensions to need P1.5T in gov't support by 2040". Available online: https://www.bworldonline.com. Accessed: 20 August 2023.*

[4] *Presidential Decree No. 1638, otherwise known as the AFP Military Personnel Retirement and Separation Decree of 1979; Republic Act (RA) No. 5976, or the Coast Survey Officers Retirement and Separation Act of 1969; RA No. 8551, titled the Philippine National Police Reform and Reorganization Act of 1998; RA No. 9263, commonly referred to as the BFP and BJMP Professionalization Act of 2004; and RA No. 9993, or the Philippine Coast Guard Law of 2009*

[5] *Joint resolution authorizing the increase in base pay of military and uniformed personnel in the government, and for other purposes.*

and former Governor of Bangko Sentral ng Pilipinas Benjamin Diokno warns that it will not qualify as a reform if the active members will not contribute (Cruz, 2023).

Among the key issues and provisions that need to be harmonized involve the: (i) creation and administration of a trust fund for the MUP for sustainability; (ii) lingering issue of a mandatory contribution share for those in active service and a counterpart government share due to its current non-contributory nature; (iii) fixing the optimal mandatory retirement age; (iv) indexation of pension, among others.

In the 20th Congress, various House bills[6] and Senate Bill No. 636 have been filed on MUP pension reform which are pending with the House of Representatives' Committee on National Defense and Security, and the National Defense Committee of the Senate. In the 19th Congress, House Bill No. 8969 which aims to create a sustainable fiscal framework for the pension system of the MUP was approved by the House on 3rd reading on 25 September 2023. While there were debates on the earlier versions of the bill particularly on mandatory contributions of active MUP, said version now requires only new entrants to contribute 9% of their monthly salary to the pension fund. Meanwhile, the counterpart bill in the Senate, Senate Bill No. 2501, remained pending in Second Reading.

According to DOF Secretary Ralph G. Recto, the National Government has shelved a plan to overhaul the pension system. However, the Legislative Executive Development Advisory Council (LEDAC) is set to discuss the same in September 2025, according to DBM Secretary Amenah F. Pangandaman.[7]

3.6 ***Unfilled positions.*** Table 4 shows the number of unfilled positions in the DND from 2023-2026 based on the data from the Staffing Summary. In 2024, the total unfilled positions stand at 5,731 which is 21.5% higher compared to the 4,718 unfilled positions in 2023. PAF and PA posted the highest number of vacancies in 2024 at 1,969 and 1,554, respectively. The number of unfilled positions is projected to grow by 21.2% to 7,189 in 2026 from 6,420 in 2025 largely driven by the remaining vacant positions in the PA, PAF, and PN military personnel with the approval of additional 1,358 authorized positions.

3.7 As of 30 June 2024, the Civil Service Commission (CSC) reported a total of 135 job orders/contract of service (JOs/COS) employees with the DND.[8] JOs/COS employees are not included in the Staffing Summary and the regular PS budget of the agency but charged against the MOOE.

---

[6] *HB Nos. 452 (by Representative Duterte), 1550 (by Representatives Villafuerte, M. et al), 1727 (Rep. Barba, A), 2686 (Rep. Cojuangco, M.), 2974 (Representatives Romualdez, F. et al)*

[7] *Inosante, A. R. A., & Basilio, K. C. L. (2025, August 20). Military pension reform shelved; analysts warn of "fiscal time bomb." BusinessWorld. Retrieved from https://www.bworldonline.com/top-stories/2025/08/20/692553/military-pension-reform-shelved-analysts-warn-of-fiscal-time-bomb/*

[8] *Inventory of Government Human Resource (IGHRS), CSC Website.*

TABLE 4
NUMBER OF AUTHORIZED AND UNFILLED POSITIONS BY AGENCY, 2023-2026

Agency	Authorized Positions				Unfilled Positions			
	2023	2024	2025	2026	2023	2024	2025	2026
OSEC	347	385	399	399	88	126	137	137
GA	687	687	678	678	137	134	123	123
NDCP	66	66	66	66	7	4	8	8
OCD	713	718	718	718	145	123	121	121
PVAO	386	386	386	386	66	61	62	62
VMMC	1,773	1,758	1,758	1,758	327	226	187	187
PA	**115,154**	**116,219**	**116,219**	**116,219**	**435**	**1,554**	**2,328**	**2,328**
Civilian	1,698	1,643	1,643	1,643	435	434	434	434
Military	113,456	114,576	114,576	114,576	-	1,120	1,894	1,894
PAF	**23,555**	**24,715**	**24,715**	**24,715**	**2,013**	**1,969**	**1,986**	**1,986**
Civilian	1,798	1,798	1,798	1,798	464	445	462	462
Military	21,757	22,917	22,917	22,917	1,549	1,524	1,524	1,524
PN	**27,971**	**29,330**	**29,330**	**30,688**	**314**	**222**	**198**	**1,556**
Civilian	1,400	1,400	1,400	1,400	308	182	158	158
Military	26,571	27,930	27,930	29,288	6	**40**	**40**	**1,398**
GHQ	**7,145**	**7,145**	**7,119**	**7,119**	**1,186**	**1,312**	**1,270**	**1,270**
Civilian	3,914	3,914	3,888	3,888	1,008	1,085	1,043	1,043
Military	3,231	3,231	3,231	3,231	178	227	227	227
Total	**177,797**	**181,409**	**181,388**	**182,746**	**4,718**	**5,731**	**6,420**	**7,778**

Source: Staffing Summary, 2025-2026

3.8 ***Regional distribution.*** Table 5 presents the regional distribution of the DND budget for 2024-2026. The regional breakdown of the DND budget in 2026 shows that the NCR, where the headquarters of the Major Commands are located, has the biggest allocation of P76.1 billion, accounting for 25.4% of the DND's budget. This is substantially lower compared to the actual allocation of NCR in 2024, at P271.9 billion or 76.9% of the entire DND budget in 2024**.** DND has no items under "Nationwide" which pertains to allocations still to be distributed by the concerned agency to the regions.

3.9 Aside from NCR, other regions with relatively higher allocations in 2026 are as follows: Region 3 *(P69.6 billion or 23.3%)*, Region 4A *(P22.5 billion or 7.5%),* BARMM *(P22.4 billion or 7.5%)*, and Region 7 *(P16.5 billion or 5.5%).* These regions have bigger share of the budget because they are operational hubs with major command headquarters (North Luzon Command in Region 3, Southern Luzon Command in Region 4A, Western Mindanao Command in BARMM and Central Command in Region 7), with critical training facilities, and higher operational tempo.

TABLE 5
REGIONAL DISTRIBUTION OF THE DND BUDGET, 2024-2026
(AMOUNTS IN MILLION PESOS)

Region	2024 Actual		2025 Program		2026 Proposed	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Nationwide	-	-	-	-	-	-
Central Office	13,775.9	3.9	1,712.2	0.6	6,049.8	2.0
NCR	271,889.3	76.9	97,948.6	35.5	76,080.1	25.4
CAR	2,222.5	0.6	3,789.0	1.4	5,028.0	1.7
Region 1	1,717.0	0.5	2,419.4	0.9	3,427.9	1.1
Region 2	1,190.7	0.3	3,697.0	1.3	5,029.1	1.7
Region 3	23,153.1	6.6	55,057.6	20.0	69,607.4	23.3
Region 4A	12,631.3	3.6	20,329.2	7.4	22,548.5	7.5
Region 4B	1,810.8	0.5	5,787.3	2.1	7,467.9	2.5
Region 5	1,236.7	0.3	6,465.8	2.3	7,770.4	2.6
Region 6	1,577.8	0.4	5,308.1	1.9	6,271.1	2.1
Region 7	8,608.1	2.4	13,723.3	5.0	16,500.8	5.5
Region 8	1,332.1	0.4	7,755.2	2.8	10,222.3	3.4
Region 9	1,793.9	0.5	9,407.2	3.4	10,033.7	3.4
Region 10	3,851.4	1.1	8,720.9	3.2	11,668.9	3.9
Region 11	2,354.4	0.7	6,603.6	2.4	7,690.2	2.6
Region 12	1,756.2	0.5	4,938.3	1.8	6,120.6	2.0
CARAGA	1,654.9	0.5	4,088.3	1.5	5,393.3	1.8
BARMM	855.6	0.2	18,222.6	6.6	22,390.3	7.5
TOTAL	**353,411.8**	100.0	**275,973.8**	100.0	**299,300.1**	100.0

Note: Totals may not add up due to rounding-off.
Source of basic data: BESF 2026

IV. NEW APPROPRIATIONS

4.1 Table 6 presents the proposed new appropriations of the DND for 2026 which amounts to P295.2 billion. The three Major Commands (PA, PAF, and PN) and the GHQ/AFP, AFPWSSUs, with a combined budget of P282.9 billion, account for 95.9% of the total new appropriations for DND. The remaining P12.2 billion or 4.1% of the total, will be shared by the OSEC, GA, NDCP, OCD, PVAO and VMMC.

4.2 By cost structure, the DND budget is distributed as follows: General Administration and Support or GAS (P44.9 billion), and Operations (P250.3 billion). The DND has no allocation for Support to Operations (STO) in 2026. GAS, which refers to activities and expenditures for the provision of overall administrative management and operational support to the entire agency, accounts for 15.2% of the total New Appropriations.

TABLE 6
NEW APPROPRIATIONS BY AGENCY AND COST STRUCTURE, FY 2026

Agency	Amounts (In Million Pesos)				Share to Total Agency (%)			
	GAS	STO	Operations	Total Agency	GAS	STO	Operations	Total Agency
OSEC	1,223.2	-	1,118.0	2,341.2	52.2	-	47.8	100.0
GA	197.2	-	2,157.8	2,355.0	8.4	-	91.6	100.0
NDCP	219.9	-	90.1	310.0	70.9	-	29.1	100.0
OCD	571.2	-	1,990.5	2,561.8	22.3	-	77.7	100.0
PVAO	269.3	-	1,256.2	1,525.4	17.7	-	82.3	100.0
VMMC	856.6	-	2,280.6	3,137.2	27.3	-	72.7	100.0
PA	25,721.8	-	116,311.1	142,032.9	18.1	-	81.9	100.0
PAF	5,021.4	-	54,057.3	59,078.7	8.5	-	91.5	100.0
PN	5,648.6	-	53,727.8	59,376.5	9.5	-	90.5	100.0
GHQ, AFP & AFPWSSUs	5,185.7	-	17,272.0	22,457.7	23.1	-	76.9	100.0
TOTAL (DND)	**44,915.0**	**-**	**250,261.5**	**295,176.5**	**15.2**	**-**	**84.8**	**100.0**

Note: Totals may not add up due to rounding off.
Source of basic data: NEP 2026

4.3 Meanwhile, the Operations budget accounts for 84.8% of total New Appropriations in 2026. It consists of program expenditures relating to the main purpose for which the agency was created and could involve direct production of goods or delivery of services or direct engagement in regulations (BESF, 2026). Except for OSEC and NDCP, the Operations budgets of the other DND agencies are at least 70% of their respective total New Appropriations in 2026.

4.4 Table 7 presents the allocations for the different programs of the DND in 2024-2026. Total allocation for the implementation of DND programs in 2026 amounts to P250.3 billion, 9.8% higher than the P227.8 billion in 2025. Of the 15 defense programs, the following are the five (5) major recipients of 2026 Operations budget: (1) Land Forces Defense *(P116.3 billion)*, (2) Air Forces Defense *(P54.1 billion)*, (3) Naval Forces Defense *(P53.7 billion)*, (4) Joint Force Operations *(P10.2 billion)*, and (5) Joint Force Capability *(P6.2 billion)*. The combined allocations of the top five (5) defense programs at P240.4 billion account for 96.1 % of the entire Operations budget of the DND in 2026.

4.5 All of the major programs posted positive growth rate from 2025 to 2026 except for Small Arms, Ammunition, Weapons & Munitions Program (GA) and Veterans' Memorial & Historical Preservation Program (PVAO).

TABLE 7
SUMMARY OF PROGRAMS FOR 2024-2026
DEPARTMENT OF NATIONAL DEFENSE

Implementing Agency/Program	Amount (In Million Pesos)			% Share to Total Program			Growth Rate
	2024	2025	2026	2024	2025	2026	25-26 (%)
Land Forces Defense (PA)	111,566.4	113,295.9	116,311.1	52.5	49.7	46.5	2.7
Air Forces Defense (PAF)	42,379.5	46,630.1	54,057.3	20.0	20.5	21.6	15.9
Naval Forces Defense (PN)	37,476.4	46,421.0	53,727.8	17.6	20.4	21.5	15.7
Joint Force Operations (GHQ)	9,284.2	7,701.3	10,156.0	4.4	3.4	4.1	31.9
Joint Force Capability (GHQ)	4,107.4	4,906.3	6,192.3	1.9	2.2	2.5	26.2
Veteran Health Care (VMMC)	2,001.3	2,090.2	2,280.6	0.9	0.9	0.9	9.1
Small Arms, Ammunition, Weapons & Munitions (GA)	1,903.1	2,417.8	2,157.8	0.9	1.1	0.9	(10.8)
Civil Protection (OCD)	1,782.6	1,812.6	1,990.5	0.8	0.8	0.8	9.8
Defense Policy and Strategy Management (OSEC)	499.4	697.7	1,118.0	0.2	0.3	0.4	60.2
Veterans' Welfare & Benefits Administration (PVAO)	434.7	679.6	1,036.8	0.2	0.3	0.4	52.6
Joint Force Planning (GHQ)	856.5	859.0	923.7	0.4	0.4	0.4	7.5
Veterans' Memorial & Historical Preservation (PVAO)	49.1	220.2	200.4	0.02	0.10	0.08	(9.0)
National Defense and Security Education (NDCP)	44.1	54.8	56.6	0.02	0.02	0.02	3.2
National Defense & Security Policy Studies (NDCP)	19.1	20.6	33.5	0.01	0.01	0.01	62.4
Veterans' Affairs Management (PVAO)	16.6	17.2	18.9	0.01	0.01	0.01	9.9
Total	**212,420.5**	**227,824.3**	**250,261.5**	**100.0**	**100.0**	**100.0**	9.8

Note: The amounts for programs and Total Operations include the proposed amounts for Projects which were presented separately from the regular programs under Operations in the 2024 and 2025 GAA and the 2026 NEP

Source: GAA 2024-2025 and NEP 2026

4.6 *Revised AFP Modernization Program.* Republic Act (RA) 10349 also known as the Revised AFP Modernization Program (RAFPMP) was passed on 11 December 2012 extending RA 7898 or the original AFP Modernization Act. In 2026, the RAFPMP will receive a total of P90.0 billion - P50 billion from the Special Purpose Fund (SPF) and P40 billion from the Unprogrammed Appropriations (Table 7.A). The P15 billion or 20% increase aims to restore the lower 2025 budget for the implementation of Horizon 3 of the AFPMP.

TABLE 7. A
RAFPMP BUDGET, 2024-2026

RAFPMP	Amount (In Million Pesos)			Growth Rate
	2024	2025	2026	25-26 (%)
Special Purpose Fund	*38,757.0*	*35,000.0*	*50,000.0*	42.9
Unprogrammed Appropriations	*10,000.0*	*40,000.0*	*40,000.0*	0.0
Total	***48,757.0***	***75,000.0***	***90,000.0***	**20.0**

Source: NEP 2026

4.7 The RAFPMP was divided into three (3) horizons. Horizon 1 (2012–2017) aimed to achieve full mission readiness for Internal Security Operations (ISO) and Humanitarian Assistance and Disaster Response (HADR), while attaining partial capability for territorial defense in the West Philippine Sea (WPS). Horizon 2 (2018–2022) then targeted full mission readiness specifically for territorial defense in the WPS. Finally, Horizon 3 sets the objective of attaining full mission readiness for territorial defense across the entire Philippine territory. On January 12, 2024, President Ferdinand Marcos Jr. approved the Revised Horizon 3 Project List under the AFP Modernization Program, with a funding allocation of P1.89 trillion.[9]

4.7.1 Horizon 1 (2013-2017) aims to establish the country's initial defense posture to be fully mission capable on internal security, humanitarian assistance, and disaster response while gradually building up limited territorial defense capabilities in the West Philippine Sea (WPS). Of the 53 approved projects, 36 projects are completed (amounting to P71.23 billion) and currently utilized by the military service, while the remaining 17 projects are under contract implementation, expected to be completed by 2028.

4.7.2 Horizon 2 aims to develop the minimum credible defense posture of the country specifically to address the security concerns in the WPS.[10] Of the 98 approved projects (amounting to P451.7 billion), 19 were already completed and 79 are ongoing projects, of which 75 projects are under the Capability, Materiel and Technology Development (CMTD), and four projects are under the Bases/Support Systems Development (BSSD) awaiting funding allocation and/or under contract implementation as of August 2023 (CPBRD, 2025).

4.7.3 The revised Horizon 3 seeks to embark on capability enhancement and modernization program ranging from domain awareness to connectivity, intelligence capabilities, command and control, and deterrence capabilities in maritime and aerial domains.[11]

4.8 The RAFPMP provides that the program shall be implemented over a period of 15 years *(Section 6)*, and that the funds for the program shall be at least P75 billion for the first five (5) years *(Section 7)*. However, Defense Secretary Gilberto Teodoro Jr. criticized the AFP Modernization Program's rigid 15-year horizon as "too long and impracticable," calling instead for a more flexible, responsive modernization framework akin to Ukraine's rapid retooling model.[12]

4.9 Based on the latest inventory of laws with funding deficiencies by the DBM, the RAFPMP has a funding deficiency of P2.138 trillion as of 09 August 2024. The total funding requirement for the RAFPMP increased from P548 billion in 2023 to about P2.445 trillion in 2024 due to the inclusion of the 37 Horizon 3 projects.

[9] *DND Accomplishment Report 2023 Accessible at: https://www.dnd.gov.ph*
[10] *Office for Logistics, Acquisition, and Self-Reliant Defense Posture (OLAS), Department of National Defense.*
[11] *GMA Integrated News (24 January 2024). "Marcos approved AFP modernization's Horizon 3-Teodoro." https://gmanetwork.com/news/topstories/nation/895212/marcos-approved-afp-modernization-s-horizon-3-teodoro/story/*
[12] *Mendoza, J. E. (2025, August 22). Defense chief Teodoro wants to do away with 15-year AFP modernization. Inquirer.net. https://newsinfo.inquirer.net/2099295/defense-chief-teodoro-wants-to-do-away-with-15-year-afp-modernization*

TABLE 7.B
STATUS OF THE REVISED AFP MODERNIZATION PROGRAM (2024)

Particulars	No. of Projects	Amount (In Billion Pesos)	Remarks
Horizon 1 (2013-2017)	53	96.0	**Major acquisitions:** Del Pilar class frigates, FA-50 light-lift fighter jets, Black Hawk utility helicopters, multi-purpose assault crafts, upgrades to transport aircraft inventory
First Project List	33	85.0	Approved by Pres. Benigno Aquino in 2014
Second Project List	20	11.0	Approved by Pres. Rodrigo Duterte in 2017
Horizon 2 (2018-2022)	98	451.7	**Major acquisitions:** New naval platforms, including the Miguel Malvar-class frigates (BRP Miguel Malvar and BRP Diego Silang), Offshore Patrol Vessels (Rajah Sulayman-class), New Landing Platform Dock ships (LPDs) from PT PAL Indonesia—steel cutting began August 2023, multiple launch rocket systems, armored vehicles, multi-role fighters, artillery systems, unmanned aerial systems, and more.
First Project List	76	-	Approved by Pres. Rodrigo Duterte in May 2018
Second Project List	21	-	Approved by PRRD in Sept 2018 to June 2022
Re- Horizon 3 (10years)	37	-	Overhauled Horizon 3 and approved by Pres. Ferdinand R. Marcos, Jr. in January 2024 **Planned acquisitions:** Two Submarines: Budget of P80–110 billion to acquire at least two submarines (e.g., Scorpène-class) to be potentially stationed at Subic Bay, including base and logistical support infrastructure; Fighter jets and missile systems, maritime domain awareness platforms, and upgrading defense across air, land, and sea domains[13]

Source: Bicenio et al. (2025); Walia (2025)

V. PERFORMANCE REVIEW

5.1 Table 8 shows the budget utilization performance of the DND based on obligations-to-appropriations ratio (OAR) for the period 2022-2024. The overall OAR of the DND was considerably high at an average of 95.4%. This can be attributed to the high utilization rates of the Major Commands (PA, PAF and PN) which were at least 92%, with PAF and PVAO almost close to full utilization. Among the DND agencies, GA posted the lowest OAR of 52.3% in 2024 which declined from 87.3% in 2022.

5.2 Despite higher OAR, the DND's total unused appropriations have steadily increased from P8.4 billion in 2022 to P32.4 billion in 2024. Three agencies that contributed the most to the growing unused appropriations of DND in 2024 are GHQ/AFP *(P15.4 billion)*, PA *(P10.2 billion),* and PN *(P2.6 billion)*. Appropriations are considered "unused" in two instances: (i) when the agency fails to obligate the allotments released by DBM (unobligated allotment), and (ii) when the appropriation is not released by DBM (unreleased appropriation). Out of the P32.4 billion unused appropriations in 2024, P32.0 billion were unobligated allotments. It is imperative to address the huge unused appropriations of the DND to accelerate the attainment of defense modernization goals towards advancing the country's security posture amid internal and escalating external threats especially in the WPS.

[13] *Walia, S. (2025, March 28).* The Philippines' Horizon 3 military modernization program *[Issue Brief]. Manohar Parrikar Institute for Defence Studies and Analyses. Retrieved from* https://www.idsa.in/publisher/issuebrief/the-philippines-horizon-3-military-modernisation-programme

TABLE 8
OBLIGATIONS-APPROPRIATIONS RATION AND UNUSED APPROPRIATIONS, 2022-2024

Particulars	Obligation-Appropriations Ratio (%)			Unused Appropriations (In Million Pesos)		
	2022	2023	2024	2022	2023	2024
Office of the Secretary	89.7	81.9	73.6	79.9	240.4	424.4
Government Arsenal	87.3	79.7	52.3	207.5	408.0	1,281.9
National Defense College of the Phils.	78.7	81.1	88.8	35.4	28.8	24.4
Office of Civil Defense	88.6	89.9	88.2	343.2	191.0	342.6
Philippine Veterans Affairs Office	99.5	99.8	99.5	48.8	22.7	59.8
Veterans Memorial Medical Center	91.9	93.6	83.1	206.7	180.2	505.8
Philippine Army	97.1	97.2	92.2	3,241.2	3,379.7	10,228.1
Philippine Air Force	99.2	99.5	96.8	316.4	171.8	1,523.5
Philippine Navy	95.3	96.3	94.1	1,777.2	1,406.5	2,646.0
GHQ, AFP and AFPWSSUs	98.4	97.1	89.0	2,121.9	3,509.1	15,376.2
TOTAL	**97.5**	**97.2**	**91.6**	**8,378.1**	**9,538.2**	**32,412.7**

Sources of basic data: NEP 2024-2026

5.3 Table 9 presents the disbursement rates of the DND agencies for the period 2023-2024. Disbursements indicate that procured goods and services had been delivered or completed. From 83.6% in 2023, the overall disbursement rate of DND slid to 78.9% in 2024. Except for PVAO and PA, OSEC and attached agencies disbursed below 80% of their total appropriations. The GA and OSEC remained the lowest disbursing units with rates at 38.9% and 51.9%, respectively. Delays in supplier claims and long delivery lead times were the usual causes of unpaid obligations for DND.

TABLE 9
DISBURSEMENT RATE BY AGENCY, 2023-2024
(AMOUNTS IN MILLION PESOS)

Particulars	2023			2024		
	Appropriations	Disbursements	Disbursement Rate (%) [a/]	Appropriations	Disbursements	Disbursement Rate (%) [a/]
OSEC	1,330.3	876.0	65.8	1,607.2	833.8	51.9
GA	2,011.4	1,186.6	59.0	2,688.5	1,044.7	38.9
NDCP	152.2	120.0	78.9	218.0	152.1	69.8
OCD	1,888.4	1,425.4	75.5	2,909.1	2,087.0	71.7
PVAO (Proper)	10,891.3	10,792.9	99.1	11,121.5	11,028.0	99.2
VMMC	2,802.2	2,165.9	77.3	2,997.3	2,215.2	73.9
PA	118,996.4	107,157.4	90.1	131,955.5	110,380.9	83.7
PAF	37,509.7	27,300.5	72.8	47,397.4	35,346.6	74.6
PN	37,876.3	30,393.0	80.2	44,949.4	31,135.1	69.3
GHQ, AFP & AFPWSSUs	122,049.7	98,966.6	81.1	139,980.6	110,284.7	78.8
Total	**335,507.9**	**280,384.5**	**83.6**	**385,824.5**	**304,508.3**	**78.9**

a/ Disbursement rate – ratio of disbursements to appropriations
Source: SAAODB 2023-2024, DBM

5.4 Table 10 presents the budget utilization performance of major programs of the DND in 2024 based on available Financial Accountability Report (FAR 1). All the major DND programs except for Joint Force Operations Program and Revised AFP Modernization Program (RAFPMP) have high obligation rates that were above 90%. The RAFPMP's low obligation and disbursement rates of 71.7% and 52.8%, respectively, are attributable to the P4.9 billion unreleased funds and P10.0 billion unobligated funds from unprogrammed appropriation as of December 2024. It is the Land Forces Defense Program that posted both high obligation and disbursement rates in 2024 at 91.0% and 82.6%, respectively. Meanwhile, the Air Forces Defense and Naval Forces Defense have considerably high obligation rates, but disbursement rates at 71.7% and 65.3%, respectively, need to be improved.

TABLE 10
BUDGET UTILIZATION BY MAJOR PROGRAM, 2024 (AMOUNTS IN MILLION PESOS)

Program/Implementing Agency	Appropriations	Obligations	Disbursements	Obligation Rate (%) [a/]	Disbursement Rate (%) [b/]
Land Forces Defense (PA)	113,505.3	103,304.3	93,757.9	91.0	82.6
Air Forces Defense (PAF)	42,549.8	41,026.3	30,499.0	96.4	71.7
Naval Forces Defense (PN)	38,771.8	36,346.6	25,334.3	93.7	65.3
Joint Force Operations (GHQ)	10,087.7	6,256.5	3,671.5	62.0	36.4
Revised AFP Modernization	54,466.4	39,068.0	28,769.7	71.7	52.8

a/ Obligation rate – ratio of obligations to appropriations
b/ Disbursement rate – ratio of disbursements to appropriations
Source: SAAODB 2024 (FAR No. 1)

5.5 In general, the low disbursement rate for the major programs of DND is attributable to the timing mismatch between fund releases and the scheduled payments for their large-ticket capital outlay items. In other words, the DND was unable to utilize funds because payments were still not yet due and demandable, and that goods and services have not been delivered nor–rendered.[14] Challenges in financial management and execution lead to delays in payments, procurement, and project implementation of the agency. Notably, the Department and its attached agencies need to regularly post latest financial reports consistent with the Transparency requirement.

5.5.1 The Joint Force Operations Program of the GHQ has the lowest obligation and utilization in 2024 partly due to unobligated capital outlays which are still available as continuing appropriation. Various unobligated items (i.e. semi active monitoring system, short range air defense, IT infrastructure and equipment) are in different stages of procurement. As of June 2024, the GHQ reported that all 10 projects under the Revised AFP Modernization program have been fully obligated while 12 ongoing projects supported by a multi-year contractual authority (MYCA).

5.6 The 2026 NEP uses the Program Expenditure Classification (PREXC) to present the Operations budgets of national government agencies (NGAs). It is a budgeting reform that aims to tighten the link between the agency strategies, budget allocations, and desired results especially in terms of benefits to citizens. Under PREXC, the Operations budgets of agencies

[14] *Ta-Asan, K. (2024, December 27).* Infrastructure spending rises in October. Philippine Star. *https://www.philstar.com/business/2024/12/27/2410000/infrastructure-spending-rises-octo*

are structured by Programs comprising related activities and projects contributing to a common Organizational Outcome (OO).

5.7 Programs in the NEP contain performance indicators which are useful inputs in assessing the efficiency and effectiveness of service delivery by NGAs. The NEP reports by performance indicator (at output and outcome levels) the accomplishments of NGAs vis-à-vis Program targets. Such information can be used to assess the soundness of agency budget proposals considering levels of past accomplishments and targets for the coming fiscal year.

5.8 Table 11 presents the 2022-2024 accomplishments and 2025-2026 targets of select Programs of the AFP that contribute to ensuring peace and security in the country.

5.9 Overall, the AFP's defense programs have consistently met, sometimes overachieved, its target output and outcome indicator for land, air and naval forces. Under the Land Forces Defense Program, while the outcome target of *81% and 79% of its tactical and ready reserve units in prescribed readiness condition,* respectively, has been achieved, the Philippine Army only achieved 317 tactical and ready reserve battalions out of the 331 target. Meanwhile, the AFP Modernization Program accomplished its targets in terms of *percentage of AFP Modernization projects being implemented (old)* and *number of approved Acquisition Decision Memorandum (old).* It may be noted that in 2025 both outcome and output indicators were modified to cover only the implementation of funded AFP Modernization Projects.

5.10 The DND's performance framework is functionally operational but not yet strategically transformational. Without stronger logic models and PDP alignment, the Department risks reporting activity without clearly demonstrating how it secures the Filipino people or advances peace and resilience. A more integrated, outcome-driven, and nationally aligned monitoring and evaluation (M&E) system is essential to close this gap.

5.11 The performance indicators generally align with PDP Chapter 13 on "Peace and Security" by supporting the core goal of defense preparedness, thereby its sectoral outcome of "Security, public order, and safety ensured" is relevant and appropriate. However, DND's major programs rely heavily on quantity indicators. For example, "number of units deployed," "flying hours," and "supportable aircraft maintained" don't explain if missions were effective, strategic, or contextually impactful. This neglects quality/impact metrics. No indicators measure success in operations, threats deterred, civilian protection, or strategic outcomes achieved. This also shows the lack of feedback loops (e.g., post-implementation reviews of modernization projects) to assess learning or adaptive management.

5.12 The DND is encouraged to make stronger representation of its contribution in the PDP and provide more relevant indicators as most of the outcome indicators it is responsible with are in collaboration with other agencies. For instance, the outcome indicator "percentage of implementation of peace agreements completed particularly the Comprehensive Agreement on Bangsamoro" is a joint endeavor of the DND with the Office of the Presidential Adviser on Peace, Reconciliation, and Unity (OPAPRU), Department of Interior and Local Government (DILG) and Bangsamoro Autonomous Region of Muslim Mindanao (BARMM).

TABLE 11
PERFORMANCE INDICATORS OF SELECT AFP PROGRAMS, 2022-2026

Program	Actual vs (Target)			2025	2026
	2022	2023	2024	Target	Target
Program 1: Land Forces Defense Program (P116,311.1 M)					
Outcome Indicator					
Indicator 1: % of Tactical Units provided to force employers that are in prescribed readiness condition	**81%** (80%)	**80%** (80%)	**81%** (81%)	81%	81%
Indicator 2: % of Ready Reserve Units in prescribed readiness condition	**94%** (60%)	**80%** (78%)	**79%** (79%)	79%	79%
Output Indicator					
Indicator 1: No. of tactical and ready reserve units maintained (Tactical Battalions and Ready Reserve Battalions)	**309** (326)	**308** (329)	**317** (331)	326	328
Indicator 2: % of operational readiness of tactical and ready reserve units (Tactical Battalions)	**88%** (85%)	**89%** (89%)	**90%** (90%)	89%	89%
Indicator 3: Average % of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities	**90%** (90%)	**90%** (90%)	**90%** (90%)	90%	90%
Program 2: Air Forces Defense Program (P54,057.3 M)					
Outcome Indicator					
Indicator 1: % of Tactical Air Operations Group that supported the Unified Commands	**100%** (100%)	**100%** (100%)	**100%** (100%)	100%	100%
Output Indicator					
Indicator 1: No. of supportable aircraft maintained	**169** (173)	**169** (169)	**172** (172)	172	176
Indicator 2: % of accomplishment of one-hour response to flight-directed mission	**98%** (90%)	**92%** (90%)	**95%** (90%)	90%	90%
Indicator 3: % of flying hours flown	**100%** (100%)	**88%** (100%)	**88%** (100%)	100%	100%
Program 3: Naval Forces Defense Program (P53,727.8 M)					
Outcome Indicator					
Indicator 1: % of Naval units provided to unified commands	**114%** (100%)	**109%** (100%)	**118%** (100%)	100%	100%
Output Indicator					
Indicator 1: No. of Philippine Navy (PN) units deployed and sustained for utilization/employment	**138** (109)	**136** (118)	**156** (120)	127	134
Indicator 2: No. of PN units prepared for deployment	**24** (34)	**35** (35)	**39** (39)	43	46
Indicator 3: No. of Force-Level Support Services Units sustained	**140** (137)	**140** (137)	**148** (139)	140	140
AFP Modernization Sub-Program (P50 billion)					
Outcome Indicator					
Indicator 1: % of AFP Modernization Projects being implemented (old)	**17%** (100%)	**100%** (100%)	**75%** (100%)	N/A	N/A
Indicator 2: % of funded AFP Modernization Projects implemented (new)	-	-	-	100%	100%
Output Indicator					
Indicator 1: No. of approved Acquisition Decision Memorandum (old)	**6** (10)	**10** (10)	**16** (10)	N/A	N/A
Indicator 2. No. of funded AFP Modernization Projects implemented (new)	-	-	-	10	10

Source: NEP 2024-2026

VI. COA FINDINGS AND RECOMMENDATIONS

6.1 The Commission on Audit (COA) is constitutionally mandated to ensure the integrity of government fiscal and financial transactions, and to annually submit to Congress the status of agency compliance to its audit recommendations. The Annual Audit Report (AAR) for each audited agency is posted at the COA website, however only 2023 AAR is available. (*www.coa.gov.ph*). In the absence of the 2024 AAR, the Action Plan Monitoring Tool (APMT) of COA was used to examine agency compliance to audit recommendations.

The COA rendered an unmodified opinion on the fairness of presentation of the financial statements of GHQ, NDCP, PA, PAF, PN, PVAO as of 31 December 2023. Unmodified/unqualified opinion is the best audit opinion that the COA can give to a government agency. Meanwhile, the COA rendered modified opinion on DND-OSEC and OCD on the fairness of presentation of the financial statements of DND as of 31 December 2023. A modified opinion is issued when the auditor (i) concludes that based on the audit evidence obtained, the financial statements as a whole are not free from material misstatement; or (ii) is unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole are free from material misstatement.

6.2 Presented below are key observations/audit findings of the COA as reported in the **2023 APMT** of the different DND agencies.

Pecuniary Loss

- ***OSEC.*** Due to poor programming and cash management, unutilized amount of P124.20 million in CY 2023 lapsed and reverted to the Bureau of the Treasury (BTr). This remained unimplemented due to pending conduct of relevant workshops for the purpose (*Observation No. 5*).
- ***GHQ.*** Balance of Cash in Bank-Local Currency as of December 31, 2023 is understated due to unrecorded book reconciling items (P3.53 million), unremitted cash to BTr (P53.17 million) and unaccounted transactions (P640.14 million) (*Observation No. 1*). Of this amount, long outstanding receivables from overpaid pensioners amounting to P615.6 million remain uncollected. Compliance remains unimplemented due to ongoing reconciliation with AFPAC, AFPPGMC, and AFPFC.
- ***PAF.*** Outstanding receivables totaling P10.6 million were not collected due to lenient implementation of the Standard Operating Procedures for collection of rent and utilities of concessionaires. Audit recommendations remain unimplemented in view of the ongoing reconciliation of accounts (*Observation No. 1*).

Unrecorded/Undelivered Goods

- ***OSEC.*** While P14.24 million worth of Repairs, Maintenance and Construction funds from fuel consumption were already recorded in the books of accounts, (*Observation No. 1*), the management has yet to finalize the reconciliation of this amount which pertains to rebates from Petron Corporation which remained unutilized since 2015 (*Observation No. 7*). Actions taken on the unreliability of reported balance of Inventory accounts due to unrecorded issuances of semi-expandable properties amounting to P3.65 million, discrepancies of P28.0 million between accounting records and Report on Physical Count of Inventories, and existence of 854 non-moving items totaling P22.70 million remained not implemented due to its ongoing validation (*Observation No. 3*).
- ***GHQ.*** Issued properties (P369.0 million), donations (P10.3 million), PPE items (P781.7 million) to end-users, infrastructure project (P26.9 million), and unverified credit memos under the AFP Housing Board (P289.5 million) remain unrecorded in the books with audit recommendation unimplemented *(Observation No. 5, and 6, Observation No. 1 -2022).*

- ***NCDP.*** Donation of 15 art works and one transportation equipment of undisclosed amounts remained unrecorded with audit recommendation unimplemented.
- ***OCD.*** Donation of eight (8) units of motor vehicles with total acquisition cost of P15.7 million remain unregistered in the name of OCD exposing the risk of losing such property due to questionable ownership.

Lack of Documentation / Delays in Submission of Reports

- ***PN.*** 32 parcels of land were not covered with Transfer Certificate of Title (TCT) in the name of the agency remain an ongoing concern to secure proof of ownership of Maritime Police for the remaining 8,723sqm *(Observation No. 11).*
- ***PN.*** Various transactions totaling P27.4 million were recorded in the books without proper documentation to support the transaction.

Delayed or Unimplemented Projects

- ***OCD.*** Various projects intended for DRRM totaling P12.79 million remained unimplemented depriving the users of the much-needed benefits of the projects.

Weak Internal Controls and Administrative Lapses

- ***PA.*** Dormant accounts totaling P26.4 million and unreconciled difference totaling P859.7 million from inter-agency receivables has yet to be verified, pending Management's completion of required documents (*Observation No. 2*). Further, the reliability of other receivables amounting to P150.5 million cannot be ascertained due to dormant accounts (P52.2 million) and unclassified asset accounts (P84.5 million).
- ***PN.*** The findings of COA on the delayed submission of financial reports with delays ranging from two to 2,886 days which preclude the timely auditorial review and validation of transactions remain unimplemented.
- ***VMMC.*** The agency suffers delay in submission of financial reports ranging from one to 136 days due to limited manpower resources.

Gender and Development (GAD) Budget Compliance

- The DND GAD Office conducted a total of 55 out of 54 activities or more than 100% accomplishments. Financially, the office utilized P13.3 million which is 8.9% of the programmed GAD budget. Pursuant to existing GAD laws, at least 5% of the total annual budget must be allocated for the implementation of GAD-related activities.

REFERENCES:

Bicenio, B. M., Gonzales, A. S., Mamhot, P. L. B., & Sempio, N. H. (2025). *Enhancing the Philippines' defense policy ecosystem: The role of Congress in national security* (Discussion Paper No. 2025-03). Congressional Policy and Budget Research Department. https://cpbrd.congress.gov.ph/wp-content/uploads/2025/02/DP2025-03-ENHANCING-THE-PHILIPPINES-DEFENSE-POLICY-SYSTEM.pdf

Civil Service Commission (CSC). *Inventory of government human resource (IGHRSv2.0).* https://www.csc.gov.ph/

Commission on Audit. (2024). *Annual Audit Reports 2023*. Retrieved from https://www.coa.gov.ph/reports/annual-audit-reports/

Cruz, B. (2023, May 15). Uniformed personnel pensions to need P1.5T in gov't support by 2040. *BusinessWorld.* https://www.bworldonline.com

Cruz, B. (2023, September 27). House OKs military pension reform measure on third reading. *BusinessWorld Online*. Retrieved from https://www.bworldonline.com/top-stories/2023/09/27/547964/house-oks-military-pension-reform-measure-on-3rd-reading

Department of Budget and Management. (2024-2025) General Appropriations Act 2024-2025. https://dbm.gov.ph

__________________. (2024) *Statement of Appropriations, Allotment, Obligation, Disbursement and Balances (SAAODB)*. 2024. https://dbm.gov.ph

__________________. (2026) *Budget of Expenditures and Sources of Financing (BESF) for FY 2026*. https://dbm.gov.ph

___________________. (2026) *National Expenditure Program 2022-2026*. https://dbm.gov.ph

___________________. (2026) *President's Budget Message*. https://www.dbm.gov.ph/index.php/2026/2026-presidents-budget-message

___________________. (2026) *Staffing Summary 2022-2026*. https://www.dbm.gov.ph/index.php/2026/staffing-summary-2026

Department of National Defense. (2025). *2023 annual accomplishment report*. https://dnd.gov.ph

Department of National Defense and Attached Agencies. (2024). *Financial accountability reports (FAR No. 1)*. Transparency Seal.

Gil, M. (2024, April 18). *Private defense firms appeal for more fiscal, legal support*. *Philippine News Agency*. https://www.pna.gov.ph/articles/1222641

Inosante, A. R. A., & Basilio, K. C. L. (2025, August 20). Military pension reform shelved; analysts warn of "fiscal time bomb." *BusinessWorld*. https://www.bworldonline.com/top-stories/2025/08/20/692553/military-pension-reform-shelved-analysts-warn-of-fiscal-time-bomb

Mendoza, J. E. (2025, August 22). Defense chief Teodoro wants to do away with 15-year AFP modernization. **Inquirer.net**. https://newsinfo.inquirer.net/2099295/defense-chief-teodoro-wants-to-do-away-with-15-year-afp-modernization

National Economic and Development Authority. (2023). *Philippine development plan 2023–2028.*

National Economic and Development Authority. (2023). *National security policy 2023–2028.*

Ta-Asan, K. (2024, December 27). Infrastructure spending rises in October. *Philippine Star.* https://www.philstar.com/business/2024/12/27/2410000/infrastructure-spending-rises-octo

ANNEX A

EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2023-2025
(AMOUNTS IN MILLION PESOS)

Particulars	2024					2025					2026				
	PS	MOOE	CO	FinEx	TOTAL	PS	MOOE	CO	FinEx	TOTAL	PS	MOOE	CO	FinEx	TOTAL
OSEC	263.4	722.5	196.9	0.0	1,182.8	230.4	793.4	1,234.3	0.0	2,258.1	284.5	1,220.7	859.3	0.0	2,364.5
GA	351.8	910.0	144.8	0.0	1,406.6	351.7	1,537.7	693.1	0.0	2,582.6	377.0	1,630.8	367.2	0.0	2,375.0
NDCP	57.6	104.3	31.7	0.0	193.6	53.6	130.7	150.4	0.0	334.6	64.2	207.2	42.5	0.0	313.9
OCD	494.1	1,671.7	400.6	0.0	2,566.5	406.8	1,236.6	908.7	0.0	2,552.1	482.0	1,722.9	396.2	0.0	2,601.1
PVAO	10,595.3	427.6	38.8	0.0	11,061.7	175.8	665.8	309.2	0.0	1,150.8	201.1	1,021.4	318.9	0.0	1,541.5
VMMC	1,299.1	1,174.6	17.8	0.0	2,491.5	1,300.1	1,493.5	185.4	0.0	2,979.0	1,507.8	1,621.1	111.7	0.0	3,240.6
PA	99,909.1	18,221.1	3,597.3	0.0	121,727.4	107,990.2	20,264.2	10,019.3	0.0	138,273.7	109,079.4	21,352.5	11,651.6	0.0	142,083.5
PAF	18,971.8	23,300.5	3,601.7	0.0	45,873.9	19,864.4	27,244.0	4,513.8	0.0	51,622.2	20,703.2	29,740.4	8,691.2	0.0	59,134.8
PN	23,418.8	14,645.8	4,238.8	0.0	42,303.4	25,398.2	17,862.4	7,816.2	0.0	51,076.8	27,508.1	23,553.7	8,368.0	0.0	59,429.8
GHQ	66,882.3	16,192.4	41,529.7	0.0	124,604.4	8,200.2	8,164.6	6,779.1	0.0	23,143.9	7,538.7	11,958.8	6,717.9	0.0	26,215.5
Total	**222,243.2**	**77,370.4**	**53,798.1**	**0.0**	**353,411.8**	**163,971.4**	**79,392.9**	**32,609.5**	**0.0**	**275,973.8**	**167,746.0**	**94,029.7**	**37,524.5**	**0.0**	**299,300.1**

Source: FY 2026 BESF

ANNEX B

EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2023-2025
(AS PERCENT TO TOTAL AGENCY)

Particulars	2024					2025					2026				
	PS	**MOOE**	**CO**	**FinEx**	**TOTAL**	**PS**	**MOOE**	**CO**	**FinEx**	**TOTAL**	**PS**	**MOOE**	**CO**	**FinEx**	**TOTAL**
OSEC	22.3	61.1	16.6	-	100.0	10.2	35.1	54.7	-	100.0	12.0	51.6	36.3	-	100.0
GA	25.0	64.7	10.3	-	100.0	13.6	59.5	26.8	-	100.0	15.9	68.7	15.5	-	100.0
NDCP	29.7	53.9	16.4	-	100.0	16.0	39.0	44.9	-	100.0	20.4	66.0	13.5	-	100.0
OCD	19.3	65.1	15.6	-	100.0	15.9	48.5	35.6	-	100.0	18.5	66.2	15.2	-	100.0
PVAO	95.8	3.9	0.4	-	100.0	15.3	57.9	26.9	-	100.0	13.0	66.3	20.7	-	100.0
VMMC	52.1	47.1	0.7	-	100.0	43.6	50.1	6.2	-	100.0	46.5	50.0	3.4	-	100.0
PA	82.1	15.0	3.0	-	100.0	78.1	14.7	7.2	-	100.0	76.8	15.0	8.2	-	100.0
PAF	41.4	50.8	7.9	-	100.0	38.5	52.8	8.7	-	100.0	35.0	50.3	14.7	-	100.0
PN	55.4	34.6	10.0	-	100.0	49.7	35.0	15.3	-	100.0	46.3	39.6	14.1	-	100.0
GHQ	53.7	13.0	33.3	-	100.0	35.4	35.3	29.3	-	100.0	28.8	45.6	25.6	-	100.0
Total	**62.9**	**21.9**	**15.2**	**-**	**100.0**	**59.4**	**28.8**	**11.8**	**-**	**100.0**	**56.0**	**31.4**	**12.5**	**-**	**100.0**

Note: - means less than 0.1%
Source of basic data: FY 2026 BES