FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

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s. в. no. <u>291</u>7

Introduced by Senator Jinggoy Ejercito Estrada

EXPLANATORY NOTE

Article II, Section 3 of the 1987 Constitution provides "Civilian authority is at all times supreme over the military. The Armed Forces of the Philippines is the protector of the people and the State. Its goal is to secure the sovereignty of the State and the integrity of the national territory." Thus, the Commander-in-Chief together with corps of warriors – able soldiers of the Armed Forces – are considered the defenders of the State.

Recent events, however, particularly the anomalies uncovered during the legislative investigations in the Senate has evidently given the Filipinos a good glimpse of a contrary picture of the AFP. Now, seemingly, they are the "destroyers" of the State.

This Bill therefore seeks, as propriety dictates, to reorganize the defense structure with reforms that would define the very strength of its leadership, its relevance to present and future challenges and one that would strengthen civilian authority.

In view of the foregoing, approval of this Bill is hereby sought.

JINGGOY EJERCITO ESTRADA

FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

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s. в. no. 2917

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Introduced by Senator Jinggoy Ejercito Estrada

AN ACT

REORGANIZING THE DEPARTMENT OF NATIONAL DEFENSE (DND) AND THE ARMED FORCES OF THE PHILIPPINES (AFP) AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

CHAPTER 1 PRELIMINARY PROVISIONS

SECTION 1. Title. – This Act shall be known as the "DND-AFP Reorganization Act of 2011".

SEC. 2. Declaration of Policy and Objectives. – It is hereby declared the policy of the State to strengthen civilian authority in the Department of National Defense (DND).

Towards this end, the government shall implement reforms in the DND to immediately attain the following objectives:

- 1. To reorganize the DND;
- 2. To emphasize the chains of command;
- 3. To set the roles of the Secretary of National Defense (SND), Chief of Staff AFP (CSAFP) and Service Chiefs;

- 4. To improve the military advice provided to the President, the National Security Council, and the SND
- 5. To place clear responsibility on the commanders of the area commands for the accomplishment of missions assigned and ensure that the authority of the commanders is fully commensurate with that responsibility;
- 6. To define the functions and place clear responsibility on the Service Chiefs for the accomplishment of missions in support of the Area Commands;
- 7. To establish different DND agencies and prescribe its functions;
- 8. To provide a system for more efficient use of defense resources.

CHAPTER II THE DEPARTMENT OF NATIONAL DEFENSE

SEC. 3. Composition of the DND. - The DND shall be headed by the SND and shall be composed of the following:

- 1. The Office of the Secretary of National Defense (OSND);
- 2. The AFP;
- 3. The DND Agencies; and
- 4. Such other offices, agencies, activities, and commands as may be established or designated by law or by the President. If the President establishes or designates an office, agency,

If the President establishes or designates an office, agency, activity, or command in the DND of a kind the President shall notify Congress not later than 60 days thereafter

SEC. 4. – Chain of Command. - The Chain of Command shall be as follows:

a. Operational Chain of Command.

The operational chain of command shall run from the President to the SND to the Commanders of Area Commands.

b. Administrative Chain of Command.

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The administrative chain of command shall run from the President to the SND to the CSAFP to the service chiefs of the Philippine Army, Philippine Navy and Philippine Air Force.

SEC. 5. Roles, functions and duties of the Secretary of National Defense. – The SND shall exercise authority, direction and control over all component agencies, offices and units of the DND. The main duty of the SND is to plan, develop and execute policies that concern the military affairs and national security of the country. He shall be responsible for the department's resource management; fiscal and program evaluation as well as proposing and enforcing military policies, procedures, and plans, including formulating strategic force structure plans, basic needs, and resolving inter-service conflict.

SEC. 6. Roles, Duties and Responsibilities of the OSND.- The Office of the Secretary of National Defense (OSND) shall be composed of the following:

- a) The Undersecretaries of DND;
- b) The Assistant Secretaries of DND;
- c) The Inspector General of DND;
- d) Such other offices and officials as may be established by law or the SND.

Officers of the armed forces may be assigned or detailed to permanent duty in the OSND. However, the Secretary may not establish a military staff in the OSND. For this matter, and to maintain its integrity as a civilian office, the number active military personnel assigned to DND should not exceed ten (10) percent of the authorized DND personnel ceiling.

The Service Chief of each branch of service, and the civilian employees of the Armed Forces, shall cooperate fully with personnel of the OSND to achieve efficient administration of the DND and to carry out effectively the authority, direction, and control of the SND.

SEC. 7. Roles, functions and duties of the CSAFP. - The Chief of Staff of the AFP (CSAFP) shall be appointed by the President. He shall serve at the pleasure of the President for a term of two years. However, the

President may reappoint an officer serving as CSAFP for one (1) additional year after his term expires.

In the event of the death, retirement or resignation, an officer appointed to fill the vacancy shall serve as CSAFP only for the remainder of the original term, but may be reappointed as provided in paragraph (1).

The CSAFP shall perform the following:

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- 1) Act as Chairman of the Board of Generals (BOG);
- 2) Subject to the authority, direction, and control of the President and the SND, the CSAFP shall be responsible for the following principal functions:
 - (a) To advise and assist the SND on the preparation of annual policy guidance for the Heads of the DND Agencies for the preparation and review of program recommendations and budget proposals;
 - (b) To advise the SND on the preparation of policy guidance for the preparation and review of contingency plans.
 - (c) To serve as the spokesman for Commanders of the Area Commands, especially on the operational requirements of each commands.
 - (d) To assist the President and the SND in providing for the strategic direction of the Armed Forces, including the direction of operations conducted by the Area Commanders.
 - (e) To prepare strategic plans, including plans that conform with resource levels projected by the SND made available during the period for which the plans are to be effective.
 - (f) To prepare military strategy and assessments.
 - (g) To provide for the preparation and review of contingency plans those conform to policy guidance from the President and the SND.

(h) To advise the SND on critical deficiencies and strengths in force capabilities (including manpower, logistic, and mobility support) identified during the preparation and review of contingency plans, and assess the effect of such deficiencies and strengths on meeting national security objectives and policy and strategic plans.

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- (i) To consult with the Area Commanders in order to establish and maintain a uniform system for evaluating the preparedness of each Command to carry out missions assigned.
- (j) To advise the SND on the priorities of the requirements, especially operational requirements, identified by the Commanders of the Area Commands.
- (k) To submit to the SND, when deemed necessary, alternative program recommendations and budget proposals within projected resource levels and guidance provided by the SND, to achieve greater conformance with the priorities established in strategic plans and with the priorities for the requirements of the Area Commanders.
- (l) To oversee the activities of the Area Commands.
- (m) To formulate policies regarding the military education and training of members of the Armed Forces.
- (n) To determine military requirements for defense acquisition programs;
- (o) To advise the SND on the extent to which the major programs and policies of the Armed Forces in the area of manpower conform with strategic plans.
- (p) To develop and establish doctrine for all aspects of the joint employment of the Armed Forces.
- (q) To submit to the SND, a report containing such recommendations for changes in the assignment of functions (roles and missions) to the Armed Forces necessary to achieve maximum effectiveness of the Armed Forces.

- (r) To attend and participate in meetings of the NSC subject to the guidance and direction of the President and SND.
- (s) To advise and assist the SND on establishing Area Commands to perform military missions and on prescribing the force structure of those commands.
- (t) To transmit communications between the President or the SND and the Commanders of the Area Commands, as directed by the President.
- (u) To develop and maintain a uniform readiness reporting system for combat-support agencies, in consultation with the director of each agency.
- (v) To advise and assist the SND on the periodic review and revision of the curriculum of each professional military education school to enhance the education and training of officers particularly in joint matters.
- (w) To review the reports of selection boards that considers promotion of officers.
- (x) To advise the SND on the establishment of career guidelines for officers.
- (y) To submit to the SND an evaluation of the performance of officers recommended for promotion to star rank.
- (z) To review the plans and program of the Area Commanders to determine their adequacy and feasibility for the performance of assigned missions.
 - (aa) To participate, as directed, in the preparation of combined plans for military action in conjunction with the Armed Forces of other nations.
 - (bb) To determine the headquarters support, such as facilities, personnel, and communications, required by the Area Commands, and recommend the assignment to the

military service branch of the responsibilities for providing such support.

- (cc) To assess joint military requirements for command, control, and communications; recommend improvements; and provide guidance on aspects that relate to the conduct of joint operations.
- (dd) To prepare and submit to the SND, for information and consideration in connection with the preparation of budgets, statements of military requirements. These statements of requirements shall include tasks, priority of tasks, force requirements, and general strategic guidance for developing military installations and bases, and for equipping and maintaining military forces.
- (ee) In carrying out his functions, duties, and responsibilities, the CSAFP, shall, as considered appropriate, consult with and seek the advice of the service chiefs and the Commanders of the Area Commands.
- (ff) To perform such other duties as the President or the SND may prescribe.

CHAPTER III Military Advisers to the President and SND

SEC. 8. The Board of Generals (BOG). - There shall be in the DND the Board of Generals (BOG) headed by the CSAFP. The BOG shall consists of the following:

- a) The CSAFP as Chairman;
- b) The Vice Chief of Staff, AFP (VCSAFP) as the Vice Chairman;
- c) The Chief of the Army;
- d) The Chief of the Navy;

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e) The Chief of the Air Force.

The Vice Chairman, while so serving, holds the grade of lieutenant general or, in the case of an officer of the Navy, vice admiral and outranks all other officers of the armed forces except the Chairman. **SEC. 9. Functions of the BOG Chairman.** - Subject to the authority, direction, and control of the President and the SND, the BOG Chairman shall be the principal military adviser to the National Security Council and shall be responsible for the following:

- 1) STRATEGIC DIRECTION. He shall assist the President and the SND in providing for the strategic direction of the armed forces.
- 2) STRATEGIC PLANNING.

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- (a) He shall prepare strategic plans, including plans which conform to the resource level projected by the SND to be available for the period of time for which the plans are to be affective.
- (b) He shall prepare joint logistic and mobility plans to support those strategic plans and recommending the assignment of logistic and mobility responsibilities to the armed forces in accordance with those logistic and mobility plans.
- (c) He shall perform net assessments to determine the capabilities of the armed forces with those of their potential adversaries.
- 3) CONTINGENCY PLANNING.
 - (a) He shall provide for the preparation and review of contingency plans which conform to policy guidance from the President and the SND.
 - (b) He shall advise the SND on critical deficiencies and strengths in force capabilities, including manpower, logistic, and mobility support identified during the preparation and review of contingency plans and shall assess the effect of such deficiencies and strengths on meeting national security objectives and policy and on strategic plans.

(c) He shall establish and maintain, after consultation with the commanders of the area commands, a uniform system of evaluating the preparedness of each such command to carry out missions assigned to the command.

4) ADVICE ON PROGRAMS AND REQUIREMENTS

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- (a) He shall advise the SND on the priorities of the requirements identified by the commanders of the area commands and chiefs of the service branches.
- (b) He shall advise the SND of the extent to which the program recommendations of the military departments and other components of the DND for a fiscal year conforms with the priorities established in strategic plans and with the priorities established for the requirements of the area commands.
- (c) He shall submit to the SND alternative program recommendations within projected resource levels and guidance provided by the Secretary, in order to achieve greater conformity with the priorities.
- (d) He shall recommend to the SND programs and logistical requirements of each service branch.
- (e) He shall recommend and assess military requirements for defense acquisition programs.

5) DOCTRINE TRAINING AND EDUCATION.

- (a) He shall develop doctrine for the joint employment of the armed forces.
- (b) He shall formulate policies for the joint training of the armed forces.
- (c) He shall formulate policies for coordinating the military education and training of members of the armed forces.

6) OTHER MATTERS. He shall perform such other duties as may be prescribed by law, the President, or the SND.

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In carrying out his functions, duties, and responsibilities, the Chairman shall, as he considers appropriate, consult with and seek the advice of the other members of the BOG and the commanders of the area command.

In presenting advice with respect to any matter to the SND, the Chairman shall, as he considers appropriate, inform the SND, as the case may be, of the range of military advice and opinion with respect to that matter.

SEC. 10. Advice and opinions of members other than the Chairman.- Any member of the BOG may submit to the Chairman, advice or an opinion in disagreement with, or in addition to, the advice presented by the Chairman to the SND. If a member submits such advice or opinion, the Chairman shall present the advice or opinion of such member at the same time he presents his own advice to the Secretary of National Defense, as the case may be.

The Chairman shall establish procedures to ensure that the presentation of his own advice to the SND is not unduly delayed by reason of the submission of the individual advice or opinion of another member of the BOG.

The SND shall acknowledge the receipt of the dissenting opinion of a member through written communication addressed to the concerned BOG member and shall furnish a copy to the Chairman.

SEC. 11. Advice on Request. The members of the BOG, individually or collectively, in their capacity as military advisers, shall provide advice to the SND on a particular matter when the SND request such advice.

SEC. 12. Meeting of BOG. - The Chairman shall convene the regular meeting of the BOG. Subject to the authority, direction, and control of the President and the SND, the Chairman shall (1) preside over the meetings of the BOG; (2) provide agenda for the meetings of the BOG; and (3) determine when issues under consideration by the BOG shall be decided.

SEC. 13. Functions of Other BOG Members. - The Vice Chairman performs such duties as may be prescribed by the CSAFP with the approval of the SND. In case of vacancy in the office of Chairman of BOG or in his absence or disability, the Vice Chairman shall act as Chairman and shall perform the duties of the Chairman until a successor is appointed or the absence or disability ceases.

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If there is a vacancy in the offices of both Chairman and Vice Chairman or in the absence or disability of both the Chairman and the Vice Chairman, or when there is a vacancy in one such office and in the absence or disability of the officer holding the other, the President shall designate a member of the BOG to act as and perform the duties of the Chairman until a successor to the Chairman or Vice Chairman is appointed or the absence or disability of the Chairman or Vice Chairman ceases.

SEC. 14. Appointment of Officers to BOG. - There shall be a BOG staff under the Chairman. The BOG staff shall assist the Chairman and, subject to the authority, direction, and control of the Chairman, the other members of the BOG and the Vice Chairman in carrying out their responsibilities.

Officers of the armed forces assigned to serve in the BOG shall be selected by the Chairman in approximately equal numbers from three services.

Selection of officers from the armed forces to serve in the BOG shall be made by the Chairman from a list of officers submitted by the service chiefs having jurisdiction over that armed force. Each officer whose name is submitted shall be among those officers considered to be the most outstanding officers of that armed force. The Chairman may specify the number of officers to be included on any such list.

The Chairman of the BOG, after consultation with the other members and with the approval of the SND, may select an officer to serve as Director of the BOG.

The Chairman may participate in all meetings of the BOG, but he may not vote on a matter before the BOG except when acting as Chairman.

SEC. 15. Management of BOG. – The Chairman shall manage the BOG and the Director of the BOG. The BOG shall perform such duties under such procedures as the Chairman may prescribe.

SEC. 16. Operation of BOG. – The SND shall ensure that the BOG is independently organized and operated so that the BOG supports the Chairman in meeting the congressional purpose set to provide for the unified strategic direction of the combat forces and for their operation under area command.

The total number of members of the armed forces and civilian personnel assigned or detailed to permanent duty in the BOG shall not exceed 50.

SEC. 17. Tour of Duty BOG Officers.

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- (a) An officer who is assigned or detailed to permanent duty on the BOG may not serve for a tour of duty n more than three years. However, such a tour of duty may be extended with the approval of the SND.
- (b) In accordance with procedures established by the SND, the Chairman of the BOG may suspend from duty and recommend the reassignment of any officer assigned to the BOG. Upon receipt of such a recommendation, the SND shall promptly reassign the officer back to his service branch.

SEC.18. Participation in National Security Council Meetings.- The Chairman or, in his absence, the Vice Chairman of the BOG may, in his role as principal military adviser to the National Security Council and subject to the direction of the President, attend and participate in meetings of the National Security Council.

CHAPTER 1V Area Commands

SEC. 19. Establishment of Area Commands. - With the advice and assistance of the CSAFP, through the SND, shall establish area commands to perform military missions; and prescribe the force structure of those commands.

It shall be headed by an area commander with the title of Commanding General.

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Other than an Area Command that has specific area of responsibility and operation, there shall be an AirSpace Defense Command and Naval Defense Command that will primarily provide for the external defense requirement of the nation.

SEC. 20. Periodic Review. - The CSAFP shall periodically review the missions, responsibilities, including geographic boundaries, and force structure of each area command and shall recommend to the President, through the SND, any changes to such missions, responsibilities, and force structures as may be necessary.

The President shall notify Congress not more than 60 days thereafter.

For purposes of this Act, the term "area command" means a military command which has broad, continuing missions and which is composed of forces from three service branches operating within an specific geographical area of responsibility.

SEC. 21. Assignment of Forces. - The Chiefs of the different Services shall assign all forces under their jurisdiction to area commands to perform missions assigned to those commands. Such assignments shall be made as directed by the Secretary of National Defense, including direction as to the command to which forces are to be assigned. The SND shall ensure that such assignments are consistent with the force structure prescribed by the President for each area command.

A force assigned under an area command may be transferred from the command to which it is assigned only by authority of the SND; and under procedures prescribed by the Secretary.

Except as otherwise directed by the SND, all forces operating within the geographic area assigned to an area command shall be assigned to, and under the command of the area commander of that command.

SEC. 22. Chain of Command. - Unless otherwise directed by the President, the chain of command to the area command runs from the President to the SND; and from the Secretary of National Defense to the commander of the area command.

SEC. 23. Role of the CSAFP.- The CSAFP may be directed by the President

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- 1) to receive and transmit communications between the President or the SND and the commanders of area commands; and
- 2) to assist the President and the SND in performing their command function.

He may also be assigned, by the SND, the responsibility of overseeing the activities of the area commands. Such assignment by the SND to the CSAFP does not confer any command authority on the CSAFP and does not alter the responsibility of the commanders of the area commands. He may also be designated by the SND as the spokesman for the commanders of the area commands, especially on the operational requirements of their commands. In performing such function the CSAFP shall:

- (a) confer with and obtain information from the commanders of the area commands with respect to the requirements of their commands;
- (b) evaluate and integrate such information;
- (c) advise and make recommendations to the SND with respect to the requirements of the area commands, individually and collectively; and
- (d) communicate, as appropriate, the requirements of the area commands to other elements of the Department of National Defense.

SEC. 24. Assignment of Area Commanders. - The President may assign any officer to serve as the commander of an area command provided that he possesses joint specialty; and has served in at least one joint duty as a general or flag officer.

SEC. 25. Responsibilities of Area commander. - The commander of an area command shall be responsible to the President and to the SND for the performance of missions assigned to that command by the President or by the Secretary with the approval of the President.

Subject to the direction of the President, the commander of area command shall:

- (1) perform his duties under the authority, direction, and control of the Secretary of National Defense; and
- (2) be directly responsible to the SND for the preparedness of the command to carry out missions assigned to the command.

He shall also evaluate the duty performance of each commander of a command directly subordinate to the area commander; and submit the evaluation to the Service Chiefs and the CSAFP.

SEC. 26. Command Authority of Area Commanders. – (a) Unless otherwise directed by the President or the SND, the authority, direction, and control of the commander of the area command with respect to the commands and forces assigned to that command include the following command functions of:

- (1) giving authoritative direction to subordinate commands and forces necessary to carry out missions assigned to the command, including authoritative direction over all aspects of military operations, joint training, and logistics;
- (2) prescribing the chain of command to the commands and forces within the command;
- (3) organizing commands and forces within that command as he considers necessary to carry out missions assigned to the command;
- (4) employing forces within the command as he considers necessary to carry out missions assigned to the command;
- (5) assigning command functions to subordinate commanders;
- (6) coordinating and approving those aspects of administration and support (including control of resources and equipment, internal organization, and training) and discipline necessary to carry out missions assigned to the command; and

- (7) exercising the authority with respect to selecting subordinate commanders, selecting combatant command staff, suspending subordinates, and convening courts-martial.
- b) The SND shall ensure that a commander of an area command has sufficient authority, direction, and control over the commands and forces assigned to the command to exercise effective command over those commands and forces. In carrying out this Secretary shall consult with the Chief of Staff.
- c) If a commander of an area command at any time considers his authority, direction, or control with respect to any of the commands or forces assigned to the command to be insufficient to command effectively, the commander shall promptly inform the SND.

SEC. 27. Authority of Area Commander over Subordinate Commanders.- The commander of the area command have authoritative direction has control over the commanders of commands and forces assigned to an area command all matters for which the commander of the area command has been assigned authority.

SEC. 28. Selection of Subordinate Commanders. – (a) Any officer may be assigned to a position as the commander of a command directly subordinate to the area commander by the President or SND for assignment to that position, provided that there is concurrence by the area commander; and in accordance with procedures established by the SND.

(b) The SND may waive the requirement under paragraph (a) for the concurrence of the commander of an area command with regard to the assignment (or recommendation for assignment) of a particular officer if the SND determines that such action is in the national interest.

SEC. 29. Area Command Staff. - Each area command shall have a staff to assist the area in carrying out his responsibilities. Positions of responsibility on the area command staff shall be filled by officers from each of the armed services having significant forces assigned to the command.

An officer may be assigned to a position the staff of an area command, may be recommended to the SND for assignment to that position, provided 7

The area commander may suspend from duty and recommend the reassignment of any officer assigned to such area command.

The SND may waive the requirement under paragraph (b) for the concurrence of the area commander with regard to the assignment (or recommendation for assignment) of a particular officer to serve on the staff of the area command if the SND determines that such action is in the national interest.

SEC. 30. Authority to Suspend Subordinates. - In accordance with procedures established by the SND, the area commander may suspend from duty and recommend the reassignment of any officer assigned to such area command.

CHAPTER V Establishment of Service Branches and Authority of Chiefs

SEC. 31. Establishment of Service Branches. - With the advice and assistance of the CSAFP, the President, through the SND, shall establish Service Branches to perform military functions; and prescribe the organizational structure of those commands. For purposes of this Act, the term "Branch of Service" means a military command which has broad and continuing administrative missions. The three service branches are: (a) The Philippine Army (PA); (b) The Philippine Navy (PN); and (c) The Philippine Air Force. (PAF), each shall be headed by Service Chief addressed as a) Chief of the Army; b) Chief of the Navy; and c) Chief of the Air Force, respectively.

SEC. 32. Periodic Review. - The CSAFP shall periodically review the missions, responsibilities and force structure of each service branch; and recommend to the President, through the SND, any changes to such missions, responsibilities, and force structures as may be necessary.

The President shall notify Congress not more than 60 days thereafter.

Sec. 33. Chain of Command. - Unless otherwise directed by the President, the chain of command to the service branch runs from the President to the SND; from the Secretary of National Defense to the CSAFP; and from the CSAFP to the Service Chiefs.

SEC. 34. Assignment of Service Chief. - The President may assign any officer to serve as the commander of an area command provided that the officer has the joint specialty; and has served in at least one joint duty as a general or flag officer.

SEC. 35. Responsibilities of Service Chiefs. - The Service Chief is responsible to the President, to the SND and the CSAFP for the performance of duties and responsibilities assigned to that Service Branch by the President or by the Secretary with the approval of the President. They are administrative military chiefs. They do not command operating units.

Subject to the authority, direction, and control of the SND, the Service Chiefs are responsible to the SND for the following activities of their respective Service Branch:

- (1) The formulation of policies and programs that are fully consistent with national security objectives and policies established by the President and the SND;
- (2) The effective and timely implementation of policies, programs and instructions of the President or SND relating to the functions of each Branch of Service;
- (3) The carrying out of the functions so as to fulfill the current and future operational requirements of the Area Commands;
- (4) The effective cooperation and coordination between the military services and Agencies of the DND to provide for effective, efficient, and economical administration and to eliminate duplication;
- (5) The presentation and justification of the positions of their respective services on the plans, programs, and policies of the DND;
- (6) Such other activities prescribed by law or by the President or SND.

SEC. 36. Functions of Service Chiefs. - Subject to the authority, direction, and control of the SND, Service Chiefs are responsible for the following functions:

- (1) To organize, train and equip forces for assignment to Area Commands;
- (2) To determine Service force requirements and to make recommendations concerning force requirements to support national security objectives and strategy and to meet the operational requirements of the Area Commands;
- (3) To recommend to the CSAFP the assignment and deployment of forces to Area Commands established by the President through the SND
- (4) To administer Service forces;
- (5) To recruit, organize, train, and equip interoperable forces for assignment to the Area Commands;
- (6) To establish reserves of manpower, equipment and supplies for Service forces for effective employment of the Area Commands;
- (7) To maintain in readiness mobile reserve forces, properly organized, trained, and equipped for employment in emergency;
- (8) To develop and equip garrison, maintain bases and other installations, including lines of communication, and to provide administrative and logistics support for all forces and bases, unless otherwise directed by the SND;
- (9) To prepare and submit for their respective Service Branch, justifying before the DND including those assigned to Area Commands. The submissions logistic requirements of to the SND by the branch of service shall be prepared on the basis, among other things, of the recommendations of Area Commanders and of Service component commanders of forces assigned to Area Commands;
- (10) To provide logistic support for Service forces, including, distribution, supply, equipment, and maintenance, unless otherwise directed by the SND;

- (11) To develop doctrines, procedures, tactics, and techniques employed by Service forces;
- (14) To coordinate/participate with other Service Branches in the development of the doctrines, procedures, tactics, techniques, training, publications, and equipment for joint operations;

CHAPTER VI Establishment and Management of Defense Agencies

SEC. 37. Establishment of Defense Agencies. - There shall be defense agencies directly under the OSND as follows:

- (a) Defense Intelligence Service (DIS)
- (b) Defense Logistics Service (DLS)
- (c) Defense Security Service (DSS);
- (d) Civil Defense Service (CDS);

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- (e) Defense Procurement Service (DPS);
- (f) Defense Military Industries Service (DMIS);
- (g) Defense Internal Affairs Service (DIAS);
- (h) Defense Research and Development Service (DRDS);
- (i) Defense Installation and Real Estate Service (DIRES);
- (j) Defense Commissary Service (DCS);
- (k) Defense Health Service (DHS);
- (l) Defense Education and Training Service (DETS);
- (m) Defense Morale and Welfare Service (DMWS);
- (n) Defense Military Operations Service (DMOS);
- (o) Defense Legal Service (DLES);
- (p) Defense Finance Service (DFS);
- (q) Defense Accounting Services (DAS).

2) The abovementioned Defense Agencies shall be by a Director designated by SND for the approval of the President.

3) The following AFP Wide Service Supports Units (AFPWSUS), GHQ units/offices and their Service Branch counterparts shall be absorbed and be placed directly under the direction, control and supervision of the Secretary of National Defense through DND bureau:

(a) ISAFP to DIS;

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- (b) PMA and other service schools to DETS;
- (c) PSG and 250th PAW, PAF to DSS;
- (d) AFP Procurement Center to DPC;
- (e) AFPCES to DCS;
- (f) 72-100 RFU to DCS;
- (g) Finance Service/Units to DFS;
- (h) Accounting Offices to DAS;
- (i) JAGO to DLS;
- (j) AFPMC/All Military Hospitals to DHS;
- (k) Offices of Internal Auditors to OSND Internal Audit;
- (I) AFP RDC to DRDS;
- (m) All Military Police Units to DIRES;

SEC. 38. Functions:

1) Defense Intelligence Service (DIS) –The Defense Intelligence Service (DIS) is a Combat Support Agency of the Department of National Defense (DND) and reports to the USec for Intelligence. Its functions are as follows:

- (a) collects, produces, or, through tasking and coordination, provides military and military-related intelligence for the SND, the DND Components, and, as appropriate, non-Defense agencies;
- (b) collects and provides military intelligence for national foreign intelligence and counter-intelligence products and coordinates all DND intelligence collection requirements;
- (c) manages the Defense Attache' system;
- (c) provides intelligence units to Area Commands. Such units are under the operational control of the Area Commander. DIS provides the administrative support to those units;
- (e) Performs other functions as directed by the SND.
- Defense Logistic Service (DLS) The Defense Logistic Service (DLS) is a Combat Support Agency of the Department of National Defense (DND) and reports to the Usec Logistic. Its functions are as follows:

(a) Provides nationwide logistic support for the mission of the Service branches and the Area Commands under condition of peace and conflict;

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- (b) Provides logistics support to other DND Components and certain national agencies and others as authorized;
- (c) Provides material commodities and items of supply that have been determined, through the application of approved criteria, to be appropriate for integrated management by DLS on behalf of all DND Components, or that have been otherwise specifically assigned by appropriate authority.
- (d) Furnishes logistics services directly associated with the supply management function and other support services;
- (e) Maintains a wholesale distribution system for assigned items. Provides contract administration service in support of the service branches, other DND Components, civil agencies and others as authorized;
- (f) Performs other functions as directed by the SND.
- Defense Military Operations Service (DMOS) The Defense Military Operations Service (DMOS), reports to the USEC National Defense Operations). Its functions are as follows:
 - (a) DMOS is responsible for monitoring of all military operations, troop deployment and employment; and subdivision and assignment of Area Command AORs;
 - (b) Administers and implements the DND Campaign Plans and performs assigned functions for the Crisis Management;
 - (c) Controls employment and utilization of all major operational assets like Airlift and Sealift;
 - (d) Provides and assigns military units for CDS and for other disaster related operations;

- (e) Controls employment of special operations units and teams to the Area Commands;
- (f) performs other functions as directed by the SND.

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- Defense Security Service (DSS) The Defense Security Service (DSS), reports to the Undersecretary of National Defense (Intelligence). Its functions are as follows:
 - (a) Responsible for personnel security investigations, industrial security management; automated systems security, education, training, and examinations; and, security research, education, and training;
 - (b) Administers and implements the Defense Security Program;
 - (c) Responsible for the security of the VIPs in the government;
 - (d) performs other functions as directed by the SND.
- 5) Defense Finance Service (DFS) The Defense Finance Service (DFS) reports to the Undersecretary of National Defense (Comptroller). DFS is responsible for standardizing financial information that will be accurate, comprehensive, and timely. Its functions are as follows:
 - (a) Direct finance requirements, systems and functions for all appropriated and non-appropriated, working capital, revolving and trust fund activities;
 - (b) Establish and enforce requirements, principles, standards, systems, procedures, and practices necessary to comply with finance statutory and regulatory requirements applicable to the DND;
 - (c) Provide finance services for DND Components and other activities, as designated by the Under Secretary of National Defense (Comptroller);
 - (d) And direct the consolidation, standardization, and integration of finance requirements, functions, procedures, operations,

and systems within the DND and ensure their proper relationship with other DND functional areas (e.g., budget, personnel, logistics, acquisition, civil engineering, etc.).

- 6) Defense Accounting Service (DAS) The Defense Accounting Service (DFS) reports to the Under Secretary of National Defense (Comptroller). DAS is responsible for standardizing accounting information that will be accurate, comprehensive, and timely. Its functions are as follows:
 - (a) Direct accounting requirements, systems and functions for all appropriated and non-appropriated, working capital, revolving and trust fund activities;
 - (b) Establish and enforce requirements, principles. Standards, systems, procedures, and practices necessary to comply with accounting statutory and regulatory requirements applicable to the DND;
 - (c) Provide accounting services for DND Components and other activities, as designated by the Under Secretary of National Defense (Comptroller);
 - (d) And direct the consolidation, standardization, and integration of finance requirements, functions, procedures, operations, and systems within the DND and ensure their proper relationship with other DND functional areas (e.g., budget, personnel, logistics, acquisition, civil engineering, etc.).
- 7) Defense Commissary Service (DCS) The Defense Commissary Service (DCS) reports to the Under Secretary of National Defense for Logistics and subject to the operational supervision of the Commissary Operating Board. Its functions are as follows:
 - (a) Responsible for providing an efficient and effective nationwide system of commissaries for the resale of groceries and household supplies at the lowest practical price (consistent with quality) to members of the Military Services, their families, and other authorized patrons, while maintaining high standards for quality, facilities, products, and service;

- (b) Make available hardware, supplies including POL and medicines for use of the AFP and other DND agencies;
- (c) Performs other functions as directed by the SND.
- 8. Defense Legislative and Legal Services (DLLS) The Director, DLLS, provides legal advice and services for the Defense Agencies, and other assigned organizations. Its functions include:
 - (a) Technical support and assistance for development of the DND Legislative Program;
 - (b) Coordinating DND positions on legislation and Presidential Executive Orders;
 - (c) Providing a centralized legislative document reference and distribution point for the DND;
 - (d) Maintaining the Department's historical legislative files;
 - (e) Developing DND policy for standards of conduct and administering such programs for the OSND and other assigned organizations;
 - (f) Supervises the AFP JAGO;

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- (g) Performs other functions as directed by the SND.
- 9) Defense Installation and Real Estate Services (DIRES) reports to the Under Secretary of National Defense (Logistics). Its functions are as follows:
 - (a) Responsible for planning and maintenance of defense and camp facilities, camp security, including water, lights services of all military camps. Camp facilities shall include:

Area Command Hqs	Hospitals	Recreation Facilities
Airstrips and helipads	Museums	Docks and Piers Quarters
Chapels	Warehouses	Detention Centers
Parade Grounds	Depots	Firing range
Libraries	Motorpool	Training complex

Defense Commissaries Troop billet inside camp	Mess halls POL stations	Roads and bridges Powerhouse, Electricity &
moup bliet maide camp	1 Of Stations	Power districe
Water tanks, pumps	Hangars	Parks, shrines and
		Cemeteries
Telephone exchange	Sports complex	Schools inside camp
Fences and barricades		

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- (b) Keeps all inventories of all defense fixed assets including assets maintained by the military Branches of Service;
- (c) Administers and implements uniform fixed assets designs for construction;
- (d) Performs other functions as directed by the SND.
- 10) Defense Procurement Service (DPS) The Defense Procurement Service (DPS) reports to the Undersecretary of National Defense for Logistics. Its functions are as follows:
 - (a) Responsible for the acquisition of material, equipment and services, for the Defense department;
 - (b) Supervise all matters related to the procurement of goods and services for the Defense department;
 - (c) Responsible for the formulation and review defense acquisition policy;
 - (d) Performs other functions as directed by the SND.

SEC. 39. Creation and Abolition. - The SND, subject to the authority of the President, may create or abolish, activate or deactivate, fill or unfill any office or unit within the department. Moreover, all non-core functions and tasks of the military shall be outsourced and that duplication of commands' /units' /offices' duties and responsibilities shall be avoided.

SEC. 40. Management of Defense Resources. - The DND shall be the sole Budgetary Unit of the whole department. It shall handle all Financial Management of the whole department. This function cannot be and shall not be delegated to its agencies and lower units. The AFP and other bureaus, offices and units under DND shall handle materiel management functions.

CHAPTER VII FINAL PROVISIONS

SEC. 41. Implementing Rules _ The DND shall within ninety (90) days from the effectivity of this Act promulgate the appropriate rules and regulations for its effective implementation.

SEC. 42. Separability Clause. - If any part or section of this Act is declared unconstitutional or invalid, such other parts or sections not affected thereby shall remain in full force and effect.

SEC. 43. Repealing Clause. - All laws, decrees, proclamations, executive orders, rules and regulations inconsistent with any provisions of this Act shall be deemed repealed or modified accordingly.

SEC. 44. Effectivity. -This Act shall take effect after fifteen (15) days following its complete publication in at least two (2) newspapers of general circulation.

Approved,