



PRESS RELEASE

Department of National Defense – Republic of the Philippines

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Statement on PRRD's directive to release Php6.4B for pension arrears of AFP Retirees

This is to clarify the statement issued by President Rodrigo Roa Duterte during the 75th Anniversary of Araw ng Kagitingan on 09 April 2017 during which he directed the Department of Budget and Management (DBM) to expedite the release of PhP6.4 Billion to pay the arrearages in pension differentials of Armed Forces of the Philippines (AFP) retirees, in coordination with the Department of National Defense (DND).

As provided in the FY 2017 General Appropriations Act, the PhP6.429 Billion was allocated under the Pension Gratuity Fund of the AFP to settle pension obligations to AFP retirees (post war veterans). It consists of pension increase adjustments from 2008-2013 pursuant to the AFP pension indexation law which mandates the increase in pension of retirees and beneficiaries as the salary of active soldiers increases.

The amount is not for World War II veterans as their Total Administrative Disability (TAD) pension arrears have already been fully paid by the Philippine Veterans Affairs Office from 2010-2013. The PhP4.77 Billion announced by President Duterte on August 30, 2016 during the Araw ng mga Bayani was for the TAD arrears of deceased World War II veterans to be received by their surviving spouses, and for AFP retirees who are 80 years old and above.

The DBM, DND and AFP have formed a Technical Working Group to determine, verify and confirm the beneficiaries. Vetting the list of rightful beneficiaries and their entitlements is part of the implementation process and is not in conflict with the President's order to expedite payment. Once the vetting is completed, the funds will be released accordingly, and the beneficiaries will receive their entitlements through their existing pension accounts.

While we agree with the President that we can never do enough to repay our veterans for the freedom, peace and democracy we enjoy, we assure our World War II and Post-War veterans alike and their families that the One Defense Team continues to give the best possible services to honor their patriotism, selfless service and sacrifices.

Let us show the world that the Philippines is a nation that does not forget its defenders so as to encourage our youth to emulate their ideals and follow their footsteps as patriots, defenders and leaders.

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