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DEPARTMENT OF NATIONAL DEFENSE

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TRANSFORMING THE DEPARTMENT OF NATIONAL DEFENSE TO EFFECTIVELY MEET THE DEFENSE AND SECURITY CHALLENGES OF THE 21st CENTURY

A WHITE PAPER ON PHILIPPINE DEFENSE TRANSFORMATION

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EXECUTIVE SUMMARY

Analysis of DND mandates reveals the need to continually transform itself as an organization alongside with the need to continuously perform its defense missions effectively. Likewise, the need to continually transform becomes more evident with the necessity to bring back to the optimum level the organizational capabilities that are degraded over time as it performs its defense missions. DND organizational capabilities not only degrade over time due to the normal fair wear and tear but are also exacerbated by the additional exposure to the effects of combat, calamities, and disasters that, if not addressed, would bring the capability level of DND to "Not Mission Capable". Moreover, the need to sustain and institutionalize the reform measures initiated under the PDR Program, and the necessity to synchronize the improvements in materiel and technology capabilities initiated under the AFP Modernization Program are strong reasons to pursue the Philippine Defense Transformation (PDT) Program.

In the long-term, the PDT Program seeks to continually develop capabilities that will effectively meet the evolving defense and security challenges of the 21st century. The specific capabilities identified herein support the attainment of the following strategic options: a) Securing the National Territory and Protecting Strategic Maritime Interests; b) Securing our Communities and Supporting Local Authorities; c) Reducing the Risks of Natural and Human-Induced Disasters; d) Strengthening and Expanding Our International Defense-Military Cooperation; and e) Strengthening the Integrity of the Defense Establishment by Subscribing to Generally Accepted Principles of Security Sector Reform. Also, the specific capabilities identified have been translated into capability development goals for every DND bureau. Synchronizing the attainment of the foregoing capability development goals through the PDT Program will move the entire DND forward as one organic whole, with each of the five separate but inter-related bureaus developing in concert with each other and complementing one another. Towards 2028, the DND is envisioned to be "Fully Mission Capable" in addressing the evolving defense and security challenges; truly contributing to the aspirations of the Filipino people for the country to move in the direction of sustained growth and development.

The goal statements of the AFP Modernization and the PDR programs remain valid as the defense and security environment evolve over time; hence the PDT Program seeks to continue these overarching goals. Toward these ends, the PDT Program will build upon the gains of the AFP Modernization and the PDR programs. While the AFP Modernization Program focused on the improvement of materiel and technology capabilities in the course of its implementation, the PDR Program focused on addressing the systemic deficiencies of the defense establishment at the strategic, operational, and functional/support areas. As the AFP Modernization and the PDR programs are continuously pursued by DND, the PDT Program shall wrap these two as an integrated program and are thus synchronized. Likewise, in the course of its implementation, the PDT Program shall focus on achievable and realizable medium-term projects which shall serve as building blocks for the follow-on medium-terms.

While the whole Defense Department performs its defense missions to support the country's quest for peace and security, the PDT Program shall focus on key efforts that shall increase organizational effectiveness, promote efficiency and productivity, and institutionalize integrity and honesty in the government service. These key efforts are along the areas of 1) Internalization of DSOM in the Whole DND; 2) Enhanced DND-wide Information Management; and, 3) Continuing Professionalism.

Efforts must be sustained towards fully internalizing DSOM in the whole DND in order to gain wide appreciation and conformance throughout the Department. Specific project areas include initiatives intended to: (a) Increase awareness and knowledge of DSOM; (b) Complete the documentation on DSPS, DCAPS, DAS, and DRMS processes; and, (c) Revisit, review, and refine FOCIS.

In appreciation of the reality that the evolving changes in the defense and security environment have been brought about by the coming of the "Information Age", the key effort on the Enhanced DND-wide Information Management shall pursue projects geared towards improving the ability to make sense of the situation, work in a coalition environment, and orchestrate the means to respond in a timely manner. Improved abilities in these areas shall contribute to the improvement of the capability for command and control; thence, mission effectiveness. Specific project areas on this key effort include the ones that aim to: (a) Continue on-going initiatives in the development of the IM Framework and Roadmap; (b) Synchronize the implementation of the needed Information and Communications Technology (ICT) network infrastructure; and, (c) Concurrently implement needed changes in the areas of Doctrine, Organization, Training, Personnel, Leadership, Facilities and Funding approaches.

Finally, deficiencies in leadership, attitude, values, policies, processes, and performance significantly affect the DND's capacity to perform a given mission. Addressing these deficiencies require deliberate and systemic approaches. The key effort on Continuing Professionalism shall include the following project areas: (a) Continuing Integrity Development; (b) Continuous Quality Improvement of Service Performance; (c) Continuing Commander and Staff Development in the AFP; and, (d) Follow-On Professional Enlisted Development.

To ensure that initial steps are geared towards the successful launch of the PDT Program, the following activities shall be pursued in CY2012: a) Supervise, guide, and steer the successful completion of PDR projects whose timelines extended beyond CY2011; b) Conduct a PDR Post-Program Review and Assessment; c) Conduct detailed program and project planning for the PDT Program; and, d) Build the capacity to implement and manage successful organizational change.

Chapter 1
INTRODUCTION

The Department of National Defense (DND) has always been relied upon to ***"guard [the country] 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"***. This three-fold mandate stems from the declaration of policy stated in Section 15, Chapter 1, Sub Title II of Title VIII (National Defense) of Executive Order 292, s-1987; and provisions of Executive Order 112, s. 1999. These documents also declare as a policy that ***"the defense establishment shall be maintained to maximize its effectiveness for"*** performing its mandate.

Indeed, while DND is given the tasks to perform, it is also directed to maintain its level of effectiveness to the maximum. While DND is ordered to perform these specific tasks, it is implied that DND should continually transform as an organization in order to meet the evolving defense and security challenges of the 21st century.

It should be recognized that the defense and security environment has changed and is continually changing. The current capabilities that have served the Department well through the years are no longer enough to meet the evolving challenges that have increasingly become complex, uncertain, and unpredictable. Governments are now compelled to respond faster and more effectively.[1]

A closer look at the identified defense and security challenges[2] shows that those falling under the categories of Internal Peace and Security, External Security, and Disaster Risk Reduction and Management could be addressed by DND as it performs its mandate. The specific challenges falling under the category of Security Sector Governance/Reform, on the other-hand, need to be addressed through continual transformation in order to maintain the level of effectiveness of the defense establishment at the maximum. In fact, DND had in its proposed Rationalization Plan, **"Transforming While Performing"** as one of its major policy thrusts.[3]

Likewise, a closer look at the identified six (6) strategic objectives that should be achieved by DND[4] would show that the first five – Secure our Territorial Integrity and Maritime Interests, Promote Internal Socio-Political Stability, Win the Fight against Terrorism at Home, Promote People-Centered Security and Disaster Risk Resiliency, and Enhance our Cooperative Security Arrangements – are semblance of the defense missions that need to be performed. The sixth – Promote Security Sector Reform – is a strategic objective to continually transform the Department of National Defense as an organization.

It must be clear to everyone therefore, that DND pursues two major thrusts in meeting the evolving defense and security challenges. The first is to perform its defense missions to meet its mandate under EO 292, s-1987, to guard the country 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; and the second is to continually transform itself in order

that the Department of National Defense (DND) shall be maintained to maximize its effectiveness for performing its mandate, a policy declaration under EO 112, s-1999.

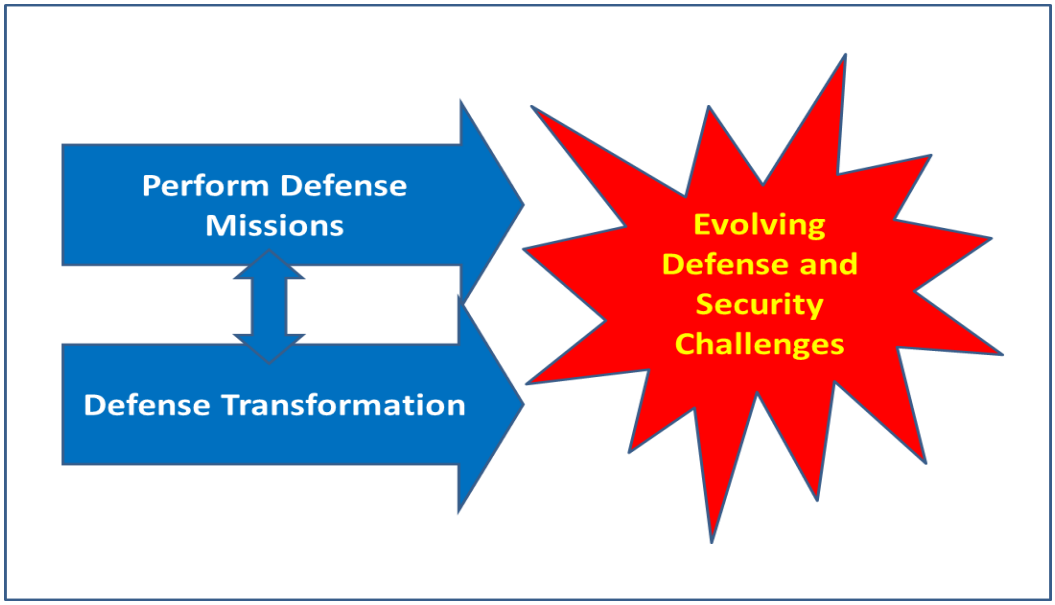

Figure 1: Major Thrusts of DND in Addressing the Evolving Defense and Security Challenges

The requirements to effectively perform defense missions drive transformation planning and execution. Effectively pursuing defense transformation, on the other hand, would ensure that the DND effectively perform its defense missions.

The focus of this paper is to show the transformations that must be done in order for the DND to effectively perform its defense missions. The DND, as the Philippine Government's front-line agency in providing for the defense and security of the country should be able to continually adapt to the changing environment. The DND must continually transform itself in order to provide excellent public service.

Chapter 2
RATIONALE TO PURSUE PHILIPPINE DEFENSE TRANSFORMATION

Defense Operations and Defense Transformation – Twin Areas of DND Concerns

To provide the Filipino people the exceptional service they truly deserve, DND is pursuing several defense mission areas[5] translated from the foregoing statement of mandate. As should be expected however, the level of capability of any organization, like DND, declines as it performs its different mission areas.

For DND, this decline in the level of its capability is not solely due to the normal fair wear and tear but is exacerbated by the additional exposure to the effects of combat, calamities, and disasters, both natural and human-induced. Base facilities do not only get old over-time but are subject to the destructive effects of natural and human-induced calamities and disasters. Materiel and technology are not only subject to depreciation and obsolescence but also loss and destruction during the conduct of mission. Human resources must not only be kept abreast of the knowledge, skills, and attitude needed by the changing times but their numbers should be kept within acceptable level. Doctrine must likewise evolve, so does the force structure. The pressing need to bring back the level of organizational capabilities to the maximum therefore, must be recognized.

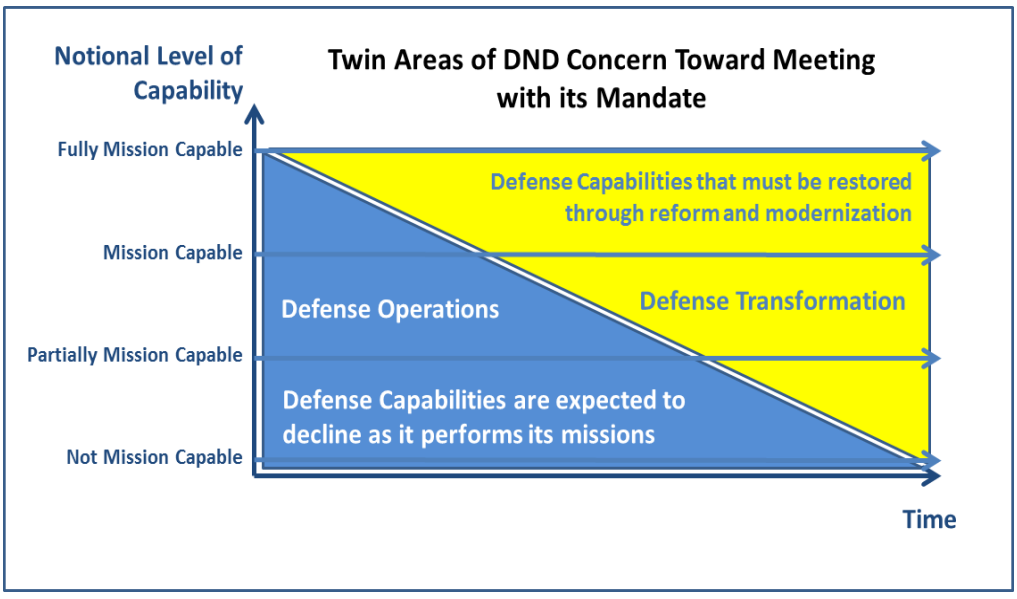

Figure 2: Defense Operations and Defense Transformation

A closer look at the Philippine defense budget as a percentage of the GDP from 2001 to 2011 however, shows a declining trend[6]. Factoring the effects of inflation, its real value declined even

more. While it may also be argued that funds for maintaining the capability to its desired level are included in the annual appropriations for Maintenance and Other Operating Expenses (MOOE), reality shows that funds allocated are just enough for performing defense missions. Oftentimes, there are even shortfalls. Inadequate funds take a heavy toll on the maintenance of its needed capabilities and result to the degradation of its ability to accomplish its assigned missions and address the current and evolving defense and security challenges over time. If left un-acted upon, this would potentially bring the capability of the defense department to a level that is "Not Mission Capable"[7].

How then could the DND maintain a capability level of at least "Mission Capable"?[8]

The foregoing provides the primary rationale for the DND to be supported in its quest for transformation. This provides the clear and present need for a program to pursue continual defense reform and AFP modernization, wrapped into a Philippine Defense Transformation (PDT) Program, that would not only restore degraded current capabilities but will also build new capabilities, both non-materiel and materiel, to appropriately meet the evolving defense and security challenges of the 21st century.

Supporting Rationale In Pursuing Philippine Defense Transformation

At this point, there is a risk of being misconstrued of having done nothing for the past several years and having allowed the level of capability of DND to degrade over time. On the contrary, two programs were initiated aimed at providing the defense establishment in general and the AFP in particular, of various capabilities needed to perform its mission. These two programs need to be continued.

Reforms under the PDR Program should be Sustained and Institutionalized

The Philippine Defense Reform (PDR) Program seeks to introduce comprehensive, institutional, and systemic reforms for the purpose of ***"having a progressive transformation of the defense establishment, to be capable in accomplishing the defense missions and be fit and ready for the future".*** [9]The PDR Program is a direct result of the 2003 PH and US Joint Defense Assessment (JDA) where it was concluded that the AFP's capability to execute its missions was rated as generally "Partially Mission Capable"[10], a vital indicator of the critical condition of the AFP's capability to perform its mandate due largely to systemic gaps and deficiencies observed within the defense and military establishment at the time of review.

Because former Defense Secretary Gilberto C. Teodoro, Jr. did not want the defense establishment in a perpetual state of reform, he directed that the identified projects under the PDR Program be finished by December 2010.[11]At the same time however, the former Defense Secretary believed that there is a need to sustain things, institutionalize doctrine and systems that have been developed in the PDR Program, like the Defense System of Management (DSOM). Likewise, he clarified that while PDR should have ended in 2010, the reform program would continue under the defense transformation program which will focus on capacity building, capability upgrade and modernization. He then directed the Office for Defense Reform (ODR)

to prepare a comprehensive Transformation Plan for the PDR Board's consideration and deliberation.

Continuing on with the foregoing intent, Honorable Voltaire T. Gazmin, the current Secretary of National Defense, ordered ODR to continue planning for the Philippine Defense Transformation with the issuance of Department Order No. 71 dated 17 March 2011.

Modernization of the AFP Still Wanting

The need to ***"modernize the AFP to a level where it can effectively and fully perform its constitutional mandate to uphold the sovereignty and preserve the patrimony of the Republic of the Philippines"*** has been recognized with the passage of Republic Act 7898 (RA 7898) in late 1995 and the approval of the AFP Modernization Program through Joint Resolution No. 28 of both houses of Congress in February 1996. With a life of fifteen (15) years, the AFPMP has technically ended in 2011 without fully accomplishing the intent and purpose of modernizing the capabilities of the AFP. While the AFPMP required a total of 332 Billion Pesos to fully realize the envisioned capabilities for naval, air, ground, and joint command and control communications and information systems, only 33.9 Billion Pesos was provided up to the end of 2010.[12]

Also, while the AFPMP has identified several components to be modernized,[13] only the component on capability for materiel and technology development had been given preferential attention. This left the modernization of other pillars – bases and facilities, human resources, force structure, and doctrine – wanting for development and improvement.

Efforts are still underway for the continued implementation of the AFPMP. The General Appropriations Act for CY 2011 made available Five (5) Billion Pesos[14] for the modernization of the AFP materiel and technology requirements. Follow-on funds, both from annual appropriations and other sources have been identified in the medium-term. Based on submitted lists however, these have been earmarked for the acquisition of tangible assets under the materiel and technology development component of the AFPMP only. Funding for the other AFPMP pillars is still unidentified.

It should be realized that any materiel and technology capability improvement could not be optimized without the concurrent and co-evolved changes in the other pillars. The PDT shall synchronize the continued modernization of the AFP materiel and technological capabilities and the institutionalization of non-materiel components of the transformation started under the PDR Program.

Opportunities are Available from Bilateral and Multilateral Arrangements

Pursuing the Philippine Defense Transformation (PDT) Program comes at a very opportune time. Transformation has become a norm in almost all militaries in the world. Triggered by the evolving defense and security context brought about by the emerging environment out of the Information Age, militaries worldwide are either reforming or modernizing – in essence transforming. Likewise, militaries of the world are engaging each

other, bilaterally and/or multilaterally. These present opportunities in the pursuit of the Philippine Defense Transformation (PDT) Program.

The Philippines has a long standing bilateral arrangement with the US on mutual defense matters. Likewise, a Defense Cooperation Program exists between the Philippines and Australia. Moreover, the Philippines has existing bilateral arrangements with several members of ASEAN namely: Brunei, Indonesia, Malaysia, Singapore, Thailand, and Vietnam; and multilateral arrangements with other member countries through the ASEAN and ASEAN Regional Forum. These arrangements and engagements open opportunities among the nations involved to cooperate and collaborate in strengthening each other's defense and security forces for their mutual benefit. Specifically, these arrangements should be explored, enhanced, sustained, and promoted as a vehicle to collaborate for and meet regional concerns such as disaster risk mitigation and management, and achieve maritime security through professional exchanges, exercises, and capability sharing. The ASEAN Defense Ministers' Meeting (ADMM) and the ADMM – Plus as platforms for promoting cooperation may also be tapped as venues for further cooperation and collaboration to address common concerns and achieve common goals such as peace and security.

Chapter 3
STRATEGIC DIRECTION OF THE PDT

Transformation is not an end-state, but a process. It is a process that is driven by changes in the environment (challenges and opportunities), fueled by innovation, and paced by institutional and cultural constraints. Likewise, it has been noted that transformation can and should be about what is being done now and in the future. Moreover, it is opined that there is much that can be done with the available means if mindsets, attitudes and relationships can be changed.[15]

The Philippine scenarios to 2022 highlights three strategic environment scenarios of greatest concern to national security which describe respective paths leading the nation into different futures.[16] A closer look at the major elements of each scenario would reveal that sustained improvements along the identified dimensions need to be realized to ensure that the country moves in the direction of sustained growth and development. Further, the storylines reflect the different voices and perspectives of a lot of dedicated and hopeful people envisioning all Filipinos to emerge socially, economically, and politically secure in the 21st century[17] despite the myriads of challenges that lie ahead. Based on these scenarios, the challenges of greatest concern to defense and security – Internal Peace and Security, External Security (Territorial Defense, Maritime Security, and International Stability), Disaster Risk Reduction and Management, and Security Sector Governance/Reform – were derived.[18] The same security challenges have been identified in the Defense Planning Guidance for 2013-2018. Challenges to Territorial Integrity and Maritime Security (both identified under External Security in the Strategic Environment Assessment), Natural Disasters, and Internal Security were categorized as Core Defense Priorities for 2013-2018 and Good Governance among the Peripheral Defense Priorities.[19]

Capability Development Goals

As a national security policy for 2011-2016, the national leadership has defined two broad objectives: promote internal socio-political stability, and enable the Philippines to exercise full sovereignty over its territory and provide protection to its maritime interest.[20] These have been translated into strategic objectives for the DND that can be achieved through the following strategic options – a) securing the national territory and protecting strategic maritime interest; b) securing communities and supporting local authorities; c) reducing the risks of natural and human-induced disasters; d) strengthening and expanding international defense alliances and partnerships; and, e) strengthening the integrity of the defense establishment by subscribing to generally accepted principles of security sector reform.[21]

While the whole defense establishment continues to perform its defense missions, DND must likewise, continually strengthen its institutional capacity in developing capabilities necessary to effectively address a wide range of defense and security challenges over the future environment.[22] Under a broader articulation of a particular strategic option, specific defense capabilities are identified herein. These specific capabilities will provide the DND the means to

effectively perform its mandate and missions and serve as basis for allocating available and would be available resources.

A. Securing the National Territory and Protecting Strategic Maritime Interests

The DND shall ensure that the AFP acquires the appropriate capabilities in protecting the people and the state in the face of a fast changing and challenging regional environment that brings the following concerns: How claimant countries will behave in the West Philippine Sea (WPS); how violent extremists bring intermittent surprises; how perpetrators violate Philippine maritime policies and jurisdiction; and, the high state of uncertainty characterize the maritime environment. Moreover, natural and human-induced disasters will inevitably continue to affect the country's national security. Consistent with the concept of active defense, joint warfare, coast watch system and maritime policies, securing Philippine national territory and protecting its strategic maritime interests must consider the need for the following types of capabilities:

1. **Appropriate strategic response forces** for the conduct of defense operations under joint warfare concept and to respond to disastrous events. Also, these shall serve as deterrence to potential threats that could harm the country's core national interests. Being an archipelagic state, this capability requirement would need the establishment of a joint operational concept that will integrate capabilities across various operational domains such as sea, air, land, and cyberspace. Having this capability shall require the following:

a. **Three-tiered Philippine Navy fleet** with sub-surface and air warfare capabilities added to a more improved surface capabilities not only for sea denial and patrol, but also to ensure the sovereignty of the archipelago and the country's Exclusive Economic Zone (EEZ). Subsurface operations capability is essential in strengthening active defense and joint warfare. Submarines provide viable offensive and defensive capability to protect national interests. Thus, it favors well for the Philippines, being an archipelagic country, for its Navy to develop submarine warfare capability to deter aggression and bullying.

b. **Strategic Air Strike Force** through a combination of manned and unmanned assets in order to gain and maintain air superiority over friendly and contested territories. The force should be capable of neutralizing a threat's military potential that may be used against our forces; and, of supporting our surface forces through air-delivered weapons. The force should have multi-role fighter aircrafts and unmanned combat air vehicles (UCAV)[23] capable of air interdiction, air combat maneuvering, air-to-ground and air-to-ship missions. Inherent to the assigned missions is the training and proficiency of the fighter pilots and operators. Continuous training and participation in joint and/or combined air, land, and sea exercises shall be undertaken towards developing a proficient Strategic Air Strike Force.

c. **Credible expeditionary capability** which necessitates the formation of an adaptive brigade-centric expeditionary rapid-deployable battle group (Brigade Battle Group), organized in conjunction with the Army and Marines combat organizations. Adaptive here means an ability to engage in the full spectrum of a wide range of military operations – from conventional to unconventional, symmetric to asymmetric, high-intensity to low-intensity, to the conduct of peacekeeping operations;

d. **Strategic sea and air lift capability** primarily to support rapid deployment and expeditionary capabilities since these require a proportionate capability to move committed forces by air or by sea. Secondarily, given the global Filipino footprint, on account of over 10 million Overseas Filipino Workers (OFWs) worldwide, and still expected to increase, the impetus for strategic reach is fundamental;

e. **Special operations forces** that are organized, trained, and equipped to conduct special operations activities (e.g., direct action, reconnaissance, humanitarian assistance, disaster emergency assistance, relief and rescue, evacuation, unconventional warfare and/or mass base operations) or to provide direct support to other special operations forces and/or conventional forces. These forces are an integral part of the total defense posture of the country and strategic instrument of national policy since they provide versatile military capability to defend our national interests. They serve as force multipliers and can function in an economy of force role to provide substantial leverage at a reasonable cost and effort;

f. **Missile-based capability** from air, land and sea platforms to increase the firepower and lethality of strategic response forces;

g. **Mine warfare capability** to support other capabilities. Land and sea mines will support other external/territorial defense operations such as sea denial, air and sea interdiction, infantry and mechanized operations, and others.

2. **Enhanced C4ISR capabilities** to provide coast watch system support functions and to support the conduct of joint defense operations. Among others, these capabilities shall specifically support the following:

a. Joint command and control for strategic response forces which requires communications and information systems that are interoperable with other agencies and local governments;

b. Provide for increased air and maritime domain awareness to achieve improved situational awareness through faster collection, structural fusion, and analysis of shared information; and,

c. Intelligence-based and focused countermeasures to secure vital installations and energy facilities against threats or terrorist attacks and protect international sea lanes within Philippine territory and the surrounding EEZ.

3. **Development of Defense and Security Infrastructure of PH-occupied Islands in the disputed areas in the Western Philippines Sea** shall be pursued in order to support and strengthen the PH claim to PH-occupied islands and support the socio-economic development of Filipinos living in the area.

4. **Enhanced space-based satellite network-centric communications** by broadening relationships with other nations and private firms to create mutually beneficial partnerships in sharing capabilities, systems, technology, and personnel, with the assurance of

protecting sensitive sources and methods. It should be realized that the Philippines will gain significant strategic and operational benefit from space-based utilities, i.e., national satellite systems, operated from its soil. Enhanced application includes a nationwide coverage for Philippine sovereignty surveillance and reconnaissance;

5. **Interoperability with allied forces** will require the strengthening of international defense and security engagements while promoting cooperation in the disputed areas; and,

6. **Updated guerrilla warfare to support conventional forces** which the Philippines has proven effective during WWII when guerrilla and other unconventional methods of warfare delayed the timetable of a world power. This is still relevant as of the current and future defense and security environment. Our unilateral and bilateral defense plans have identified this capability as an essential element of our active defense in case foreign invasion happens.

B. Securing Our Communities and Supporting Local Authorities

To secure communities and support local authorities is anticipated to be a continuing mandate and mission for the DND even after the successful resolution of the internal security challenges. Though demands may be lessened with the improved internal security situation, readiness to perform Internal Security Operations (ISO) missions remains a necessity. Being prepared would need the continual development of the following capabilities:

1. Upholding the Primacy of the Peace Process – Enhanced capacity to support and participate in the peace-building discourse instituted by the national government must be developed. Expertise of unit commanders and awareness of operating troops in the implementation of the government's approach for the realization of internal socio-political stability with the peace process as its centerpiece are crucial. These will require special types of education and training for unit commanders as well as the operating troops so that they can work within the principles, framework and concept of "Winning the Peace" as a national policy. Guidance; Tactics, Techniques, and Procedures (TTPs); and, Rules of Engagements (ROE) that are within universally accepted standards and principles must be established and strictly followed.

2. Shape and Engage the Environment – Improving situational awareness and implementing appropriate alternatives towards peaceful resolution of conflicts and towards preventing armed anti-government groups from acquiring advanced military capabilities highlight the need for developing specific capabilities, articulated as follows:

a. **Improved capacity for interagency and multi-sector security cooperation and engagement activities** – These can be achieved through the conduct of joint and interagency training activities and exercises, senior leaders and staff meetings, and tactical unit trainings. These are important to increase understanding, strengthen local allies and partners, and accurately communicate national and defense-military objectives and intent;

b. **Enhanced knowledge of ethnic communities' culture, customs, and traditions** – This will help develop greater understanding of the local leadership and the

populace as well as the armed anti-government groups. Also, understanding their manner of making decisions or selecting alternatives in dealing with conflicts and conflict resolution will eventually redound to more effective peace building approaches;

c. **Rapid response capability of the AFP** – The capability of the AFP to project deliberate and precise response ability by rapidly deploying robust, inter-operable, and agile joint forces capable of delivering decisive combat power must be developed. This shall also support credible deterrence and in cases that deterrence fails, shall ensure effective defense for the country. Likewise, the ability of general and special purpose forces to interdict and support law enforcement agencies in the drive against crime and the proliferation of loose firearms, including small arms, light weapons, and explosives must be developed;

d. **Functional Integrated Territorial Defense System (ITDS) or Community/Public Safety System** – This shall provide integrated community assistance and public safety against attacks, violence or threats of violence by terrorists or rogue armed groups, as well as occurrence of man-made and human-induced disasters. These should also provide for effective identification of most vulnerable areas, communities and vital infrastructures countrywide;

e. **Enhanced Civil-Military Operations (CMO)** – This should cover expanded civil and developmental affairs competency and capacity to promote a people-centered security in the conduct of Internal Security/Anti and Counter Terror operations. Current operations and emerging challenges in internal stability require greater flexibility and agility to operate among diverse local communities, with a wide range of stakeholders, and in a variety of operating environments. It must be recognized that coordination between and among the stakeholders, the AFP and the residents themselves, on deciding what services and infrastructure are needed and should be provided must be enhanced. This puts the people at the center of the discussion and allows their voices to be heard. This enables the communities to be participants rather than mere recipients. Likewise, this should focus on improving competency and capacity to **support** government's efforts in the delivery of basic services to vulnerable communities, providing the conditions for the rule of law, justice and security, and development of economic welfare opportunity. This also requires enhancement of capabilities on community organizing and development by the Special Operations Teams (SOT). Moreover, this shall include the enhancement of the ability to communicate defense-military actions effectively to multiple audiences, while rapidly countering enemy agitation and propaganda. Dialect and cultural awareness to facilitate the expansion of the capacity to partner with the local government and communities are essential;

f. **Strengthened key capabilities for strategic communication** – This shall support the orchestration of multiple lines of operation such as policy implementation, force employment, information operations, public affairs, civil affairs, and public diplomacy and engagement through integrated civilian-military efforts to interact effectively with a variety of audiences and stakeholders. This will require deeper understanding of the population and stakeholders' beliefs and perceptions which are crucial to success. Often, adversaries enjoy the advantage of greater local knowledge thus, could calibrate their activities to achieve sophisticated information objectives. Likewise, this shall include greater capacity for the

formulation and delivery of timely and culturally attuned messages to selected group of the population. Overall, it must support national government's strategic communication program for interagency collaboration in accordance with the "Whole-of-Nation" approach;

g. **Humane Civil Disturbance Control capabilities** – These are measures that are abiding by the rule of law and using appropriate armed force only as a last resort which are necessary to establish order and stability, especially during crisis situations. Likewise, this shall include capabilities to help people during times of emergencies,

h. **Legal Action and Counter-Action Capabilities** – Fighting insurgency in the courtroom requires readiness to employ legal action and counter-action capabilities. When done hand in hand with military's use-of-force, these will help in effectively neutralizing the vicious threats that insurgency brings to the security of the people. This will need continual education and training on legal matters and competencies.

3. Use of appropriate force against internal armed threat groups – The Defense Department upholds the primacy of the peace process while it builds AFP's capability of credible deterrence. However, if armed threat groups opt to blatantly violate or reject the peaceful resolution of the armed conflicts and deterrence fail, the AFP shall be ready for prompt and overwhelming offensive action to deter further violent actions and escalation of hostilities in order to protect and secure affected communities, and help restore internal socio-political stability. Conducting internal security operations through the legitimate use of appropriate force in order to promote internal socio-political stability highlights the need for the following types of capabilities:

a. **Improved capabilities to conduct joint Internal Security/Counter Terror operations** will require enhancement in the following major internal security capabilities; and, at the same time, contribute as "building block" to the development of capabilities for external defense and joint warfare:

i. Infantry Operations
ii. Special Operations
iii. Mechanized Operations
iv. Waterborne Operations
v. Air Mobile Operations
vi. Close Air Support Operations
vii. Sea Patrol and Denial Operations

b. Enhanced C4ISR capabilities to include:

i. Joint and interagency command and control capabilities to facilitate all shaping activities, preventing armed threat groups from gaining advanced military capabilities, and, if necessary, the use of appropriate force;

ii. Area coordination mechanisms for joint coordination of procedures, systems, and when necessary, command and control to plan and conduct complex

interagency operations. These shall include communications and command and control systems that are interoperable with other agencies and local governments; and,

iii. Expanded joint C2 capabilities to employ appropriate force against internal armed threat groups.

c. **Enhanced analysis and targeting capacity** primarily through improved human intelligence, to discern the intentions of the threat groups are highly essential. Likewise, developing new and more effective means for rapidly processing, exploiting, sharing, and fusing information from a wide array of sources and disseminating this information to users at the tactical level is critical. These will require additional trained manpower and critical supporting systems, including communications infrastructures, for the following uses:

i. Continuing monitoring and surveillance using systems that can break in and move around conflict affected areas for the gathering of up-to-date and real time information; and,

ii. Secure communication and intelligence system established in conflict affected areas to support penetrating surveillance and use of appropriate force when necessary.

d. **Enhanced strategic lift capabilities** by land, sea and air for quick and responsive strategic lift requirements. Strategic lift capabilities are essential to support the use of forces, such as:

i. Shifting of forces and rapid deployment that are crucial to internal security operations considering the dispersed nature of the various armed threat groups being confronted;

ii. Operational tempo and operational cycle requirements for routine movement of forces from employment to refurbishing, reconstitution and retraining, and redeployment;

iii. Personnel tempo to address the morale and welfare of personnel engaged either in promoting internal socio-political stability and/or securing the national territory and maritime interests; and,

iv. Responding to natural and human-induced disasters to protect life and property.

e. **Improved key enabling assets for ground Internal Security/Counter Terror forces**, both for general purpose and special operation forces, to meet increasing demand for IS/CT operations and to maximize their operational effectiveness are necessary. These include:

i. force protection;
ii. indirect fire support;

iii. forward medical support services, logisticians, communications assets, information support specialists, and intelligence experts.

f. Specifically, **combating terrorism requires the enhancement of the following essential capabilities**:

i. Capabilities to identify, locate, and track terrorists closely on land, sea, and including cyberspace and for persistent surveillance to find and precisely neutralize terrorists' capabilities are needed. This shall require the expanded employment of manned and unmanned aerial vehicles (UAVs) for intelligence, surveillance, target acquisition, and reconnaissance;

ii. Special operations capability for the conduct of direct action, including surgical operations and stealth exploitation, counter-terror operations and unconventional warfare will also be needed. This shall require additional availability of rotary-wing assets with night vision capabilities for vertical lift and enhanced intelligence capabilities, to support both special operations forces and general purpose forces, for a more effective and precise counter-terror as well as counter-insurgency operations;

iii. Hostage crisis management and rescue operations, integrated with special operations forces' direct action and fused with intelligence operations should be enhanced; and,

iv. Explosive Ordnance Disposal (EOD) and counter-Improvised Explosive Device (IED) capabilities to defeat the evolving threat of IEDs should be enhanced. In support of the national counterterrorism program, DND must work on synchronizing counter-IED efforts with Law Enforcement Agencies (LEA), providing specialized training, attacking the networks that make and deploy IEDs, and disabling the devices themselves.

g. **Multipurpose forces** should be developed to train, equip, and advise auxiliary forces. Likewise, these can be deployed to engage local communities and partners in the local government, including the rapid development of their capacity to participate effectively in defeating terrorists' networks; and support socio-political stability operations, including enabling and turn-over of security responsibility, rehabilitation, and reconstruction activities.

h. Capabilities to **ensure the fusion between intelligence and operations** that require speedy military actions and/or development activities based on time-sensitive intelligence must be enhanced.

i. **Non-lethal capabilities**, including weapons that are explicitly designed and primarily employed so as to incapacitate people, while minimizing fatalities, permanent injury to people, and undesired damage to property and the environment must be developed.

j. **Urban warfare capabilities** that are focused on defeating insurgents' or terrorists' violent actions in built-up areas or urban centers, taking into consideration the safety of civilians and vital facilities and assets should be enhanced.

k. **Riverine warfare capabilities** to improve the ability of ground forces to work with naval forces, LEAs and non-government maritime entities to deny terrorist groups the use of waterways must be enhanced.

l. The **ability to operate securely and effectively in cyberspace** through the adoption of a proactive posture in improving the country's cyber-security capability must be developed. This will require greater cyberspace awareness of personnel.

m. **K-9 operations capabilities** to enhance operational effectiveness by increasing the capacity in locating and tracking threats as well as in assisting LEAs must be enhanced.

4. **Assistance to Law Enforcement Agencies (LEAs) and local authorities against organized crimes** highlights the need for strengthened and institutionalized AFP capabilities on:

a. Dismantling all partisan armed groups (PAGs);

b. Neutralizing and rendering organized crime groups irrelevant; and,

c. Building local governments' capacity and resiliency against human-induced disasters including threats and violence perpetrated by organized crime syndicates, armed radicals and religious extremists.

C. Reducing the risks of Natural and Human-Induced Disasters highlights the need for the following types of capabilities:

1. **Improved OCD capability in administering the national civil defense and disaster risk reduction and management program**. This requires further enhancing the leadership capabilities of key OCD personnel and upgrading of essential equipment and infrastructures in the continuous development of strategic and systematic approaches as well as measures to reduce the vulnerabilities and risks to hazards and manage the consequences of disasters. In order to comply with the requisites of promoting a people-centered security and disaster risk resiliency, OCD personnel must have multi-skills, multi-tasks and multi-dimensional capabilities; and,

2. **Upgraded AFP humanitarian assistance and disaster response capability** to support local governments and communities in protecting people and property from the ill effects of life-threatening and destructive consequences of natural and human-induced disasters. This capability should focus on responding to extreme weather conditions (specifically typhoons/storms and heavy rains resulting to flooding and landslides), and extremely high magnitude earthquakes, tsunamis and volcanic eruptions. This should include the capability development and use of the Reserve Force. Also, this will need reforms in disaster preparedness and response whereby the Reserve Force shall be primed for frontline roles in disaster risk reduction and management as provided in RA 7077.

D. Strengthening and Expanding International Defense-Military Cooperation will enhance capabilities needed to engage key international defense-military allies and partners to ensure the following:

1. Address individual country and common gaps in the protection of economic activities in international waters and common boarders, concerns on global geo-political dynamics, and major power rivalries;

2. Play a vital role in the Philippines' quest for promoting regional and global socio-political stability;

3. Expanding the scope of military and defense engagements in support of country-to-country political, economic and security cooperation including ICT, energy, defense industry as well as cooperation on science and technology, environmental protection, and other non-traditional security concerns; and,

4. Meet the demands of increasing deployment to UN peacekeeping operations (PKO) worldwide and the participation in the anticipated ASEAN-led mechanisms consistent with the development of an ASEAN-wide security cooperation based on the ASEAN Community Security Plan of Action and the ASEAN Political-Security Community Blueprint.

E. Strengthening the Integrity of the Defense Establishment by Subscribing to the Generally Accepted Principles of Security Sector Reform highlights the need for the following types of capabilities:

1. The ability to apply the generally accepted principles of security sector governance/reform into the Philippine context. This requires the full understanding, appreciation and acceptance of the importance of the principles of security sector governance/reform, integration into the defense systems, training of all personnel, and institutionalization and practice.

2. Strengthened and institutionalized AFP capabilities that ensure military personnel perform their duties in adherence to the principles, concepts, provisions**,** and spirit of Human Rights (HR), International Humanitarian Law (IHL) and the Rule of Law (RoL). This requires that these principles are internalized by all military personnel through training and indoctrination, and integrated into the rules of engagement, doctrines, tactics, techniques and procedures.

3. Enhanced capabilities to assess adherence and ensure the prosecution of all personnel violating HR, IHL, and other pertinent laws.

4. Capability to create and implement a more transparent and accountable process on government dealings to prevent and eradicate misallocation, malversation, and conversion of public funds. This includes the adoption of applicable and effective processes, organizational arrangements and management methods in order to increase efficiency and effectiveness. It shall

involve, but shall not be limited to, the enhancement of resource management and utilization practices to address real and perceived gaps.

5. Enhanced capability to institutionalize stakeholders' involvement in the performance of the defense-military mandates, missions, and tasks. This requires the strengthening of defense senior leaders/staff, operational units and personnel knowledge and skills in engaging local and international partners, enhancement of consultative mechanisms in all potential areas of cooperation, actively supporting capacity-building efforts of local government units and communities in handling and managing peace and order concerns in their localities.

6. Improving capabilities to contribute to the establishment of conditions for civil authorities to take responsibility for the safety and well-being of their constituents. This requires an expanded civil affairs capability to advocate and assist government agencies in enhancing government control in conflict-affected areas and in "civilianizing" internal security operations that will pave the way for the eventual take-over by legitimate civilian government institutions in promoting internal socio-political stability.

Capability Development Goals Per DND Bureau

Chapter 3 of the 2010 Defense Policy Paper[24] identified interlocking components towards its effort to build its institutional capacity. These components are as follows:

1. Upgrading the AFP Capability
2. Modernizing the Government Arsenal
3. Enhancing the Capability of the Office of Civil Defense
4. Enhancing the Capability of NDCP
5. Developing and Using Robust Reserve Force
6. Ensuring the Welfare of Veterans
7. Cultivating Synergy with LGUs and the Private Sector

A careful look at these components would suggest that these could be re-grouped along the missions and functions of the various DND bureaus. Along with this observation, the Philippine Defense Transformation Program may then be implemented along the DND bureaucratic organization. The Secretary of National Defense and the respective bureau heads could then be the transformation champions and change agents.

Upgrading the AFP Capability and Developing a Robust Reserve Force

From the foregoing enumeration of the Capability Development Goals, the AFP shall pursue the capability development directions needed in the performance of its missions. It is the aim of DND to have the AFP ready and prepared whenever and wherever its services are needed, whether in times of war, crises, or peace.[25]

In order to support the needed changes to fully implement the Internal Peace and Security Plan (IPSP) "Bayanihan" in **"Winning the Peace"**, instead of just "Defeating the Enemy"**,** reforms shall be focused on building the capacity for effectively implementing the Strategic

Approaches[26], *Imperatives*[27], and *Concepts*[28] embodied in it. This will require re-focusing of individual and organizational mindsets related to internal security operations, particularly in the areas of doctrine, organization, training, personnel, and leadership development. One of the new and relevant transformation directions is the adoption of the operational concept of **"Effects-Based Operations"** that are tailored for each of the armed threat groups.[29]Likewise, employment of the **"Whole of Nation Approach**" is anticipated to raise the involvement and active participation of government and non-government agencies, with the AFP in a support role. This will need for an improved capacity for Inter-Agency cooperation on the part of the AFP which requires enhanced information management systems. Moreover, the **"People-Centered/Human Security Approach"** will need significant changes in the mindsets of every individual soldier towards ISO. This will require that the AFP implement measures to enhance the appreciation and understanding of the concept of human security.[30]The section of the IPSP "Bayanihan" articulating the needed "Capabilities for Internal Peace and Security"[31]amplifies the foregoing.

In anticipation of the effectiveness of the IPSP "Bayanihan" in the medium-term, the AFP shall build its capabilities for external defense in the succeeding medium terms and in the long term. To complement identified materiel and technology development under the AFP Modernization Program (AFPMP) for command and control communications, computers, intelligence, surveillance, target acquisition, and reconnaissance (C4ISTAR) to support the protection of the country's Exclusive Economic Zone (EEZ) and obtain Maritime Domain Awareness, reforms shall focus on the co-evolved changes needed in the areas of Doctrine, Organization, Training, Personnel, and Leadership development. The current initiatives under the Coast Watch System (CWS) project and other CEIS projects under the AFPMP can provide the impetus for the continued development of the capability for joint command and control. These shall be on top of the desired ground, naval, and air defense capabilities identified under the AFP Modernization Program. Likewise, in preparation for an eventual conduct of a bilateral defense of the country under the Mutual Defense Treaty (MDT) with the United States of America (USA), substantial inter-operability with the US forces must be achieved, particularly in terms of planning and execution of military operations and command and control communications. Moreover, the transfer and co-location of the headquarters of the Major Services with the General Headquarters will most likely happen. In anticipation to this, the AFP should be prepared for the subsequent changes that must go with the transfer in terms of organization and command relationships.

Furthermore, the Reserve Force shall be developed to provide the expansion of the AFP during times of emergencies and in the event of war. Section 4, Article XVI of the 1987 constitution says that the AFP shall be composed of a "Citizen Armed Force" which shall undergo military training and serve as may be provided by law. This principle has been affirmed by RA 7077 and RA 7898. While this is the intent, the current number of AFP reservist is only 286,819 as of June 2011[32], way below the envisioned force ratio of the AFP Total Force comprising of 80% Reserve Force and 20% Regular Force. Efforts should be geared towards the full implementation of the Citizen Army concept, as provided by law, whereby ready reserve battalions can immediately be mobilized in case of national emergency thereby allowing the downsizing of the active force to a "lean and mean" armed forces.

Reserve Forces should be able to help in the accomplishment of AFP missions. For this to materialize, it is important to equip the Reserve Forces with the necessary capability for Disaster Response Operations, Humanitarian Assistance and Peacekeeping Operations, and missions in support of national development. These should be on top of the basic and advanced military training courses being currently provided. Likewise, the capability of the AFP to account and mobilize the reservist when needed should be improved.

Also, the implementation of the National Service Training Program (NSTP) offered alternative choices on college entrants. This has resulted in the decrease of ROTC enrollees which eventually resulted in the decreased number of ROTC graduates. This could be a challenge to the organization if not addressed at the soonest possible time. As a remedy, the AFP initiated the revision of the NSTP Implementing Rules and Regulation. While the Memorandum of Agreement (MOA) has been signed by the respective heads of the Tripartite Committee composed of the Commission on Higher Education (CHED), Technical Skills Development Agency (TESDA) and the DND, this initiative has to be followed up with concrete actions aimed to improve awareness and desire to implement. Moreover, the AFP must do something to recruit and encourage youth to be part of the ROTC by giving benefits to ROTC students and by opening their eyes to the goals and aspirations of the program. Advocacy campaigns must be done at the national level to promote and develop public support to the awareness on the important role of the Citizen Armed Force as protector of the people and the State.

Modernizing the Government Arsenal

Basic weapons, materiel and other munitions are essential requirements of a defense force, thus the importance of enhancing the Government Arsenal's capacity to produce these is important. Also, the production of the needed ammunition for the defense force is a vital job for the force to fulfill its missions.[33]This amplifies the importance of modernizing the equipment and systems of the Government Arsenal. The current capacity of the Government Arsenal to produce ammunitions for the AFP's light weapons must be upgraded by including the capacity to produce additional requirements needed in times of emergency. The ammunitions that are produced should be secured and assured that these will only be used in the advancement of our country's national interest and not for personal use. Moreover, in order to establish itself as a forerunner and a respectable defense industry in the long-term, it must develop its research and development capability. It must not remain complacent with what it is and has at the moment but must look for other ways to improve its capacity to produce world class and state of the art products that the AFP and other law enforcement agencies need.

Enhancing the Capability of the Office of Civil Defense

An effective and efficient disaster response is a crucial component of disaster management. The Office of Civil Defense (OCD), being the operating arm of the National Disaster Risk Reduction and Management Council (NDRRMC), plays a crucial role in terms of coordinating all disaster management activities of the national and local agencies and all instrumentalities all over the country to maximize all available resources.[34] Per RA 10121, the NDRRMC serves as the President's adviser on disaster preparedness programs, disaster operations, and rehabilitation efforts undertaken by the government and the private sector; and, in the discharge of its functions, the NDRRMC utilizes the facilities and the services of the OCD.

Notably, the Secretary of National Defense is the Chairperson of the NDRRMC while the Administrator of OCD is also the Executive Director of NDRRMC.[35] Moreover, the AFP is one of the identified member-agencies of the NDRRMC. Furthermore, RA 10121 mandates an enhanced OCD functions and organizational structure.[36]

For the realization of its purpose, it must work closely with the AFP for a more effective and efficient disaster response plans and programs. Also, for more efficient delivery of service, linkages with the Local Government Units and other agencies must be further enhanced. Collaboration with international institutions must also be ensured so that the OCD could learn from their best practices and experiences. These shall entail enhanced information management and inter-agency cooperation capabilities not only for OCD but also for other involved agencies such as the AFP.

Enhancing the Capability of NDCP

The National Defense College of the Philippines (NDCP) is the DND's academic arm which has the primary mandate to conduct the Master of National Security Administration (MNSA) program. Graduates of the MNSA are expected to contribute to the policy research and formulation that would address current and emerging defense and security challenges the country is facing. The conduct of the MNSA therefore, should be enhanced so that it could produce competent graduates that could contribute significantly to the creation of new approaches towards meeting the defense and security challenges of the 21st century.

The capabilities of the NDCP as an educational institution must be enhanced. These should include a modern library with appropriate e-services and equipment to support the conduct of research. Also, these should include the availability of competent professors in different disciplines, and the cultivation of an academic environment that would help students and professors focus on their scholastic endeavors that could redound to meaningful contributions to the attainment of defense objectives.

Ensuring the Welfare of Veterans

The sacrifices and selfless efforts rendered by the veterans in serving the country are valued and recognized. The enhancement of the systems and processes of the Philippine Veterans Affairs Office (PVAO) is a fitting tribute to them. Filipino veterans must be given due privileges and services provided to them must be unhampered by guaranteeing smooth delivery of the needed veterans services. Establishing an improved information management system in PVAO would surely contribute to a more effective and efficient veterans' services.

Also, the possibility of making PVAO a separate budgetary item has been considered as its short term enhancement considering that the current budgetary allocation given to the Office is not enough to serve the needs of the veterans and their dependents. There is a need to look for alternative ways to find suitable resources that would address the budgetary deficit of the Office. In the long term, looking at the viability of having the Veterans Affairs evolve into a separate office outside of the DND is also being studied in order to make PVAO more capable in delivering the services that the veterans need.

Enhancing Defense-wide System of Management

The establishment and institutionalization of Defense System of Management (DSOM) has heightened the consciousness of DND leadership that every resource spent should pursue a needed capability identified based on a sound strategy. The internalization of DSOM as a management process in the whole defense establishment shall be pursued. This would require additional capacity building on change management and that appropriate information management systems must be put in place to support its continued institutionalization. Also, establishing linkages with other government bureaus and department, Non Government Organizations, Local Government Units and the private sector is a good strategy in addressing the challenges of the current environment. Moreover, the cultivation of a culture of partnership with the Filipino citizenry is very important to promote the sense of belonging by the people, making them feel that they are involved in the government affairs and that their contribution to the improvement of their community in particular, and the Filipino nation in general, is essential.

Overall DND Capability Development Vision

Synchronizing the attainment of the foregoing capability development goals through the Philippine Defense Transformation (PDT) Program will move the entire DND forward as one organic whole, with each of the five separate but inter-related bureaus developing in concert with each other and complementing one another. Towards 2028, the DND is envisioned to be "Fully Mission Capable" in addressing the evolving defense and security challenges; truly contributing to the aspirations of the Filipino people for the country to move in the direction of sustained growth and development.

Figure 3: Conceptual Framework
Philippine Defense Transformation Program

Chapter 4
IMPLEMENTATION CONCEPT OF PDT

The foregoing capability development goals shall be accomplished through the Philippine Defense Transformation (PDT) Program by way of the following implementation concepts:

Goal Statements of PDRP and AFPMP Remain Valid

The Philippine Defense Transformation (PDT) Program seeks to continue the overarching goals of the Philippine Defense Reform and the AFP Modernization Programs for they remain pertinent even as the defense and security environment continually evolve over time. While the PDR Program seeks to have **"a defense establishment that is capable of accomplishing the defense missions and fit and ready for the future"**[37], the AFPMP seeks to **"modernize the AFP to a level where it can effectively and fully perform its constitutional mandate to uphold the sovereignty and preserve the patrimony of the Philippines"**[38]. As such, the foregoing goal statements remain valid as they reflect the long term aspirations of the defense department, along with its bureaus. Both goal statements reflect the need to develop appropriate defense capabilities in order for DND to effectively perform its mandate and missions to eventually address not only the current, but also the emerging and/or evolving defense and security challenges of the 21st century.

Build Upon the Gains of the AFP MP/CUP and the PDR Programs

It is recognized that much has been accomplished with these two programs. Some may observe that these accomplishments are minimal but they serve as foundations for the continual transformation of the DND in order to build the needed capabilities to meet the defense and security challenges of the 21st century. The PDT Program will build upon these gains.

Gains under the AFP Modernization Program: The AFP Modernization Program was geared towards the development of ground, naval, and air defense capabilities complemented by the development of the General Headquarters' capability for Joint Command and Control Communications and Information Systems. The development of these capabilities have been reflected in the following AFPMP components or pillars: 1) Capability, Materiel and Technology Development (CMTD); 2) Human Resource Development (HRD); 3) Doctrine Development (DD); 4) Bases and Support Systems Development (BSSD); and, 5) Force Restructuring and Organizational Development (FROD).

Although only 33.9 Billion Pesos has been allocated for its implementation up to CY2010 out of the earmarked 332 Billion Pesos, critical materiel and technology capability development acquisitions have been realized in the areas of mobility, firepower, communications, and sensors. Five (5) Billion Pesos each have also been allocated in the CY2011 and CY2012 appropriations and a stream of Five (5) Billion Pesos annually is expected to be included in the annual budget up to CY2016. The materiel and technology capabilities that may be acquired, however modest, would serve as significant foundation for the continual defense transformation.

One glaring shortfall in the implementation of the AFPMP/CUP however was its concentration on the acquisition of materiel and technology requirements. Though the plan itself covered capability development in other components, including the professionalization of the AFP, actual implementation reveals that only 4.56% of appropriated funds has been allocated.[39] The establishment of the Philippine Defense Reform (PDR) Program as a result of the Joint Defense Assessment (JDA) conducted by the Philippine and US Governments provided the opportunity to focus on these equally important components of the modernization.

Gains under the Philippine Defense Reform (PDR) Program: The PDR Program was meant to address the systemic deficiencies noted during the conduct of the Joint Defense Assessment (JDA) from 1999 to 2003. The JDA Report[40] which identified systemic deficiencies of the defense establishment at the strategic, operational, and functional support-area-specific, and its recommendations became the bases of the ensuing PDR Program. The key recommendations, in-turn, were translated into key Plans of Actions and Milestones (POAMs)[41] which were later on translated into the current 12 Programs, 3 High Priority Projects, and 2 Priority Concerns.[42] While considerable progress has been made in all Programs and Projects, many reform measures are still considerably short of the original objectives to be achieved. While some completed projects have led to the identification of the reform areas to be pursued, the institutionalization of these reform areas need to be followed through. Likewise, majority of the projects under the different Programs are in the execution stage – assessment, design and development, and initial implementation stages. When completed, the reform measures identified for implementation will need institutionalization, and the expected systems improvements would serve as the foundation for the implementation of the PDT Program.

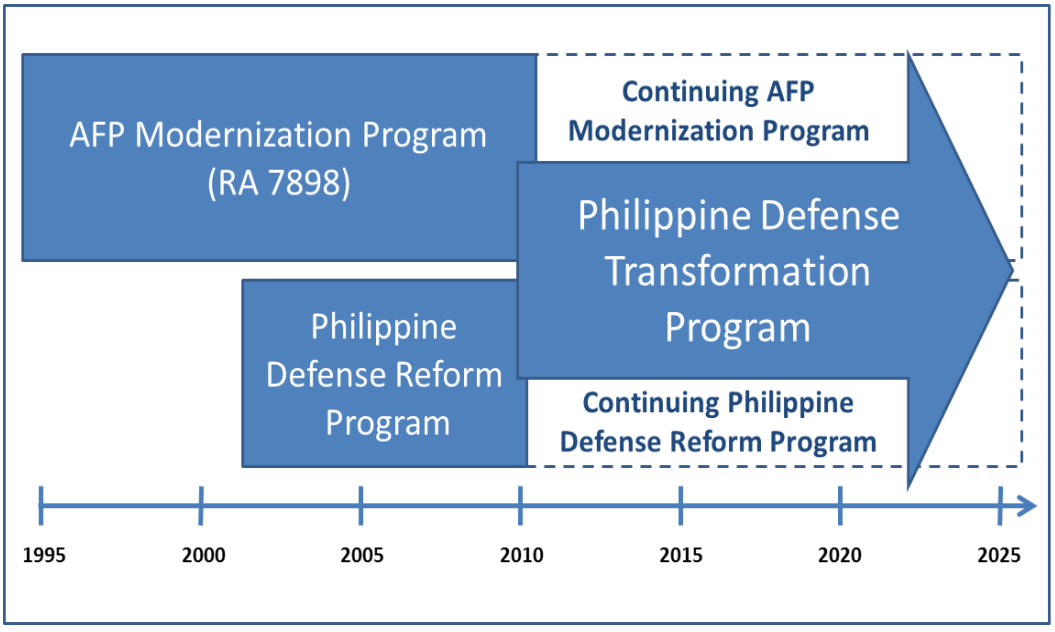

Figure 4: PDT: Synchronized AFPMP/CUP and PDR

Synchronization of the AFPMP/CUP and the PDR Program

While building upon the gains of the two programs, the PDT shall serve as the mechanism to synchronize them. While follow-on AFP Modernization Program could focus on enhancing the capability of the AFP in terms of its Bases and Facilities, Materiel, and Technology, the reform program could enhance the capacity of the defense department to perform its missions by focusing on the needed co-evolved changes in the areas of doctrine, force structure, and human resource development. It should be noted that one of the key JDA recommendations in 2003 was for the implementation of a multi-year capability upgrade program for the AFP, which in essence, is the AFP Modernization Program. This is a recognition way back then that the AFP Modernization Program should be incorporated and synchronized with the other defense reform measures.

Focus on the Medium-Term While Not Losing Sight of the Long-Term Goal

Though beaconed on the afore-cited capability development goals, the Philippine Defense Transformation (PDT) program is focused on achievable and realizable medium-term plans. These medium-term plans, constructed with basis partly, on the gains of the AFPMP and the PDR programs, shall serve as building blocks for follow-on medium-term planning cycles towards the attainment of its long-term goals. The first Medium-Term Plan of PDT is for the 2011-2016 cycle.

Appropriate Use of Cooperative Security Arrangements and Public-Private Partnership

Opportunities from current and future bilateral and multi-lateral cooperative security arrangements and other engagements shall be appropriately explored to support the implementation of the program in terms of funding, technical assistance, education and training programs, sharing of lessons learned, confidence building, and other mutually beneficial endeavors.

Chapter 5
FOCUS OF THE FIRST MEDIUM-TERM

One of the strategic concepts in pursuing the PDT is the focus on the medium-term without losing sight of its long-term goals. This is not only aligned with the planning cycles of the Defense System of Management (DSOM) but is also a realistic approach considering that it gives focus on the doable things that a President can do during his term.

Transformation plays a vital role in our current government's leadership goals and aspirations. The governance themes of President Benigno Simeon C. Aquino III, as presented in his inaugural address on June 30, 2010, made reference to transformation. As quoted, the President has said: ***"The mandate given to me was one of change. I accept your marching orders to transform our government from one that is self serving to one that works for the welfare of the nation"*** and ***"We will strengthen the armed forces and police not to serve the interests of those who want to wield power with impunity but to give added protection for ordinary folk"***. The second highlights the President's emphasis on one of his national security agenda, that of pursuing Security Sector Reform. Also, it can be noted in the President's 16 point agenda that the idea of PDT is aligned in at least one on his list, specifically Agenda Item No. 12 which states: ***"From a demoralized but dedicated civil servants, military, and police personnel destined for failure and frustration due to inadequate operational support to professional, motivated and energized bureaucracy with adequate means to perform their public service missions."***

Likewise, the Medium-Term Philippine Development Plan 2011 – 2016 emphasizes the need for a strengthened internal security system. It emphasizes that the security sector must rebuild themselves as institutions by reorganizing, retooling, and reorienting the approaches to keep up with the constantly changing policy and security strategy environment. It says further that the AFP could do these reform efforts by pursuing and supporting programs such as the Philippine Defense Transformation.[43]

While the whole defense establishment performs its defense missions to support the country's quest for peace and security, the Philippine Defense Transformation, as a program, shall concentrate on key efforts that shall increase organizational effectiveness, promote efficiency and productivity, and institutionalize integrity and honesty in the government service. These key efforts are along the areas of **1) Internalization of DSOM in the Whole DND; 2) Enhanced DND-wide Information Management; and, 3) Continuing Professionalism.** These shall provide the foundation for future transformation efforts in the next medium terms. Likewise, these shall guide, and be made integral parts of, the development of future transformation plans.

Internalize DSOM in the Whole DND

Equally important with the institutionalization of DSOM as a strategy-based multi-year defense planning system of DND is its internalization in the consciousness of each and every member of the Defense Leadership from the strategic to the operational level. DSOM has been established

as a defense management process through Department Circular No. 5, series 2008. To continually adapt to the changing organizational structure of DND, this was amended by Department Circular 11, s-2011. Likewise, the PDR Program created for the Integration of DSOM[44] within the whole defense establishment has provided significant inroads as far as the Defense Strategic Planning Process (DSPS) is concerned. The other sub-systems of DSOM – Defense Capability Assessment and Planning System (DCAPS), Defense Acquisition System (DAS), and the Defense Resource Management System (DRMS) – are likewise in the process of being institutionalized. Efforts towards fully internalizing DSOM in the whole DND in order to gain wide acceptance and use must be sustained under the PDT Program. Specific projects, as follows, must be pursued:

Increase Awareness and Knowledge of DSOM

Accepting and eventually, consciously using the DSOM process in the day-to-day decision making at every level of organizational activities is a major change management challenge. This will entail activities that shall increase awareness of the process, increase the desire to use the process, and build knowledge about the process. These activities can be integrated in the education and training curriculum of professional military education courses or done trough series of seminars, workshops, and advocacy road-shows. The entire medium-term may just be enough towards the attainment of the foregoing intent and purposes.

Complete the Manuals on DSPS, DCAPS, DAS, and DRMS Processes

In order to amplify the guidelines set forth in the DC 05, series 2008 and its follow-on revisions per DC 11, s-2011, appropriate manuals that will appropriately guide people on how to do DCAPS, DAS, and DRMS must be crafted and promulgated. These could also serve as detailed and official references on how these DSOM processes must be performed. It must be noted that the DSPS Process Handbook has been crafted by the PMT on the Integration of DSOM and is now in the process leading to its promulgation. Similar handbooks on DCAPS, DAS, and DRMS are projects worth pursuing in the first medium-term.

Revisit, Review, and Refine FOCIS

The Force-Oriented Cost Information System or FOCIS is a database that is used not only to develop and analyze program alternatives, submit program proposals, and record the programmatic decisions of the SND,[45] but also to maintain data accuracy and integrity. The importance of this to the whole DSOM processes cannot be overemphasized; as such, should be revisited, reviewed, and refined so it would effectively serve its intended purpose.

Enhanced DND-Wide Information Management

The evolving changes in the defense and security environment have been brought about by the coming of the "Information Age", which provided widespread access to information-related services and capabilities only dreamed about during the previous eras. This increased access to information provides an opportunity to rethink the ways that we organize, manage, and control.[46] Further, the new environment requires orders of magnitude faster "sense-making" and responses;

and to make sense of the situation requires that we are able to quickly bring to bear (1) information from many sources, including new sources, (2) a wide variety of expertise and perspectives (to understand, filter, and integrate the available information and knowledge), and (3) synchronize effects over multiple domains.[47] The Information Age presents new challenges to the whole defense establishment.

Building on the gains of the AFP Modernization Program/Capability Upgrade Program (AFPMP/CUP) and the Philippine Defense Reform Program, the whole defense establishment should continually transform itself to meet unexpected challenges, to accomplish tasks in new ways, and learn to accomplish new tasks.[48] Also, the transformation of DND to an Information Age organization will depend upon the ability of individual members and organizational entities to get the information that they need to make sense of the situation and to combine and recombine these as needed to ensure coherent responses.[49]

Three of the identified four minimum essential capabilities required for the success of a given operation – ability to make sense of the situation; ability to work in a coalition environment, including non-military partners; and ability to orchestrate the means to respond in a timely manner – involve command and control[50], which essentially is, Information Management. The other one – possession of the appropriate means to respond – is about the tools of war and policy implementation and has significant implications for what information is needed as well as who needs to be brought into a conversation about assessing a situation or what action is appropriate[51]. Likewise, the shortcomings of existing force structure, concepts of operation, organization, doctrine, personnel, education, training, materiel, and systems can be identified by looking at these minimum essential capabilities and assessing the ability of current organizations to accomplish these tasks in the context of the 21st century security environment[52].

The need for an enhanced C4ISR capability has been repeatedly identified among the capability goals that must be developed, both for the effective conduct of internal security and external or territorial defense missions. Likewise, the need for an improved information management system has been identified as essential for the efficient and effective delivery of government services. In fact, the need for this capability has been identified as early as the planning of the AFP Modernization Program. Several materiel and technology enhancements have been initiated thus far; however, all combined, still fall short of what are required to be effective in performing defense mandate and missions.

Likewise, the PDR Program has recognized the need for enhanced information management such that a PDR Program on information management development has been created for this purpose. Specific development efforts towards this end have been done thus far. One significant initiative is the development of the Coast Watch South (CWS) that is now considered as the foundation for the development of a coast watch system that is nationwide in scope. Combined with other AFP Communications, Electronics, and Information Systems (CEIS) projects under the AFPMP/CUP, and the development of other air and naval defense capabilities, shall be the foundation for the country's territorial defense infrastructure in the information domain.

Within the first medium term, the AFP shall pursue identified Coast Watch System and other CEIS projects identified in the AFP Medium Term (2011 – 2016) Capability Upgrade and

Modernization Program.[53] Alongside with these projects, the IMDP of the PDR shall complete its IM framework and roadmap in conjunction with other information systems initiatives of the PDR under the AFP functional areas of personnel, intelligence, logistics, civil-military operations/STRATCOM, and reservists' affairs. These shall be complemented by other information-management enhancements initiative of PVAO for the veterans and the DND Proper to support the integration of DSOM. Specific projects during the first medium-term shall concentrate on the following:

Continuously Pursue the Information Management Development Program

While information is technology independent and that the definition of information is absolutely distinct from technology, what can be done with information, and how fast it can be done, is very dependent on technology; and technology dramatically enhances our observational means, expands and concentrates data storage, and accelerates instruction processing.[54] By and large, organizations that have been able to fully leverage the power of information and information technologies to develop competitive advantage have dominated their competitive domains and those that have been slow to recognize the potential for information and information technologies to transform their organizations and processes, or have failed to go far enough and fast enough to change the way they do businesses are being acquired by their competitors or swept away.[55]

The foregoing emphasizes the need for the establishment of the needed Information and Communications Technology network infrastructure as the primordial information management requirement of the whole DND. Likewise, concurrent changes in the areas of Doctrine, Organization, Personnel, Training, Leadership, Facilities, and Funding approaches, alongside the development of the needed ICT Network Infrastructure, must be pursued.

Synchronize the Implementation of Needed Information and Communications Technology (ICT) Network Infrastructure

Given the complexity of the ICT Network Infrastructure required, it must be realized that the manner by which it should be established need to be synchronized. Currently, there are several initiatives that are being undertaken separately.

First, is the initiative under the Information Management Development Program (IMDP) of the PDR. At present, the assessment of the current state of information management has been completed and the concerned project team is now geared towards the completion of the DND IM Framework and Roadmap. While the framework and roadmap is yet to be completed, several information management activities however, are already funded for project execution stages, among them the Personnel Management Information System (PMIS) under the Improvement of Personnel Management System (IPMS) Program and the Supply Management Information System (SMIS) under the Improvement of Logistics and Acquisition Capacity (ILAC) Program.

Second, is the development of the AFP C4ISTAR under the AFPMP/CUP. Since the funding for the AFPMP/CUP projects were made available, several CEIS projects have been implemented with the end in view of eventually establishing the needed ICT network

infrastructure that shall support the effective conduct of AFP command and control and the related tasks of providing intelligence, surveillance, target acquisition, and reconnaissance. For instance, the Philippine Army acquired significant number of HF/SSB Man-pack and VHF/FM Hand held radios for use of its tactical units. GHQ AFP on the other hand invested largely on establishing the telecommunications backbone through the modernization and upgrade of its Fixed Communications Systems (FCS). At present, the first two phases of the FCS project involving the replacement of microwave radio systems from Camp Aguinaldo in Quezon City to Camp Navarro in Zamboanga City is nearing completion. Follow on FCS projects have been included in the AFP Medium Term (2012 – 2016) Plan.[56] When completed, these shall serve as the telecommunications backbone of the AFPC4ISTAR. Other AFPMP/CUP initiatives include projects on computer networking that, combined with the FCS projects, will provide the needed ICT Network Infrastructure.

Third, is the Philippine Navy's coast watch project in the Southern Philippines whose concept eventually evolved into a nationwide coast watch system; and the fourth is the AFP's various initiatives under its annual programs.

All of these efforts must be synchronized in order to ensure coherent implementation. The Office of the Deputy Chief of Staff for CEIS, J6 being the designated Program Manager for IMDP and inherently the office responsible for overseeing the development of the AFP C4ISTAR, should be able to provide the synchronization for all of these efforts. Synchronizing all of these shall be the J6's focus during this period.

Concurrently Implement Needed Changes in the Areas of Doctrine, Organization, Training, Personnel, Leadership, Facilities and Funding Approaches

Without the co-evolved changes in the areas of Doctrine, Organization, Training, Personnel, Leadership, and approaches to Funding, only incremental improvements in effectiveness will be obtained while foreclosing opportunities for greater magnitudes of improvements necessary to remain competitive.[57]Alongside the synchronized establishment of the needed ICT Network Infrastructure, therefore, changes in these identified areas must also happen.

Doctrine: Changes in doctrine must be made incorporating the following: 1) a realization that as information is fast becoming a strategic national asset, the security and integrity of cyberspace must now be considered an important, if not vital, national interest that should not be compromised; 2) recognition that any information not on the Net has very limited value such that all users of information, who are also suppliers, have a responsibility to post information before they are used, thereby ensuring that all information is available to those who need it; 3) an effort to move beyond the current focus of supporting individual commanders or units to a broader focus of distributed individuals working collaboratively; 4) since all military equipment is in danger of capture, steps must be taken to prevent equipment loss, to ensure that losses are known, and to frustrate threat group's exploitation of captured systems; and 5) the entire notion of doctrine needs to be changed from one of publishing "the way" it should be done to a dynamic process of learning and sharing best practices.

Organization: Adjustments on the current organizational structure must be adopted to reflect the following observations and assertions: 1) the dynamics of information dissemination have changed considerably from flowing through organizational hierarchies or command structures to the point where significant amounts of information are obtained outside of these vertical flows and increasingly from non-DND and AFP sources such that, what was once predominantly a highly constrained and vertical information flow has evolved into a mix of vertical and horizontal flows that extend beyond the DND and AFP; 2) solutions to dealing with today's information flows will not necessarily work with tomorrow's vastly increased flows because the amount, quality, and dynamics of information dissemination have already begun to impact on the ways decisions are made and disseminated, thus involving a shift from a model where information is collected at the edges and moved to the center for decision making to a model where the edge is empowered to make decisions based upon command intent and high quality situation awareness; and, 3) not only is the amount of available information dramatically increasing but also, the ability to widely disseminate this information is keeping pace; and that, as information sources proliferate, individuals are increasingly receiving inputs from multiple sources in less than coordinated manner, raising issues as freeing information flows from the command chain means commanders cannot control what subordinates see or know and that disorderly and unpredictable flows may confuse and distract decision makers. Additionally, an overarching entity tasked with a centralized management of all DND and AFP networks and systems should be strongly considered. An AFPWSSU tasked of managing all of these systems – say CEISSAFP, may be appropriate. Also, strengthening the Defense Information Management Office (DIMO) to oversee the whole defense network may be worth considering.

Training and Education: Current efforts under the PDR Program on the Enhancement of the Training Management Systems (ETMS) and future reform efforts on training and education must reflect the following: 1) significant changes in the structure and curriculum of Professional Military Education (PME) to serve as change agent in raising awareness of the operational environment of the Information Age, with the end in view of having all students becoming current in information technologies and be familiar with their likely impact on defense and military affairs; 2) emphasis needs to shift focus from individual systems to focus on the network; 3) improvements in virtual reality technologies in order to provide options for diverse mission rehearsals and training; and, 4) users must be educated regarding what information is available, how to locate it, and how to use it including the development of better visualization techniques.

Personnel: A highly skilled IM workforce will ensure that IM shall be optimized in the DND and the AFP. It should be emphasized that while better education and training devoted to information processing under stress and in environments characterized by uncertainty are needed to develop the necessary skills to handle information-rich situations, practice is key to perfecting and maintaining the skills needed. Also, the Information Age requires a workforce that has been properly educated, trained, motivated, rewarded, and empowered, and requires changes in behaviors that serve to put the need of the whole organization first than the local organization in decisions regarding the design and acquisition of the different parts of the infrastructure. These needs must be reflected in the on-going efforts and future initiatives under the various projects of the PDR Program on the Improvement of Personnel Management System (IPMS).

Leadership: The magnitude of the changes that need to be done requires a DND and AFP leadership that recognizes that potential pitfalls are not valid or sufficient reasons for deferring, delaying, or half-heartedly embracing Information Age concepts and technologies. It should be recognized that existing mindsets, practices, and processes must give way to new ones that are in tune with the new characteristics of information and dissemination. The magnitude of the foregoing requirements will entail a lot of political will to prioritize the investment on ICT network infrastructure over other competing priorities. Moreover, this will require a DND and AFP leadership that will provide a strategic decision to put in place the information-related capabilities that would include vastly improved connectivity, increased bandwidth, increased interoperability, and improved collaborative environment.

Facilities: The acquisition of modern materiel and technology capability will need equally improved facilities not only to physically protect the newly acquired ICT infrastructure, but also to enable their more effective use.

Funding Approaches: Considering the magnitude of the requirements, it is anticipated that enormous amount of resources is needed to finance the initial investment and the follow-on integrated logistics support. This will compete with other priorities with the limited budgets available; therefore, other creative financing options such as Government-to-Government arrangements, or collocation agreements with commercial telecommunications companies must be explored.

Continuing Professionalism

Professionalism has broad meaning and is best described within the context of the organization exercising it. Section 4 of Republic Act No. 6713: "Code of Conduct and Ethical Standards for Public Officials and Employees" defines professionalism as the discharge of duties with the highest degree of excellence, intelligence and skills; thus requiring public servants to provide public service with utmost devotion and dedication to duty.[58] Likewise, the AFP Code of Ethics defines military professionalism as the expert application of specialized skills based on organized body of knowledge and in accordance with laws and/or Code of Ethics with the highest degree of excellence in the accomplishment of the mission.[59] The 2010 Defense Policy Paper, on the other-hand, identifies it as one of the core organizational values of the DND – along with responsiveness, flexibility, effectiveness, efficiency, economy, transparency, accountability, rule of law and respect for civilian authority – thus underscoring the need for every personnel to exemplify it as a guiding principle in each and every action. Since the DND vision is anchored on these core values, the attainment of the country's national defense and security strategic objectives cannot be realized without undertaking focused initiatives that allow the DND to consistently promote, deploy, demonstrate, and evaluate professionalism and enable adherence to these core values.

It has been noted that deficiencies in leadership, attitude, values, policies, processes and performance significantly affect the organization's capacity to perform a given mission. Conversely, it may also be noted that addressing these deficiencies is the single most important program that an organization can undertake to institute meaningful reforms. The leadership sets the direction and provides the resources to achieve strategic objectives. Ultimately, its

effectiveness will be determined by the performance of the organization which in turn is affected by the prevailing attitude and values as well as the existing policies and processes within the organization. These deficiencies are truly systemic in nature and require deliberate and systematic approaches. The broadness and complexity of the issues related to these elements as well as the constantly changing environment under which they are to be carried out, suggests that we may never attain the "perfect" state in these areas. Focusing on key organizational dimensions such as integrity, quality & productivity, individual capacity, and people empowerment is important to achieve the desired results.

The following specific projects shall be pursued to achieve significant level of professionalism in the DND:

Integrity Development

Public office is a public trust. The 1986 Philippine Constitution provides that public officers and employees must at all times be accountable to the people and serve them with utmost responsibility and integrity. Integrity is therefore a commitment by a public official to the people. In an organization tasked to protect the people and the state, the standards by which to measure this commitment must be placed a notch higher. The destruction of integrity leads to corruption. Much needs to be done to gain the trust of the public for good. Internalizing the core values of DND is a good start. Beyond that, however, there is a need to institutionalize the approach to integrity development through the deployment, enforcement, integration, and continuous improvement of management control systems that promote individual and institutional integrity. When institutionalized, integrity development programs will promote the DND core values of accountability, transparency, rule of law, and respect for civilian authority.

The integrity development framework builds on the Corruption Resistance Review approach developed by the Independent Commission Against Corruption (ICAC) of New South Wales and the Corruption Vulnerability Assessment (CVA) tool adapted by the Development Academy of the Philippines (DAP) from the US Office of Budget and Management. Using this framework, the Department of Budget and Management (DBM) and the Office of the Ombudsman initiated the Integrity Development Review (IDR) in its effort to improve governance in the public sector.

The institutionalization of the Integrity Development Action Program (IDAP) is a major DND initiative under the PDR Program that addresses integrity issues in broad terms and promotes leadership and accountability. With its implementation starting in CY 2011, specific program interventions will be developed in seven (7) agencies such as the DND Proper, AFP, PA, PAF, GA, OCD, and NDCP. The following projects and activities will be conducted to implement the interventions that will be developed, evaluate and communicate the results, and sustain the gains that will be achieved:

Implement people-centered integrity development programs: These are designed to address specific needs at different management levels and functional areas in order to increase the capacity of personnel at all levels to perform tasks in accordance with the DND's core values. Continuing educational programs must be provided. In addition, the mechanisms to

measure the effectiveness of training programs must be developed. A multi-tiered approach that begins with the provision of minimum entry-level, values-oriented information and progresses throughout the personnel's career service will be considered. Reward and incentive systems that would encourage all personnel to adhere to DND core values and/or code of ethics will likewise be developed.

Implement organization-focused integrity development programs: These are designed to address corruption vulnerabilities and to strengthen corruption resistance of the DND and its bureaus. Developing integrity to the highest level defined in the Integrity Development Review (IDR) framework is a complex process. Thus, the DND must develop options for organizing the functions, processes and structures of key units that will be involved in the development of individual and institutional integrity. The effectiveness of internal control mechanisms must be a primary consideration in designing the organization, although the role of third parties must also be defined and emphasized in the proposed options. Further, there is a need to provide inputs to the DND's information management system particularly on promoting transparency in high value transactions. The observance of strict documentation requirements and process flows will provide the paper trails in high risk areas making it very difficult to execute corrupt practices.

Develop partnerships and/or partnership agreements with other government agencies, NGOs, and civil societies: The Department must convincingly demonstrate to the general public its willingness to eradicate corruption and unfair practices within the organization. One way to do this is by commissioning independent institutions to perform various functions necessary to safeguard public interests. Also, the development of legislative agenda that would lead to the institutionalization of effective corruption prevention measures and promote the core values of the Department may be conducted.

Undertake research-based improvements of effective and sustainable integrity development policies, processes, programs and projects: These are expected to have significant impact on the DND's anti-corruption campaign as well as wide range of organizational implications. The DND-wide integrity development programs must always be evaluated for effectiveness and improved in order to ensure that we will attain the optimum benefits that can be derived from them. The Department has to ensure that the programs are responsive to the needs of the organization as well as the different bureaus under it. The experience and effective practices of other organizations must also be studied and adapted within our context. Focused research on high-impact areas must be conducted with the end view of developing policies that would address significant gaps as well as the implementing mechanisms to cascade them.

Conduct continuing advocacy, performance reporting and knowledge sharing: Throughout the implementation of IDAP, there is a need to inform the internal and external stakeholders of the Department of the objectives of the program and how they are progressing towards these objectives. Hence, it is necessary to constantly monitor, measure, and control the performance of the program and communicate it to target audiences based on their specific information needs. To capture key lessons learned from other agencies' experience in IDAP implementation, mechanisms for knowledge sharing must be developed.

Continuous Quality Improvement of Service Performance

Public sector organizations are often stereotyped – at times unjustly – as inefficient. While there is perceived truth to this, it should not be accepted as an irrefutable fact. Not by an organization with enormous responsibility to the public and whose officials are held accountable for their actions. Rather, public organizations must strive to erase this stigma through the consistent delivery of quality service to the people.

There are institutional references available to guide the DND in its quest for performance excellence. Republic Act 9013 establishes the Philippine Quality Award in order to encourage organizations in both the private and public sectors to attain excellence in quality in the production and/or delivery of goods and services.[60] Executive Order 605 was issued in order to institutionalize the structure, mechanisms and standards to implement the Government Quality Management Program which aims to promote and enhance public sector performance through the adoption of ISO 9001:2000 Quality Management Systems in all agencies of government.[61] Both of these references provide excellent frameworks for improving the effectiveness, efficiency, responsiveness, and flexibility which are among the core values of the DND.

The Department has launched a project aimed to develop a quality management system in selected agencies that is aligned with the standards of ISO 9000 and consistent with the framework of the Philippine Quality Award for Performance Excellence. The establishment of quality management systems at the DND and its bureaus is not the end state of this reform initiative. Rather, it strengthens the organization's foundation to provide total quality services and attain performance excellence. In order to achieve this, follow-on projects and activities need to be conducted during the first medium-term.

Implement capacity building programs: As a result of the ongoing initiative to develop quality management systems in different DND units, a considerable number of personnel would have to undergo training on various quality and productivity tools. A pool of quality management practitioners will be developed from which the DND can draw trainers for further institutional capacity building. In this regard, customized training programs may be developed to equip target units and participants with specific knowledge and skills needed to initiate, implement, and sustain their respective quality management systems.

Conduct continuing advocacy and information campaigns: In order to be effective, any change initiative must be understood and supported by all personnel at all levels. Thus, advocacy and information campaign programs must be continuously planned, implemented, and evaluated. Further, as the different DND units develop and implement their quality management systems, lessons learned that are of value to DND and its Bureaus must be shared throughout the organization. Unlike routine communications, however, the objectives of advocacy programs related to this project will continually change depending on the level of institutionalization of the quality management systems within the organization.

Develop supporting policies, processes, and procedures: This is in order to plan, implement, evaluate, and improve the use of applicable quality and productivity tools. Certain

organizational gaps that will be noted during the implementation of new systems must be addressed appropriately. The cycle of continuous improvement must be applied to avoid the tendency of the systems to stagnate in view of initial successes. Consequently, necessary changes in policies, processes and procedures must be determined and enacted in order to support the institutionalization of the program.

Support initiatives for recognition and/or certification by professional groups or third party certifying bodies: Recognition from independent organizations is an important aspect of the development and sustainment of DND's quality management initiatives. Aside from the motivational factor that it will bring to the DND personnel, it will also provide unbiased assessment that is a good source of inputs for further improvement.

Continuing Commander and Staff Development in the AFP

Many of the systemic deficiencies noted within the Defense Department can be linked to inadequate number and/or levels of functional and technical expertise available at various levels of the organization. To address these systemic deficiencies, various initiatives have been undertaken in the PDR Program for the Professional Development of Defense Civilians (PDDC). Likewise, various projects under the Education and Training Development for Military Personnel (ETDMP) have been initiated towards improving the current education and training system in the AFP. Moreover, various reform measures under the AFP-focused projects under the PDR are expected to be completed by 2012. When completed, these shall be the coherent professional development framework for a consolidated and integrated DND organizational competency needs, training needs, and capacity building programs.

Alongside with the implementation of reform measures for the professional development of defense civilians, various reform measures developed for military personnel must be followed through in order to address the inadequacy of functional and technical expertise at the various level of the AFP. The focus of this program is on integrating and internalizing the various reform measures for the continuing professional development of military officers in order to achieve and sustain organizational excellence and mission performance at the operational command and staff level. Initiatives shall focus on the following:

Improved Command and Staff Education and Training: The major services conduct their service-specific command and staff courses through their respective education and training commands. Seeking improvement in the conduct of these courses is expected to bring about improvements in the planning and execution of military operations. Focus shall be on the improvement of the ability of military officers to provide command and the improvement of the ability to perform staff functions at various levels of their respective major services.

Improved Command and General Staff Course: While the Command and Staff Education and Training of the Major Services provide their respective competency needs for command and staff, the Command and General Staff Course (CGSC) should provide the requisite education and training to fill the competency needs of the AFP for the conduct of joint and combined operations.

Follow-On Professional Enlisted Development

A great portion of the manpower requirements in the AFP is provided by the enlisted personnel. In almost all cases, they form part of teams that plan and execute important missions of the AFP. In many instances however, the development of enlisted personnel is relegated to lower organizational priority. This situation cannot be allowed to continue if the organization aspires to attain performance excellence. Support for professional enlisted development (PED) must emanate from the top in order to address the issues concerning the enlisted personnel in a timely manner.

The importance of having a reform initiative focused on the empowerment of personnel, specifically the AFP enlisted personnel, has been recognized at the onset of PDR Program implementation. As a Priority Concern of the PDR Program, the establishment of standard, relevant, impartial, and measurable criteria and/or qualifications as bases for decision making and improved processes concerning the recruitment, development, utilization, evaluation, promotion, motivation, and administration of enlisted personnel throughout their service life has been initiated. While some projects have been conducted and completed, the strategic objectives of professional enlisted development (PED) remain to be realized.

For the medium term, PED initiatives must lead to the following:

a. Improvement of the level of task readiness and preparedness of enlisted personnel to enable them to achieve outstanding performance and contribute significantly to mission accomplishment.

b. Development of leadership roles and abilities of enlisted personnel as well as their capacity to participate in the conduct of planning and execution of military operations at the operational and tactical levels.

In order to realize the foregoing objectives, this sub-program for the professional enlisted development must continue the initiative started for the development of a recruitment process that will ensure that only the most qualified candidates are selected for induction into the AFP. Likewise, the project started in the PDR Program to establish an effective and standardized basic military training system that takes into consideration the need for highly trained instructor staff, effective program of instructions, and appropriate support systems must be followed through. Also, the development of a sustainable technical skills training framework based on rationalized needs, requirements, structure, organization, and support systems must be continued. These should be complemented by the development of a professional military education program that will provide the enlisted personnel with leadership knowledge and skills that will enable them to effectively perform their roles as NCOs. Finally, the establishment of an Instructor Training Program that supports the education and training of enlisted personnel by qualified instructors must be done.

Transitioning to PDT

The year 2012-2016 will focus on the building of the foundation for sustainable transformation through the development of the capacities needed to fully implement new DND and AFP

capabilities through the Philippine Defense Transformation Program. As the PDR Program comes to a close, the remaining projects lasting until December 2012 shall be continuously supervised, guided, and steered towards their successful completion. Likewise, as the PDR Program winds down there is a need to conduct a Post Program Review and Assessment in order see whether the projects undertaken under the PDR Program have successfully met the target objectives and finally, the target outcomes. This will also benefit the implementation of the PDT Program as significant lessons learned may be applied towards its success.

The PDT Program is expected to carry on the institutionalization of the reform measures identified and crafted. Foremost among these is the internalization of DSOM within the whole DND, the development of an enhanced information management, and the continuing professionalism. Having laid down the program focus on these key efforts earlier, CY 2012 shall be used to craft the needed details of the these programs and projects to ensure that these are budgeted in the annual appropriations beginning CY 2013.

Finally, capacity building in support of the PDT Program will be undertaken in order to have a greater probability of success in its implementation. This initiative will focus on areas needed to manage successful organizational change and provide new set of tools essential in managing change such as leadership development programs and other interventions for organizational learning and growth. Some of these initiatives have been identified, funded under the PDR Program, and to be started in CY 2012. These include the initiative of the AFP for the conduct of an AFP Transformation Planning and Execution, the continuation of the initiatives started for the development of Personnel Management Information System, and various capacity building activities to support the implementation of the PDT Program.

With the foregoing activities for CY 2012 to boost the start of the PDT Program, the DND and AFP leadership is optimistic that the PDT Program will meet its envisioned objectives and outcomes.

Chapter 6
PROVIDING THE MEANS TO PURSUE PDT

General Annual Appropriations

Pursuing specific interventions to commence and manage the Philippine Defense Transformation Program should be a budgetary line item under the DND Proper. This should be reflected as a follow-on program to the Philippine Defense Reform. Though it synchronizes the AFP Modernization Program/Capability Upgrade Program, it should not be misconstrued as the budgetary line item for the modernization of the AFP, which is focused more on the acquisition of equipment to pursue the materiel and technology development capability.

Guided by the imperatives of the PDT, respective Bureau heads and Resource Managers shall incorporate within its annual program budgetary requirements for the institutionalization of reform measures that have been identified, developed, and adopted under the PDR Program. These should be one of the priorities in the use of savings.

Bilateral and Multilateral Cooperative Security Arrangements

Primarily, the Foreign Military Financing (FMF) from the USA may be tapped. The Philippines is one of the countries receiving FMF from the US. In the pursuit of the objectives of the PDR, the US has extended FMF amounting to US$61.21 Million spread across US Fiscal Years 2004 – 2010.

Likewise, strategic partnerships with countries that the Philippines has existing bilateral or multi-lateral cooperative security arrangements may be tapped as a source of help, especially those in which the mutual interests of both countries are attained.

Public – Private Partnerships

Moreover, strategic partnerships with other government agencies and the private sector through "Public-Private Partnerships" may be looked into. The Presidency of His Excellency Benigno Simeon C. Aquino III has conceptualized the idea of partnering with the private sector in order to generate resources to pursue the capability development of the AFP. Some of these initiatives include joint venture arrangements with interested private sector groups for the development of identified military camps for commercial purposes. While the concept is still in its infancy, this arrangement has been helping the AFP for the past several years in the area of telecommunications. For some time, commercial telecommunications companies have been co-locating their facilities in selected AFP camps and mountain-top radio relay stations. In return, the AFP is being compensated by way of telecommunications services. In fact, the transmission system of the AFP Fixed Communications System from Camp Aguinaldo to selected camps and bases nationwide is being provided by GLOBE Telecom for quite sometime.

NOTES

[1] DND Policy Paper, The Department of National Defense: "Meeting the Challenges to Philippine Defense and Security", (Quezon City: DND, 2010), p.09.
[2] Strategic Environment Assessment 2013 – 2018, DND, April 15, 2011; Chapter 3 – Challenges
[3] Rationalization Plan for the Department of National Defense, Part I, C: Major Policy Thrust of DND, January 07, 2009
[4] Strategic Planning Assessment 2013 -2018, DND, May 2011; Chapter 2 – Defense Strategic Objectives
[5] The DND Mission Areas, as articulated in various DND publications are as follows:1) Internal Security Operations; 2) Territorial Defense; 3) Disaster Risk Reduction, Management, and Response; 4) Support to National Development; 5) International Defense and Security Engagements; 6) International Humanitarian Assistance and Peacekeeping Operations; and, 7) Force Level Central Command and Control, Support, and Training.
[6] Based on computed data of DND Budget and the PH GDP for 2001 to 2011.
[7] As defined in Table 1, Chapter 3 of the Defense Planning Guidance (DPG) 2012-2017 and prior DPG's, being "Not Mission Capable" means a readiness rating of 50% and below. A more generic definition says that it is a material condition indicating that systems and equipment are not capable of performing any of their assigned missions because either of maintenance requirements or maintenance work stoppage due to a supply shortage (http://www.dtic.mil/doctrine/dod_dictionary/) p. 311. Another definition says it is a system in which several supporting sub-systems are not functioning properly, or a few key systems are not functioning at acceptable levels. (http://www.logisticsworld.com/logistics/terminology.htm)
[8] As defined in the same table of the DPG for 2012-2017, being "Mission Capable" means a readiness rating of 75% - 84%. Also, it is generically defined as a material condition [of an aircraft] indicating it can perform at least one and potentially all of its designated missions (http://www.dtic.mil/doctrine/dod_dictionary/) p.287.
[9] Memorandum Directive No.1: PDR Program Management and Execution System; December 12, 2008; p.2, III, C.
[10] The same table of the DPG for 2012-20017 defines "Partially Mission Capable" as having a readiness rating of 51% - 74%. Also, it is defined as a system in which critical supporting sub-systems are functional. (http://www.logisticsworld.com/logistics/terminology.htm).
[11] Minutes of the PDR Board Meeting 2008-01, June 11, 2008, p. 4, lines 178-180.
[12] Presentation on the Status of AFP Modernization Program, September 2010.
[13] RA 7898, Section 4, identifies the following components of the AFPMP: 1) Force Restructuring and Organizational Development, 2) Capability, Materiel, and Technology Development, 3) Bases/Support Systems Development, 4) Human Resource Development, and 5) Doctrine Development.
[14] DND Section of the GAA for CY2011, p. 23.
[15] David S. Alberts: "Information Age Transformation, Getting to a 21st Century Military", 2002, p.11.
[16] Strategic Environment Assessment 2013 -2018, DND, April 15, 2011; Chapter 2 – Scenarios, p.03
[17] Ibid, p.09
[18] SND Memorandum dated April 15, 2011 on the Subject: "Strategic Environment Assessment 2013-2018"
[19] DND, Defense Planning Guidance: 2013-2018, Chapter 2 – Security Challenges, October 11, 2011
[20] Strategic Planning Assessment 2013 – 2018, DND, May 2011; Chapter 2 – Defense Strategic Objectives, p.02
[21] Ibid, p.09
[22] Ibid, p.20
[23] In terms of unmanned strike capability, the UCAV vision is an affordable weapon system that will expand tactical mission options for revolutionary new air power as an integrated part of a system of systems solution. The UCAV weapon system will exploit the design and operational freedoms of relocating the pilot outside of the vehicle to enable a new paradigm in aircraft affordability while maintaining the rationale, judgment and moral qualities of the human operator. Source: Global Security, "Unmanned Combat Air Vehicle", *Military Systems Aircraft*, http://globalsecurity.org/militay/systems/aircraft/ucav.htm (accessed on: 08 April 2011).
[24] DND Policy Paper, The Department of National Defense: "Meeting the Challenges to Philippine Defense and Security", (Quezon City: DND, 2010), p. 19-30.
[25] AFP Internal Peace and Security Plan (IPSP): "Bayanihan", p.19;
[26] Ibid, p.24-26
[27] Ibid, p.27-28

[28] Ibid, p.28-34
[29] Ibid, p.23
[30] Ibid, p.26
[31] Ibid, p.35-36
[32] Figure is based on OJ9 count of AFP Reservists as of June 2011
[33] DND Policy Paper, Department of National Defense: "Meeting the Challenges to Philippine Defense and Security", (Quezon City: DND, 2010), p. 21 - 22.
[34] OCD Operations Manual, "Foreword"
[35] Ibid, "Introduction"
[36] Ibid
[37] Memorandum Directive No.1: PDR Program Management and Execution System; December 12, 2008; p.2, III, C.
[38] RA 7898, Section 2: Declaration of Policy.
[39] Briefing for Congress on the Status of the AFPMP, 26 August 2010
[40] RP-US Joint Defense Assessment (JDA) Report of 2003; pp. 3 – 4.
[41] DND, Unpublished PDR Handbook: "Transforming While Performing", 31 January 2008, pp. 18 - 33.
[42] DND, Memorandum Directive No. 1, s-2008: "PDR Program Management and Execution System", pp. 3 -4.
[43] Philippine Development Plan 2011-2016, page 300.
[44] DO No. 59, s-2009 established the PDR Program No. 1: "Institutionalization of DSOM" to integrate, synchronize, and institutionalize the Medium-Term and Long-Term Planning Processes and Procedures of DSOM.
[45] Department Circular No.5,Series 2008, Definitions
[46]Alberts and Hayes, "Power to the Edges: Command and Control in the Information Age", 2003, p. 71.
[47] Ibid, p. 74
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