



Committee Daily Bulletin

18th Congress
Third Regular Session

A publication of the Committee Affairs Department

Vol. III No. 60
September 6, 2021

BUDGET BRIEFINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Appropriations	<p>Briefing on the proposed FY 2022 budget, plans, programs, and major accomplishments of the Department of Social Welfare and Development (DSWD) and the Department of the Interior and Local Government (DILG)</p> <ul style="list-style-type: none"> Department of Social Welfare and Development 	<p>The Committee, chaired by Rep. Eric Go Yap (Party-List, ACT-CIS), listened to the presentations of the DSWD and DILG on their proposed FY 2022 budget, plans and programs, and major accomplishments.</p> <p>The Committee Vice Chair, Rep. Jocelyn Sy-Limkaichong (1st District, Negros Occidental), who sat as the presiding officer, continued its deliberations on the proposed 2022 budget of the DSWD and its attached agencies.</p> <p>The Committee Members proceeded to ask questions about the DSWD's utilization of its 2020 and 2021 appropriations.</p> <p>DSWD Finance and Management Service Director Wayne Belizar informed the body that as of July 31, the unobligated balance of the DSWD out of its 2021 budget of P174.86 billion is P109.75 billion (63%), which means the budget utilization rate is 37%. He explained that a huge portion of the unobligated funds constitute undisbursed funds for the Pantawid Pamilyang Pilipino Program (4Ps), Social Pension for Indigent Senior Citizens (SPISC), and Protective Services for Individuals and Families in Difficult Circumstances. According to Belizar, the DSWD has so far only conducted the first and second payouts of the 4Ps cash grants and the first semester payout of the SPISC. Thus, he said, once the succeeding payouts are done, the budget utilization rate of the DSWD will increase by the end of the year.</p> <p>Rep. Jesus "Bong" Suntay (4th District, Quezon City) inquired on the budget utilization rate of the DSWD specifically for the 4Ps. Belizar replied that the utilization rates covering the years 2018 to 2020 were 99.67%, 90.77% and 91.25%, respectively.</p> <p>On the request of the DSWD for an increase in its budget for 2022, Deputy Speaker Bernadette "BH" Herrera-Dy (Party-List, BH) and Rep. Carlos Isagani Zarate (Party-List, BAYAN MUNA) questioned such request pointing out that the DSWD could not even fully utilize its FY 2020 budget, with an unutilized fund amounting to P30.87 billion.</p> <p>Belizar explained that as of July 2021, the remaining balance out of the P30.87 billion is now just P9.18 billion. He assured the Members that the utilization of the remaining balance is ongoing.</p> <p>Rep. Stella Luz Quimbo (2nd District, Marikina City) likewise cited the DSWD's slow utilization of its 2020 and 2021 budget with a total unobligated balance of about P118 billion (P9.18 billion for 2020 and P109.75 billion for 2021). She noted that the Assistance to Individuals in Crisis Situation (AICS) program was one of the programs with the largest unexpended balances amounting to P19.9 billion. She expressed concern that the DSWD will not be able to disburse fully the said amount, considering that less than four months are left for calendar year 2021.</p>

Continuation...
Appropriations

DSWD Director Katrina Grace Ongoco explained that the AICS program has more than one million beneficiaries, and there is no fixed amount of assistance per beneficiary as the amounts vary depending on the needs of beneficiaries based on the evaluation and assessment of social workers. DSWD Assistant Secretary for Statutory Programs Glenda Relova also elucidated that the DSWD lacks personnel to serve as disbursing officers for the AICS as most are deployed for the distribution of the Social Amelioration Program.

Likewise, Rep. Zarate criticized the DSWD for only obligating 25% of the total SPISC fund for 2021 with the year almost over. Belizar said that the DSWD is trying to fast-track the release of the social pension through the use of cash cards. He said once this payment mechanism is implemented, it would be easier for the Department to disburse the SPISC fund to elderly beneficiaries.

On the query of Rep. Limkaichong if the payout of the social pension under the SPISC program will be done on a quarterly basis next year as has been originally implemented prior to the pandemic, DSWD Secretary Rolando Joselito Bautista answered in the affirmative. He explained that the reason why the payout was done by semester last year was due to the 5% cap on DSWD personnel who were allowed to report on the ground because of the pandemic.

Replying to the query of Rep. Jose "Bonito" Singson Jr. (Party-List, PROBINSYANO AKO) on the total number of SPISC beneficiaries, DSWD Director Wilma Naviamos answered that there were 3.8 million beneficiaries in 2020 and 4.2 million beneficiaries for 2021.

Deputy Speaker Herrera-Dy sought clarification on the additional funds received by the DSWD on top of its appropriation under the 2021 General Appropriations Act (GAA). Belizar replied that P850.56 million was provided as an additional allotment for the quick response fund (QRF) of the DSWD. He also said that an additional P3.38 billion was released to the DSWD in June for its unprogrammed funds to augment the budget for the Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services - National Community-Driven Development Program.

In reply to another query of Rep. Singson, DSWD Undersecretary for Disaster Response Management Group Felicisimo Budiongan affirmed that relief goods are being stored in DSWD field offices as well as in geographically isolated and disadvantaged areas and island provinces for easier transport and distribution of relief goods in case of calamities or disasters. Budiongan also said that an amount of P5 million is allocated to every field office so it can readily augment its stocks in times of disasters.

Meanwhile, Deputy Speaker Deogracias Victor "DV" Savellano (1st District, Ilocos Sur) appealed to the Committee to increase the budget of the National Commission on Indigenous Peoples (NCIP) to be able to provide better livelihood programs for the indigenous people (IP). The NCIP is an attached agency of the DSWD.

On the other hand, Rep. Euemia "Ka Femia" Cullamat (Party-List, BAYAN MUNA) expressed her displeasure at the statements made by NCIP Chair Allen Capuyan in a social media post where he red-tagged *lumads* and members of the minority in Congress, such as the Makabayan bloc Members, accusing them of being communists or terrorists. She said

<p>Continuation... Appropriations</p>	<ul style="list-style-type: none"> Department of the Interior and Local Government 	<p>Capuyan should focus on performing his duties of protecting the rights and welfare of the IPs instead of taking part in red-tagging people without basis.</p> <p>The resource persons were asked to submit the documents that were requested of them by the Members during the meeting.</p> <p>The Committee Vice Chair, Nueva Vizcaya Rep. Luisa Lloren Cuaresma, presided over the budget briefing of the DILG and its attached agencies.</p> <p>DILG Secretary Eduardo Año presented the FY 2022 proposed budget of the DILG of P248.53 billion, which increased by less than 1% (0.41%) compared to the current year's appropriation of P247.51 billion. Out of the proposed budget of the DILG, P7.21 billion will go to the DILG Office of the Secretary (OSEC) and the rest will be distributed to its attached agencies as follows:</p> <ul style="list-style-type: none"> Philippine National Police (PNP) – P190.33 billion; Bureau of Fire Protection (BFP) – P25.77 billion; Bureau of Jail Management and Penology (BJMP) – P21.35 billion; National Police Commission (NAPOLCOM) – P1.91 billion; National Commission on Muslim Filipinos (NCMF) – P748.60 million; Philippine Public Safety College (PPSC) – P645.57 million; Local Government Academy (LGA) – P315.70 million; National Youth Commission (NYC) – P134.62 million; and Philippine Commission on Women (PCW) – P109.03 million. <p>By expense class, the FY 2022 proposed budget of the DILG will be distributed as follows: personnel services (PS), P211.96 billion; maintenance and other operating expenses (MOOE), P31.64 billion; and capital outlay (CO), P4.93 billion.</p> <p>According to Año, the proposed budget will be used to pay the allowances of uniformed personnel; create new positions in the PNP, BJMP, and BFP; implement projects for the continuous development of local government units (LGUs); provide new infrastructures, facilities, and equipage for the PNP, BJMP, and BFP; pay for the subsistence and medicine allowance of persons deprived of liberty (PDLs); and fund COVID-19 and disaster risk quick response, among others.</p> <p>Año also reported the major accomplishments of the DILG which include the achievement of the ideal police to population ratio of 1:500; fast and reliable response during emergencies; stronger capacities of LGUs; improved jail security and safekeeping of PDLs; and improved manpower, facilities, and resources for enhanced fire prevention and fighting capability. He also said that many high performing LGUs were awarded and granted incentives. He added that the implementation of the Enhanced Comprehensive Local Integration Program has encouraged many former rebels to surrender their firearms and return to the fold of the government. Through this program, he said, a total of 906 former rebels and 300 former violent extremists are now leading peaceful productive lives.</p> <p>Deputy Speaker Rufus Rodriguez (2nd District, Cagayan de Oro City), and Reps. Sabiniano Canama (Party-List, COOP-</p>
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Continuation... Appropriations		<p>NATCCO), Hector Sanchez (Catanduanes), and Tyrone Agabas (6th District, Pangasinan) expressed their support for the FY 2022 proposed budget of the DILG.</p> <p>On the other hand, Rep. Zarate questioned DILG's proposed budget for capital outlay, specifically for the procurement of additional infrastructures, facilities, and equipment of the PNP, BJMP, and BFP. He said the DILG and BFP still have an unutilized fund that was transferred to the Philippine International Trading Corporation (PITC) and the Department of Budget and Management – Procurement Service (DBM-PS) in 2017 amounting to P4.1 billion. He stressed that such fund should have already been used for the modernization of the BFP and the purchase of necessary equipment or materials for the Bureau. He then requested the DILG to submit a detailed report on the unused appropriations of the DILG in previous years, up to fiscal year 2020.</p> <p>Año explained that the subject fund was unutilized because of a failed bidding. However, he said the DILG continues to ask the PITC and DBM-PS to already proceed with the procurement or return the funds to the DILG.</p> <p>With regard to the proposed budget for the Barangay Development Program (BDP), Party-List Reps. Arlene Brosas (GABRIELA) and Sarah Jane Elago (KABATAAN) commented that it is a form of pork barrel which may be prone to misuse and abuse.</p> <p>Rep. Brosas pressed the DILG for an itemization of the BDP budget for 2022 and the list of recipient barangays that will each receive P20 million for the implementation of certain projects. Rep. Elago also stressed that a special audit should be conducted on the utilization of the BDP budget.</p> <p>The DILG Secretary maintained that the details of the proposed budget for the BDP were submitted to the Department of Budget and Management (DBM). He also mentioned that the funds do not go through the DILG or the NTF-ELCAC because the DBM directly releases these to the provincial and city governments which will undertake, administer, or contract out the BDP projects.</p> <p>The BDP was conceptualized to finally address insurgency by bringing sustainable solutions and basic services to communities in need. An incentive of P20 million worth of projects is provided to each barangay which has been successful in clearing its locality of communist terrorist groups. These projects include rural electrification, agricultural, livelihood and technical vocational projects, housing projects, establishment of farm-to-market roads, water and sanitation systems, school buildings and health stations, and other infrastructure projects. (Source: DILG website)</p>
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COMMITTEE MEETINGS ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Good Government and Public Accountability	HR 2075	Deputy Speaker Herrera-Dy	Inquiry into the qualifications, research methodologies, partnerships, and composition of OCTA Research Philippines	The Committee, chaired by Rep. Michael Edgar Aglipay (Party-List, DIWA), will continue its inquiry on the issues raised relative to House Resolution 2075 in its next meeting on September 14.

<p>Continuation... Good Government and Public Accountability</p>				<p>At the outset, Rep. Aglipay pointed out that despite the University of the Philippines' (UP) August 6 statement that it is not affiliated with the OCTA Research group, it is still necessary to establish the connection between the University and the research group in order to determine whether or not there are acts of malfeasance, misfeasance, and nonfeasance committed by the research group which previously identified themselves as UP-OCTA Research. Also, some members of the OCTA Research team are affiliated with the UP, he added.</p> <p>The OCTA Research is a polling, research, and consulting firm. It provides independent projections and warnings on the status of the COVID-19 pandemic in the country which are being widely used by various media outfits.</p> <p>Deputy Speaker Bernadette "BH" Herrera-Dy (Party-List, BH), principal author of HR 2075, highlighted the importance of factual, reliable, and science-based information, especially during the COVID-19 crisis. She said that decisions of different agencies are influenced by the announcements coming from the OCTA Research on COVID-19 infection growth. Hence, it is necessary to identify the composition of and the methodology being used by the OCTA Research group in order to avoid presumptions of biases, she explained.</p> <p>Rep. Stella Luz Quimbo (2nd District, Marikina City), co-author of HR 2075, said that there should be a set of standards for the private research group to be considered as a certified source of COVID-19 information. In order to qualify, the research groups must be transparent with the assumptions and limitations of their projections, Rep. Quimbo added.</p> <p>Rep. Janette Garin (1st District, Iloilo), co-author of the resolution, said that the government, which has the data, scientists, and experts, should take the lead in coming up with science-based decisions. The government, she said, should not rely too much on the OCTA Research which is a private entity and not accountable to the Filipino people.</p> <p>OCTA Research fellow and UP Political Science Assistant Professor Ranjit Rye said that the research group has epidemiologists in the team and includes contributors from the University of Santo Tomas and Providence College, USA. Rep. Garin then requested Rye to submit the composition of the OCTA Research group.</p> <p>Deputy Speaker Wes Gatchalian (1st District, Valenzuela City) asked about the source of funding of the OCTA Research.</p>
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<p>Continuation... Good Government and Public Accountability</p>				<p>Rye explained that the fund being utilized for the COVID-19 research is self-generated. The COVID-19 research being done by the group is mainly for public service and is voluntary, Rye added.</p> <p>Rep. Quimbo asked whether the OCTA Research received P15 million from the Bayanihan to Recover as One Act (Bayanihan 2). Rye clarified that the said amount was allocated to the UP Diliman Institute of Mathematics, which processes and analyzes COVID-19 related data. No amount out of the fund was allocated to the OCTA Research, he stressed.</p> <p>Nevertheless, UP Professor Guido David and Rye disclosed that they received grants for their respective research studies which are not related to the researches on COVID-19 being conducted by the OCTA Research.</p> <p>Asked by Rep. Quimbo to disclose the amount of the research grant, UP President Danilo Concepcion said that he will first consult the matter with UP's legal department.</p> <p>The Committee requested details on the utilization of the P15 million allocated to UP Diliman Institute of Mathematics.</p> <p>On the query Rep. Jesus "Bong" Suntay (4th District, Quezon City), co-author of HR 2075, David replied that his group uses the data of the Department of Health (DOH) as basis and adopts the methodology being used by the World Health Organization in making COVID-19 projections.</p> <p>Dr. Edsel Salvana, director of the UP Institute of Molecular Biology and Biotechnology and member of the DOH's Technical Advisory Group, cautioned against using the DOH data in the last two weeks claiming that these are subject to errors as they are still incomplete. He added that if one is making projections based on incomplete data, it is possible that the projections will also come out erroneous.</p> <p>DOH Epidemiology Bureau Director Althea de Guzman manifested that the OCTA Research is not among the private research entities that are part of the Inter-Agency Task Force (IATF) for the Management of Emerging Infectious Diseases' Sub-Technical Working Group on Data Analytics.</p> <p>Citing instances when statements of OCTA Research contradicted those of the DOH, the Chair suggested that the research group should avoid giving commentaries or statements that could be misconstrued as the official policy of the government. "Let the data speak for itself and let the public interpret the data," he said.</p>
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<p>Continuation... Good Government and Public Accountability</p>				<p>Rye replied that the OCTA Research is not contradicting the statements of the DOH. He said that his group always states the limitations of its projections. He then assured the body that the research group will be calibrating its pronouncements to the public. Furthermore, the suggestions of the Committee will also be presented and discussed with the OCTA Research team, Rye added.</p> <p>Deputy Speaker Gatchalian recommended that the IATF and the DOH should regulate research institutions which provide information to the public of their own analyses of the COVID-19 situation in the country.</p> <p>The Deputy Speaker also echoed the complaints of the business sector on certain announcements of the OCTA Research fellows, without the approval of the DOH, which cause fear among Filipinos, including the business community.</p> <p>Meanwhile, Deputy Speaker Jose Atienza Jr. (Party-List, BUHAY) raised the issue of conflict of interest considering that OCTA Research also conducts political surveys for the 2022 presidential and vice presidential race.</p> <p>Rye admitted that the OCTA Research has two separate components: COVID-19 related research and public opinion research. However, as of now, the research group is focused on providing valuable information on COVID-19 pandemic, he added.</p>
<p>Veterans Affairs and Welfare</p>	<p>HR 1873</p>	<p>Rep. Mendoza</p>	<p>Commending Justice Manuel R. Pamaran for his commitment and selfless dedication in the performance of his responsibilities as a World War II veteran, as Sandiganbayan Presiding Justice, and as President of the Veterans Federation of the Philippines</p>	<p>The Committee, chaired by Rep. Geraldine Roman (1st District, Bataan), adopted House Resolution 1873.</p> <p>Rep. Raymond Democrito Mendoza (Party-List, TUCP), author of HR 1873, underscored the commitment and dedication of Justice Manuel Pamaran in consistently serving the country and his fellow veterans with honor.</p> <p>According to Rep. Mendoza, Pamaran is a World War II veteran who selflessly served the country during its darkest hours. He was also a Sandiganbayan Presiding Justice from 1978 to 1986 with an “upstanding and fearless adjudication.” In 2018, he was appointed as President of the Veterans Federation of the Philippines (VFP), the umbrella organization of all veterans’ organizations in the country.</p> <p>VFP Chairperson, Col. Cesar Pobre and Judge Mary Grace Bonsol-Cabal expressed support for HR 1873.</p> <p>Meanwhile, the Pamaran family thanked the Committee for commending their patriarch for his achievements and service to the country.</p>

<p>Continuation... Veterans Affairs and Welfare</p>	<p>HR 1912</p>	<p>Deputy Speaker Rodriguez</p>	<p>Expressing the gratitude and appreciation of the House of Representatives to the National Historical Commission of the Philippines for approving the installation of a historical marker to honor the late World War II patriot and Kagay-anon Antonio Julian C. Montalván</p>	<p>The Committee adopted HR 1912.</p> <p>Deputy Speaker Rufus Rodriguez (2nd District, Cagayan de Oro City), author of HR 1912, thanked the NHCP for installing a marker to honor the heroism of Antonio Julian Montalván. He suggested that the National Historical Commission of the Philippines (NHCP) send a letter to the City of Cagayan de Oro to identify the place on where the marker will be installed.</p> <p>Historical markers are installed by the NHCP in places that signify important events, persons, structures, and institutions in the Philippines' national and local histories.</p> <p>Based on HR 1912, Montalván was the personal medic of Col. Wendell Fertig, head of the organized guerilla resistance in Mindanao during World War II (WWII). After which he was recruited by Senator Jose Ozamiz as a spy against the Japanese. Philippine historian Ambeth Ocampo describes him as a WWII hero of Mindanao.</p> <p>Expressing support for HR 1912 were Philippine Veterans Affairs Office (PVAO) Administrator Ernesto Carolina and NHCP Deputy Executive Director Carminda Arevalo.</p> <p>On behalf of the Montalván family, Eduardo Montalván thanked the Committee for the recognition given his uncle.</p>
	<p>Substitute Bill to HBs 702, 1921 & 5841</p>	<p>Reps. Biazon, Sy-Alvarado, and Cabochan</p>	<p>Mandating the use of proceeds from the development, lease, use or sale of certain government properties for veterans' affairs and welfare</p>	<p>The Committee listened to the update of PVAO Administrator Ernesto Carolina on the status of the Arroceros property in Ermita, Manila.</p> <p>The Committee already approved the substitute bill last November 10, 2020. However, the Committee decided to reopen the discussion of the proposed law in consideration of the position papers submitted by the Representatives of Manila and the City Government of Manila questioning the ownership of the Arroceros property. Hence, a technical working group (TWG) was created on February 9 to discuss further Section 3 of the substitute bill pertaining to the properties included as residual assets of the PVAO, specifically the Arroceros property.</p> <p>Carolina reported that Manila Mayor Francisco "Isko Moreno" Domagoso made known his intent to construct a new city hall on the Arroceros property. A Memorandum of Agreement (MOA) between the PVAO and the City Government of Manila is being prepared to formalize the deal. Carolina said that the two floors of the building will be allotted for the use of the veterans, as suggested by Mayor Domagoso. He assured the body that the inclusion of the Arroceros property in the proposed law as one of the properties to be</p>

Continuation... Veterans Affairs and Welfare				<p>managed by PVAO for the welfare of veterans, will not impede the construction of the new Manila City Hall.</p> <p>Rep. Roman likewise clarified that the inclusion of the Arroceros property in the bill will ensure that the allotment of two floors in the new city hall for the veterans will not be dependent on the goodwill of the city government of Manila but as an obligation that it has to fulfill in line with the MOA and the proposed law.</p> <p>Deputy Speaker Rufus Rodriguez (2nd District, Cagayan de Oro City) inquired how the Arroceros property is being utilized now.</p> <p>Carolina replied that it is being used as the headquarters of the Veterans Federation of the Philippines (VFP) and offices of four other veterans' organizations. He added that to give way for the construction of the new Manila City Hall, the City of Manila is willing to help relocate the VFP in its property in Taguig City by providing the needed funds amounting to P40 million.</p>
Ways and Means	Substitute Bill to HBs 5687 & 7778	Reps. Bernos and Yap (E.)	Establishing the Cordillera Autonomous Region	<p>The Committee, chaired by Rep. Joey Sarte Salceda (2nd District, Albay), approved the tax provision of the Substitute Bill to House Bills 5687 and 7778.</p> <p>Baguio City Rep. Mark Go, co-author of HB 5687, sponsored the proposed law which seeks to provide the Cordillera Region with genuine regional autonomy to be able to pursue sustainable and inclusive growth through the management, protection, and development of its natural resources, and the promotion of the rights and culture of the Cordilleran people.</p> <p>Senior Vice Chair Rep. Estrellita Suansing (1st District, Nueva Ecija), chair of the technical working group (TWG) that was tasked to study the tax provision of the substitute bill, briefly discussed the findings of the TWG in relation to the tax provisions of the proposed law.</p>
	HB 7963	Rep. Gaité	Ensuring the effectiveness of all local development assistance loans and grants, amending for the purpose RA 8182, otherwise known as the Official Development Assistance (ODA) Act of 1996, as amended	<p>The Committee approved House Bill 7963 subject to amendment.</p> <p>The Secretariat will prepare a substitute bill and the corresponding Committee Report.</p> <p>Rep. Ferdinand Gaité (Party-List, BAYAN MUNA), author of HB 7963, said the total Official Development Assistance (ODA) received by the country in 2019 was \$21.62 billion. However, he explained that 92% of the amount came in as loans and only 8% came in as grants. According to Rep. Gaité, 58% of the loans was invested in infrastructures, while only 18% was invested in social services and community development. He also pointed out that while these loans came with concessional</p>

<p>Continuation... Ways and Means</p>				<p>terms, there were also direct conditions that are disadvantageous to the country such as the hiring of the donor's own contractors, supervisors, and workers like the Kaliwa Dam Project and other China-funded projects in the country.</p> <p>Based on the explanatory note of HB 7963, the bill seeks to reform the ODA system by amending Republic Act 8182 or the ODA Act of 1996 in order to provide safeguards against abuses and to ensure that the benefits from the development aid will be maximized by the country and its people. The general direction is to build democratic ownership, improve transparency and accountability, and encourage stakeholder vigilance and checks and balances in all stages of implementation.</p> <p>On the issue of debt management, Department of Finance (DOF) Secretary Carlos Dominguez said that under the administration of President Rodrigo Roa Duterte, the country's debts were incurred to fund massive investments such as the Build, Build, Build Program which involves numerous infrastructure projects all over the country. He said these projects are also meant to generate jobs, thus improving the lives of Filipinos and reducing poverty. He reported that the country's infrastructure investment has increased from P297.5 billion, or 2.5% of the gross domestic product (GDP), during the previous administration to as high as P854.4 billion, or 4.9% of GDP, under the present administration, as of 2019.</p> <p>Dominguez also informed the body that investments in social services were likewise given priority by the Duterte administration with an average investment spending of P1.29 trillion in 2019, as compared to the P695.6 billion investment spending average of the Aquino administration for social services per year. He emphasized that the government spending of the present administration surpassed the spending of the four previous administrations, catapulting the domestic economy and bringing down the debt-to-GDP ratio by 39.6%, signifying that the investments have paid off. This success has brought about the highest-ever credit rating achieved by the country leading to easier access to financing from developed countries and international capital market partners.</p> <p>However, Dominguez said these achievements were completely overturned by the onslaught of the COVID-19 pandemic starting last year. He stated that the country is suffering from an economic downturn caused by decreased revenue collections as a result of lockdowns and increased government spending to reinforce the health system through the procurement of medical supplies, equipment, and vaccines. This has resulted to a budget</p>
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<p>Continuation... Ways and Means</p>				<p>deficit equivalent to 7.6% of the country's GDP in 2020, Dominguez reported.</p> <p>To address the budget deficit, Dominguez underscored the need for the country to augment its emergency borrowings and float bonds at lower rates to generate productive economic activities in order to support the increasing requirements of the country's health system and economy.</p> <p>National Economic and Development Authority (NEDA) OIC-Undersecretary for Investment Programming Group Jonathan Uy explained that the role of NEDA is to obtain ODA funds from donor countries to finance national priority projects. He likewise presented the parameters being used by the NEDA Investment Coordination Committee (ICC) in the evaluation of ODA project proposals and the timeline for the approval of such projects.</p> <p>According to Uy, ODA-funded and even locally funded project proposals involving an amount of at least P2.5 billion would take NEDA an average of three to four months to review and evaluate. However, he said projects for COVID-19 response, because of the urgency of the matter, would take the ICC, DOH and the NEDA Board only one month to approve the same. He also maintained that the NEDA is fully compliant with RA 8182 and that there is no need to amend the law at this time.</p> <p>Bangko Sentral ng Pilipinas' (BSP) International Operations Department Officer-in-Charge Roberto Quintos said that one of the measures of the BSP in managing the country's external debt is through the evaluation of foreign borrowing proposals from the public sector. He then presented the BSP's public sector foreign loan approval process including its regulatory framework and legal bases. The BSP approval process involves the evaluation of loan proposals to determine the implications on monetary aggregates, balance of payments, international reserves, key debt indicators, and the foreign exchange market.</p> <p>The Committee will be requesting the Department of Trade and Industry, Department of Foreign Affairs, and the Development Budget Coordination Committee, comprised of the DOF, BSP, NEDA, Department of Budget and Management, and the Office of the President, to submit their respective position papers on the four bills.</p>
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TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Agrarian Reform (Technical Working Group)	HR 226	Rep. Geron	Investigation into the proliferation of irrigated and irrigable land converted into non-agricultural purpose in violation of Section 65 of RA 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988, as amended	<p>The technical working group (TWG), chaired by Rep. Rico Geron (Party-List, AGAP), will continue its investigation relative to House Resolution 226.</p> <p>Rep. Geron said that the focus of today's meeting is to discuss the latest data on the total area of agricultural lands that have been converted into non-agricultural purposes, to be provided by the Department of Agrarian Reform (DAR) and the National Irrigation Administration (NIA).</p> <p>NIA Legal Services head Marty Cachapero reported that out of 2,006,054 hectares of irrigable lands nationwide, 52,174 hectares are developed or generated areas while 64,526 hectares were converted into non-agricultural uses. He said there is a 0.12% increase in the area of agricultural lands that were converted into non-agricultural uses for calendar year 2020.</p> <p>DAR Land Use Cases Committee TWG Chair Jan Karlo Magracia presented the 2020 data on the conversion orders issued by DAR central office and its regional offices in the country. He explained that the central office is responsible for issuing the conversion orders on agricultural lands that are five hectares or more while the regional offices issue the conversion orders of agricultural lands below five hectares.</p> <p>According to Magracia, the conversion orders issued by the central office covering all regions in the country reached a total area of 41,635.87 hectares, while the approved conversion orders of the regional offices reached 29,568.50 hectares bringing the total agricultural land area converted into non-agricultural uses to 71,204 hectares. He also reported that the DAR central office and regional offices have disapproved or denied the conversion of agricultural lands totalling to about 12,288 hectares.</p> <p>Further, Magracia informed the body that only those agricultural lands that have already been reclassified into non-agricultural uses by the local government units pursuant to the Local Government Code of 1991 were issued conversion orders by the DAR.</p> <p>Rep. Geron posited the possibility of illegal conversions, considering that there are more converted irrigable lands than the generated areas in 2020 as reported by the NIA. He also noted that there is a slight difference in the figures of NIA and the DAR regarding the total area of agricultural lands that have been</p>

<p>Continuation... Agrarian Reform (Technical Working Group)</p>				<p>converted into non-agricultural purposes (64,526 hectares from NIA and 71,204 hectares from DAR).</p> <p>Magracia admitted that illegal conversion of agricultural lands is unfortunately transpiring in some provinces which is why a Provincial Task Force on Illegal Conversion or Premature Conversion has been established in all provinces by virtue of DAR Administrative Order No. 3, series of 2021, entitled: Amending Certain Provisions of the Comprehensive Rules on Land Use Conversion to Update its Rules to Adapt to the New Normal. He said the provincial task force will instigate the filing of proper complaints or cases against those liable for illegal or premature conversion.</p> <p>On the part of the NIA, Cachapero acknowledged that there is a difference in the figures submitted by the NIA and DAR on converted agricultural lands. He committed that the NIA will coordinate with the DAR to reconcile the figures.</p> <p>Replying to the query of Rep. Noel Villanueva (3rd District, Tarlac) on the development period being given to landowners applying for conversion, Magracia said landowners who have been issued with conversion orders by the DAR are given five years to develop their land for non-agricultural purposes. If no development has been made for more than five years, the conversion order will be revoked and the land shall be redistributed to agrarian reform beneficiaries, Magracia explained.</p> <p>The Initiatives for Dialogue and Empowerment through Alternative Legal Services (IDEALS) Inc. gave a brief presentation on the state of agricultural land conversion in Bulacan which, if not addressed, will have the potential to adversely affect the rice production of Region III.</p> <p>Farmer leader Elvira Baladad of PARAGOS-Pilipinas, a civil society organization advocating land rights and sustainable agriculture, attested to the increasing agricultural land conversion in Bulacan, particularly in Barangay Santa Barbara in the Municipality of Baliuag. She urged the DAR to be stricter in considering applications for land conversion and to give priority to the welfare of farmers especially at this time of the pandemic.</p> <p>The Asian NGO Coalition for Agrarian Reform and Rural Development agreed with the statement of Baladad and committed to submit its updated study relative to HR 226.</p> <p>On the request of Rep. Geron for NIA to submit its inventory of irrigated lands in every</p>
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Continuation... Agrarian Reform (Technical Working Group)				region in the country for the year 2020, Cachapero said this will take some time as it would entail a voluminous report and NIA will also have to reconcile its data with DAR.
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AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Rural Development	Briefing by the Small Business Corporation (SBCorp) of the Department of Trade and Industry on its strategic socio-economic interventions to assist micro, small and medium enterprises (MSMEs) in rural areas during the pandemic	<p>The Committee, presided by its Vice Chair, Rep. Alfred delos Santos (Party-List, ANG PROBINSYANO), listened to the SBCorp's briefing on its strategic socio-economic interventions to assist MSMEs in rural areas in this time of pandemic.</p> <p>At the start of the meeting, Rep. Delos Santos stated that one of the the goals of the Committee is to ensure the provision of much-needed support and assistance to the workers and owners of MSMEs, who were severely affected by the COVID-19 pandemic, in the form of livelihood and enterprise development, including financial assistance.</p> <p>Rep. Delos Santos said that upon the passage of Republic Act 11494, also known as the Bayanihan to Recover as One Act or Bayanihan 2, the SBCorp was mandated to expand its existing loan programs for MSMEs, cooperatives, hospitals, tourism sector, and overseas Filipino workers (OFWs) affected by the pandemic. Under this law, SBCorp was allocated the amount of P10 billion for the implementation of the Bayanihan COVID-19 Assistance to Restart Enterprises (CARES) Program.</p> <p>The SBCorp is a government financial institution with the primary responsibility of implementing comprehensive policies and programs to assist MSMEs in all areas, including but not limited to finance and information services, training and marketing. (Source: SBCorp website)</p> <p>SBCorp Innovation and Advocacy Group Head Victor Limlingan Jr. said that historically, SBCorp only lends out P1 billion a year, thus, the immediate rollout of the CARES Program with an allocation of P10 billion posed a tremendous challenge to the lending corporation. Limlingan added that while SBCorp extended loans directly to retail borrowers, it was mostly engaged in "wholesale lending," which means that it extends loans to lending institutions, which in turn lend to retail borrowers. However, he said, the advent of the COVID-19 pandemic forced a radical shift in SBCorp's business model. With many of its partner institutions badly affected by the pandemic, SBCorp was prompted to engage more in direct lending.</p> <p>Limlingan briefly described the two main COVID-19 pandemic-response financing facilities of the SBCorp: "Pondo sa Pagbabago at Pag-asenso (P3) Program" and the "Bayanihan 2 CARES."</p> <p>P3 Program is SBCorp's immediate financing policy response to pandemic-affected micro and small enterprises (MSEs). Qualified applicants for this loan facility may borrow P10,000 to P500,000 at concessional terms. He reported that out of the P1 billion funding allocation to the P3 Program, P988.3 million was released in loans to 14,820 MSEs in 2020. Under the Bayanihan 2 CARES, qualified applicants may borrow from P10,000 to P5 million at better concessional terms. The</p>

<p>Continuation... Rural Development</p>		<p>SBCorp has approved P3.8 billion in loans to 16,579 MSMEs in 2021 under this program.</p> <p>Rep. Delos Santos inquired how the SBCorp can help the MSMEs in the rural areas.</p> <p>Limlingan commented that the SBCorp wants to extend loans to more MSMEs in the rural areas. However, he explained that a great number of applicants come from Metro Manila because of the fact that 60% of the country's economic activity takes place in the metropolis. Nonetheless, Limlingan said the SBCorp is planning to innovate ways to cater to the needs of the MSMEs in the rural areas.</p> <p>Mt. Province Rep. Maximo Dalog Jr. inquired about the status of the P10-billion Bayanihan 2 fund allocated to SBCorp considering that the validity of the fund already expired.</p> <p>Limlingan clarified that the Department of Budget and Management did not download the full amount of P10 billion to the SBCorp, but only P8 billion. Hence, it is unclear to him what will happen to the balance of P2 billion.</p> <p>Meanwhile, Special Area for Agricultural Development (SAAD) Program Director Myer Mula asked how SBCorp can extend assistance to farmers and fisherfolk who are beneficiaries of SAAD Program.</p> <p>SAAD is a locally-funded program of the Department of Agriculture (DA) that aims to help alleviate poverty among the marginalized sectors of agriculture and fishery. (<i>Source: SAAD website</i>)</p> <p>Limlingan stated that since SBCorp does its business online, there may be challenges with respect to internet connectivity, especially since the locations of most farmers or fisherfolk borrowers are in far-flung areas. Thus, there may be difficulty in the downloading and uploading of pertinent documents required for the application and processing of direct loans to farmers and fisherfolk. He recommended instead a wholesale lending to registered cooperatives, from which member-farmers and fisherfolk can borrow.</p> <p>Mula expressed the hope that a more inclusive policy will be adopted by the SBCorp that will allow small farmers and fisherfolk to benefit from its lending programs.</p> <p>Rep. Delos Santos agreed with Mula and requested SBCorp to establish a new policy that will cater and give importance to the farmers and fisherfolk in the rural areas.</p> <p>The Committee Secretariat was directed to arrange a virtual meeting with the officials of the DA-Bureau of Fisheries and Aquatic Resources, to which the SAAD is under, to discuss how the beneficiary communities of SAAD, which belong to the identified 30 provinces with high poverty incidence, may be assisted.</p>
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