



Congressional Record

PLENARY PROCEEDINGS OF THE 18th CONGRESS, THIRD REGULAR SESSION

House of Representatives

Vol. 2

Thursday, September 23, 2021

No. 7c

RESUMPTION OF SESSION

At 9:00 a.m., the session was resumed with Deputy Speaker Henry S. Oaminal presiding.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is called to order.

Please stand up for a minute of silent prayer and meditation.

Please remain standing for the singing of – okay. I am sorry.

The session is resumed.

Majority Leader.

PRIVILEGE HOUR

REP. BONDOC. Mr. Speaker, with leave of the House, I move that we open the Privilege Hour.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) There being none, the motion is approved.

REP. BONDOC. Mr. Speaker, the first of our colleagues who wish to avail of the Privilege Hour is the Gentleman from the Sixth District of Quezon City.

I move for the recognition of our esteemed honorable Deputy Minority Leader, Jose Christopher “Kit” Belmonte.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The Hon. Christopher “Kit” Belmonte of the Sixth District of Quezon City is recognized.

PRIVILEGE SPEECH OF REP. BELMONTE

REP. BELMONTE. Thank you very much, Majority Leader.

Good morning, Mr. Speaker, Mme. Vice President.

Naalala ko lang ho noong first termers po tayong lahat dito at budget hearing din katulad nito, pero hindi katulad nito na walang tao, punung-puno ho iyong gallery. At that time, bago pa lang ho iyong institutionalization ng 4Ps at lahat tayo nagtataka kasi ang laki ng budget at pinag-iipitan natin iyong budget niyan. At those of us here who remember, noong first termers tayo, tinanong ng isa sa mga colleagues natin sino ang accountable officer para sa napakalaking budget na iyan. Isang maliit na babae na katabi ng Sponsor ang tumayo, at pagtayo niya, iyong buong gallery tumayo. Lahat ng regional directors, lahat ng focal persons, lahat ng accounting officer tumayo – “Lahat po kami ay accountable para sa project na iyan.”

So, Mr. Speaker, colleagues, I take the floor on a matter of personal and collective privilege to honor a social worker, an empath, an activist, a woman of the masses and a true patriot, former Sec. Dinky Soliman. Sec. Dinky led the Department of Social Welfare and Development under former Presidents Gloria Macapagal-Arroyo and Benigno S. Aquino III, which is a testament to the universal respect she was accorded as a champion of the downtrodden, earned through decades of work in the grassroots and the development sector. Sa trabahong ito, Sec. Dinky was tireless and relentless. Her energy inspired a lot of people. Kapag may sakuna, she was always among the first on the ground making sure that gaps

were filled, that systems were running so that help would reach those who needed it most.

She acted always with a sense of urgency. I believe, Mr. Speaker, that this emanated from Sec. Dinky's extraordinary ability to empathize with her fellow human beings. She knew their suffering and felt it as her own. She understood that any service delayed is a hardship prolonged. Sa trabaho ng pagtulong sa kapwa, Mr. Speaker, Sec. Dinky knew that there was always more that could be done. She used this discontent to drive herself further, deeper into the field to address challenges that would have paralyzed lesser beings. And while Sec. Dinky never shied away from getting mud on her sneakers, it was her deep understanding of the social structures that gave rise to poverty and inequality that allowed her to craft policy and lead its implementation. Si Dinky Soliman ang tunay na organic intellectual: lublob sa masa, malawak ang pananaw, matalas ang pagsipat sa mga sakit ng lipunang nagdudulot ng kahirapan. Under her watch, Mr. Speaker, lumawak ang 4Ps Program mula sa halos 800,000 na beneficiaries lang noong 2010 hanggang sa halos 4.4 million by the time the budget was passed in 2015. Her soles, her small soles, may have been planted firmly on the ground, but her eyes were always looking at the horizon, her mind working on long-term answers to big questions: How do we break the cycle of intergenerational poverty? How can we dismantle the structures of oppression and abuse? How do we insulate aid from patronage? What seeds can we plant today that will yield the fruits of a better tomorrow for all? The 4Ps and its large-scale expansion was one of her primary instruments in answering these questions, Mr. Speaker, and it will be Sec. Dinky's enduring legacy.

It goes without saying, Mr. Speaker, that in her efforts as a reformist, as an activist, and as a champion of social justice, Sec. Dinky made many friends and more than a handful of enemies. She was never afraid of rattling the rice bowls of the privileged and the powerful if it meant that fewer people would have to go hungry. Perhaps, that is why, even in her passing, may mga nagpapakalat pa rin ng mga kasinungalingan tungkol sa kanya—

questioning her intent, her integrity, her spirit.

Let me say now, Mr. Speaker, as one those considered by Sec. Dinky as her friend: She was one of the straightest arrows I knew. Never nagnakaw, never naghanged ng kapangyarihan, never inisip ang pansariling interes. Ang pera ng taumbayan, diretso sa serbisyo, diretso sa programa, diretso sa tulong. Laging nakatuon sa mahihirap ang trabaho ni Sec. Dinky. We can imagine how she could have enriched herself in office had she chosen to do so, pero hanggang sa dulo, Mr. Speaker, simple ang pamumuhay ni Sec. Dinky. Her life reflected her values. Marangal na tao si Sec. Dinky, and she should be remembered the way she deserves to be.

Sec. Dinky spoke truth to power, and she did so fiercely. But, she did so with highlights in her hair and a sunflower heart. She did so with brightness. Sec. Dinky was a happy warrior—lahat ng nakatrabaho niya can attest to this. Magaan siyang kasama at laging positibo ang takeaway kapag kausap siya. Like the sunflower that has become her emblem, Sec. Dinky always reached for the light no matter how dark the days were or how impossible the tasks seemed. In doing so, she spread her own light to millions of Filipinos who have benefited and continue to benefit from her foresight, her compassion, her integrity and her hard work. She will be missed, Mr. Speaker, and the entire nation is a little dimmer with Sec. Dinky's passing. Marapat lang siyang parangalan ng kapulungang ito para sa lahat ng nagawa niya para sa sambayanang Pilipino. Thank you very much, Mr. Speaker. Good morning po.

THE DEPUTY SPEAKER (Rep. Oaminal). Thank you very much to the distinguished Rep. Christopher Belmonte for such an honorable privilege speech.

Majority Leader.

REP. BONDOC. Mr. Speaker, I move that we refer the speech of the Hon. Kit Belmonte to the Committee on Rules.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) There being

none, the privilege speech of the Hon. Kit Belmonte is referred to the Committee on Rules. Majority Leader.

REP. BONDOC. Mr. Speaker, I move that we terminate the Privilege Hour.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) There being none, the motion is approved.

Majority Leader.

CONSIDERATION OF H.B. NO. 10153

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. BONDOC. Mr. Speaker, I move that we begin the consideration of House Bill No. 10153 as found in Committee Report No. 1230. Could the Secretary General be directed to read the title of the measure.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) the Chair hears none; the motion is approved.

The Secretary General is therefore directed to read the title of the bill.

THE SECRETARY GENERAL. House Bill No. 10153, entitled: "AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND AND TWENTY-TWO."

THE DEPUTY SPEAKER (Rep. Oaminal). Majority Leader.

OFFICE OF THE VICE PRESIDENT

REP. BONDOC. Mr. Speaker, our parliamentary status is that we are in the period of interpellation and debate on the proposed budgets of various agencies.

Mr. Speaker, we would like to acknowledge and we are thankful for the presence of our

honorable Vice President of the Republic of the Philippines, second highest officer of the land, who has come to Congress in spite of the pandemic to extend further her services to the Filipino people as she stands to defend the budget of the Office of the Vice President. We have with us the Hon. Maria Leonor G. Robredo, Vice President of the Republic of the Philippines, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The House of Representatives welcomes the honorable Vice President Leni Robredo to this historic deliberation on the budget of her office. Welcome, including the official family of the Office of the Vice President.

Majority Leader.

REP. BONDOC. With that, Mr. Speaker, I move that we begin the sponsorship of and debate on the proposed budget of the Office of the Vice President.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

REP. BONDOC. Mr. Speaker, I move for the recognition of our esteemed Sponsor, the Gentleman from the First District of Northern Samar, our Vice Chairman of the Committee on Appropriations, the Hon. Paul Ruiz Daza.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The Hon. Paul Ruiz Daza, the distinguished Representative of the First District of Northern Samar, you are hereby recognized.

SPONSORSHIP REMARKS OF REP. DAZA

REP. DAZA. Thank you, Mr. Speaker. Good morning, everyone.

It is an honor to sponsor the budget of the Office of the Vice President. It is the third year that I have done so in the Eighteenth Congress and this would be the last sponsorship. I would like to share with my colleagues and to no less than the Vice President that it has

been an honor and a joy to have worked with the Office of the Vice President.

Mr. Speaker, I am now prepared for the interpellation from the Members of the House.

THE DEPUTY SPEAKER (Rep. Oaminal).
Majority Leader.

REP. BONDOC. Mr. Speaker, the first of our colleagues who wish to interpellate our Sponsor is the honorable Gentleman from the Third District of Camarines Sur.

I move for the recognition of the Hon. Gabriel Bordado, Jr.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal).
The Honorable Bordado of the Third District of Camarines Sur is recognized for his interpellation.

MANIFESTATION OF REP. BORDADO

REP. BORDADO. Thank you, Mr. Speaker. Thank you, Mr. Majority Floor Leader. A pleasant morning to the Vice President of the Republic of the Philippines, Her Excellency Leni Gerona Robredo.

Mr. Speaker, Mr. Sponsor, let me once again deliver a short manifestation, just like what I did in the committee hearing of the Committee on Appropriations. For this year, the budget of the Office of the Vice President was increased because of its very active and sustained engagement in the fight against the COVID-19 pandemic aside from, of course, its innovative programs and projects intended to help improve the lives of our countrymen, especially the marginalized ones. In fact, in 2020, the Office of the Vice President allocated a total of P505.5 million for COVID-19 response. However, Mr. Speaker, Mr. Sponsor, close to P199 million of this amount came from donations. For 2022, the budget of the Office of the Vice President will be inexplicably cut by more than 21 percent.

Mr. Speaker, Mr. Sponsor, this is quite absurd considering the multifarious accomplishments of the Office of the Vice President, particularly in the fight against COVID-19, and to think that it has been getting

the highest audit rating from the Commission on Audit. Mr. Speaker, Mr. Sponsor, I am, therefore, reiterating my call that the budget of the Office of the Vice President be set at no less than P1 billion. Thank you, Mr. Speaker, Mr. Sponsor.

THE DEPUTY SPEAKER (Rep. Oaminal).
Thank you very much, the Honorable Bordado.
Majority Leader.

REP. BONDOC. Mr. Speaker, on behalf of the Minority, I solicit the appropriate motion from the Lady from Marikina, the Hon. Stella Quimbo.

THE DEPUTY SPEAKER (Rep. Oaminal).
The Hon. Stella Quimbo from the district of Marikina is hereby recognized.

REP. QUIMBO. Mr. Speaker, there being no member of the Minority who wishes to interpellate, I move to terminate the period of interpellation and debate on the budget of the Office of the Vice President.

THE DEPUTY SPEAKER (Rep. Oaminal).
Majority Leader.

REP. BONDOC. Mr. Speaker, we thank the Minority and the Sponsor. On behalf of the Majority, we move to close the period of interpellation and debate on the proposed budget of the Office of the Vice President.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal).
There is a joint motion on the part of the Majority and the Minority for the termination of the deliberation on the budget of the Office of the Vice President. Is there any objection? (*Silence*)
The Chair hears none; the motion is approved.
Majority Leader.

SUSPENSION OF SESSION

REP. BONDOC. Mr. Speaker, I move for a few-minutes' suspension to allow the Members of the House to congratulate Her Excellency, the Vice President.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) The Chair hears none; the session is suspended.

It was 9:16 a.m.

RESUMPTION OF SESSION

At 9:22 a.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is resumed.

LEGISLATIVE-EXECUTIVE DEVELOPMENT ADVISORY COUNCIL

REP. BONDOC. Mr. Speaker, I move now to begin the discussion and open the period of interpellation and debate on the proposed budget of the Legislative-Executive Development Advisory Council, the LEDAC.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

REP. BONDOC. Mr. Speaker, at this juncture, we would like to greet the members of the LEDAC family. They are led by Usec. Jose Miguel de la Rosa. Along with him are Atty. Mae Grace June Nillama and the members of their staff. These are members of the LEDAC family, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Usec. Jose de la Rosa and the official family members of the LEDAC, welcome to the House of Representatives.

Majority Leader.

REP. BONDOC. Mr. Speaker, I move for the recognition of our Sponsor, senior statesman of the House of Representatives, our esteemed Vice Chairman of the Committee on Appropriations, Representative of the Lone District of Quirino, the Hon. Junie Cua.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal).

The Hon. Junie Cua from the Lone Representative of the Province of Quirino is hereby recognized to sponsor the budget of the LEDAC.

SPONSORSHIP REMARKS OF REP. CUA

REP. CUA. Thank you, Mr. Speaker, for this wonderful opportunity to stand in this august Chamber to sponsor the budget under a unit of our government. Although a very small one, with a very little budget, it performs a function so important in coordinating and synchronizing the policy direction of this country, coordinating the legislative agenda so that there will be a smooth process of legislation and a smooth execution of policy. Thank you so much, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Majority Leader.

REP. BONDOC. Mr. Speaker, to speak for the Minority, I move for the recognition of the Gentleman from the Sixth District of Quezon City, our Deputy Minority Leader, the Hon. Jose Christopher "Kit" Belmonte.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The distinguished Representative of the Sixth District of Quezon City is hereby recognized.

REP. BELMONTE. Good morning. Thank you again, Mr. Speaker.

Mr. Speaker, there being no Member of the Minority who wishes to propound questions upon the honorable Gentleman from Quirino, I therefore move that we terminate the period of interpellation and debate on the proposed budget of the Legislative-Executive Development Advisory Council.

I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Oaminal). Majority Leader.

REP. BONDOC. Mr. Speaker, we thank the Minority, and we second their motion to close the period of interpellation and debate on the proposed budget of the LEDAC.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). There is a joint motion from the Majority and the Minority for the termination on the deliberation on the budget of LEDAC.

Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

DEPARTMENT OF BUDGET AND MANAGEMENT

REP. BONDOC. Mr. Speaker, I move now that we begin the interpellation and debate on the proposed budget of the Department of Budget and Management, the DBM.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

REP. BONDOC. Mr. Speaker, we would like to greet the members of the Department of Budget and Management family today, led by Usec. Kim Robert De Leon, Director Dante De Chavez, Director Yolanda Reyes, Director Ryan Lita and Director Gerald Janda, along with members of their staff. They are part of the Department of Budget and Management family, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Undersecretary Kim Robert De Leon, and the officials and members of the Department of Budget and Management family, welcome to the House of Representatives.

Majority Leader.

REP. BONDOC. Mr. Speaker for his chance to sponsor the budget of the DBM, I move, once more, for the recognition of the esteemed Gentleman from the Lone District of Quirino, our Vice Chairman of the Committee on Appropriations, the Hon. Junie Cua.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The Vice Chairman of the Committee on Appropriations, the Lone Representative of the Lone District of Quirino, is hereby recognized

to sponsor the budget of the Department of Budget and Management, Hon. Junie Cua.

SPONSORSHIP SPEECH OF REP. CUA

REP. CUA. Thank you, Mr. Speaker.

Once again it is a great pleasure to stand before our esteemed colleagues to sponsor the budget of a very important department in the running of our government. Without the Department of Budget and Management, it would be impossible to manage the resources of the government in a rational, efficient and effective manner.

The Department of Budget and Management plays a crucial role in seeing to it that our financial resources are properly channelled and managed efficiently to promote the good of this nation. So, in the interest of time, I just want to emphasize the significance of supporting the budget of the Department of Budget and Management. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Thank you, distinguished Vice Chair.
Majority Leader.

REP. BOLILIA. Mr. Speaker, I move that we recognize the honorable Representative from the Second District of Marikina City, the Hon. Stella Luz Quimbo, to interpellate the Sponsor.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The honorable Rep. Stella Quimbo of the Second District of Marikina is recognized.

REP. QUIMBO. Mr. Speaker, will the good Sponsor yield to a few questions?

REP. CUA. Isa pong malaking karangalan na makipagpalitan ng kuro-kuro sa isa sa pinakamagaling na Kinatawan ng ating bansa dito sa Kongreso.

REP. QUIMBO. Salamat po, Mr. Speaker. Let me start by asking about the status of the execution of the 2020 and 2021 National Budgets. So, may I know how much are unobligated and undisbursed out of the 2020

GAA as of, say, the end of August? And, may we also have the unobligated and undisbursed out of the 2021 GAA, also as of the end August? Tinanong na namin ito Mr. Speaker, last Monday pero ang ibinigay po na information is only as of June 30. Alam naman po nila na may homework sila, so baka sakaling maibigay po nila ang updated figures today po.

REP. CUA. Thank you, Mr. Speaker.

Unfortunately, my dear colleague, Mr. Speaker, since updating is done on a quarterly basis and the quarter would be ending by the end of this month, the data remains to be the same and that is P1.761 trillion, Mr. Speaker, Your Honor.

REP. QUIMBO. Mr. Speaker, may we know the figures for the 2020 GAA? So alam naman po natin na na-extend ang validity ng 2020 GAA kaya't mayroon pong continuing appropriations as of today. So, maaari ba nating malaman pa ang natitirang unobligated at undisbursed out of the 2020 GAA?

REP. CUA. Puwede po, sandali lang po at gusto ko pong makasigurado sa aking sasabihin, Madam, Mr. Speaker.

As of June, Mr. Speaker, Your Honor, the figure is P99.3 billion, Mr. Speaker, Your Honor.

REP. QUIMBO. And, Mr. Speaker, that refers to the unobligated allotments?

REP. CUA. Yes.

REP. QUIMBO. Okay po. So, samakatuwid, let me summarize po: As of the end of June, ang natitira pa pong unobligated out of the 2021 GAA is P99.3 billion, and out of the 2021 GAA, mayroon pa pong P1.7 trillion?

REP. CUA. Tama po.

REP. QUIMBO. So, napakalaki pa po ang natitirang pondo. Ano kaya po ang expected po na unobligated allotments by the end of the year?

REP. CUA. Well, that means a calculation of the expenses from June to the end of the year, and we need to base it or we can base it rather,

on the empirical data of monthly disbursement. But of course, the second semester might be a little different from the last semester, as the last semester was expected really to, to see or to witness more expenditures. Okay. So, as I have said, at this juncture, it might be difficult yet to come up with a forecast. We need to get the figures by the end of this month so that we can have a more educated estimate of what is going to happen in the last quarter. So, I would suggest, let us wait for a few more weeks so that we can get a better picture of what it will be. I am certain that P1.7 trillion is going to be reduced substantially as one quarter will be deducted from it.

REP. QUIMBO. Mr. Speaker, maganda sigurong tingnan ang historical data. Ang unobligated allotment as of the end of 2019 was P225 billion, and as of the end of 2020, it was P200 billion. So, ang tanong ko po is, sa tingin ba ng DBM, it will be around the same range or inaasahan ba nila na it will be significantly higher ngayong 2021?

REP. CUA. Well, I think, to be able to answer that with a little more educated answer, it would be best to wait for the end of the month and see what is the figure for the third quarter.

REP. QUIMBO. So, Mr. Speaker, kasama po ba sa unobligated allotments ang For Late Release o FLR?

REP. CUA. Well, hangga't hindi pa released ang FLR, hindi pa siya kasama sa unobligated.

REP. QUIMBO. Kasi hindi pa po siya released?

REP. CUA. Yes.

REP. QUIMBO. Ganoon po ba?

REP. CUA. Yes.

REP. QUIMBO. Okay. So, kasama siya sa authorized appropriation pero hindi siya kasama sa released allotment?

REP. CUA. Yes.

REP. QUIMBO. Therefore, hindi siya kasama sa unobligated?

REP. CUA. Unobligated.

REP. QUIMBO. So, puwede po ba natin tanungin, Mr. Speaker, kasi po marami pong nagtatanong kung ano ba itong FLR na ito na pinag-uusapan natin. So, puwede bang humingi ng confirmation mula sa DBM. So, ito po ay isang bagong konsepto; sa pagkakaalam ko po, 2019 lang po in-introduce ang For Late Release. So, it used to be under the typical DBM Budget jargon na mayroon lang tayong released allotment, so, there was only one kind of release. But beginning 2020, tila nagkaroon tayo ng distinction na unreleased – sorry, may Unreleased, may Released, at mayroong For Late Release. So, tama po ba ang pagkakaintindi ko na ito po ay isang bagong konsepto and it is now a sub-category for allotments?

REP. CUA. Well, sa akin pong experience dito sa Kongreso sa loob ng dalawang cycle, ngayon lang po talaga tayo nagkaroon ng FLR, at ang FLR naman, ang aking intindi diyan, ay na-conceptualize to be able to manage in a more organized way the increases on top of the National Expenditure Program. So, anything that was proposed over and above the NEP, I understand, is categorized under For Later Release. Now, I would suspect that this was conceptualized – well, maybe because the increase is substantial and it would be prudent to categorize this under For Later Release so that it can be properly programmed. That is my suspicion. I do not know exactly what is the logic behind it but that is what I suspect – yes, and that is included in the Veto Message of the President. Yes, as I suspected, that is the basic reason. If you read the language of the Veto Message, as has been repeatedly highlighted in previous years, the new items introduced, I am quoting it now:

New items introduced by Congress in this Act have corresponding effects in the respective outputs and outcomes of the agencies concerned. Therefore, these new budgetary items shall be subject to the

National Government's cash programming, the observance of prudent and responsible fiscal management, applicable rules and procedures during budget execution, and approval by the President based on the program priorities of the government. The DBM shall inform the agencies of such budgetary items and require the submission of the revised agency performance targets, among other supporting documents as may be applicable.

As I suspected, it is really for better cash programming and management, and to ensure that, somehow, these proposals can be synchronized with the NEP. The NEP being a product of thorough planning, if you introduce additional budget proposals that may somehow affect the direction of the thrust of the government, something has to be done, and so, therefore, the releases will have to be programmed.

REP. QUIMBO. Salamat, Mr. Speaker. Thank you for clarifying the intended purpose of For Late Release, and in some it is really, as you said, for proper programming.

So, my next question is, who determines, sino po ang nag-de-determine at ano ang process ng pag-determine kung ang isang line item ay dapat for later release or not? Kasi, correct me if I am wrong 'no, kayo po, Mr. Sponsor, matagal po kayong naging Appro Chair din po, so I am sure isa po kayong eksperto dito sa budget. Alam naman po natin 'no kapag ang approved budget as lumabas na po sa Congress at sa Kamara – ay, sorry, sa Senado, iyon na dapat po, that is the same document that the President must approve, right? Pero tama po ba na iyong distinction as to whether a particular item is For Later Release or not happens after that document is actually approved by both Houses? Kasi hindi naman po nanggagaling dito sa Congress or Senado ang categorization ng FLR. Tama po ba iyon? So, may we know, saan po nangyayari ang pag-classify ng isang budget item as to whether it should be for late release or not? Where does it happen? When does it happen? How does it happen? Who decides whether or not FLR ang isang particular item?

REP. CUA. Well, I understand that it is the agency that classifies the FLR and that authority has a legal basis in the provision of the Constitution authorizing the President to execute the budget. So, to answer directly who classifies, I think the question is, who clarifies? It is the agency that classifies.

REP. QUIMBO. So, halimbawa po in the case of the PGH, and may I just cite, Mr. Speaker, the case of the PGH for 2021.

REP. CUA. What agency?

REP. QUIMBO. The Philippine General Hospital is with the UP, University of the Philippines. Meron po silang P748 million na naka-FLR po. So, kasama po diyan, halimbawa, ang procurement of mechanical ventilators na alam naman po natin na ginagamit para sa COVID patients. This is one example of an FLR or For Later Release item. So, ang sinasabi n'yo po, Mr. Speaker, is, mismo ang UP ang siyang nag-determine na For Later Release po ang pondo para sa isang napakaimportanteng item, mechanical ventilators. Did I understand the explanation correctly, Mr. Speaker?

REP. CUA. It is my understanding from the information coming from the DBM that it is the agency that does that. So, maybe, I would suspect that because of the huge budgetary proposal of an agency, not all of them can be accommodated right away, that is why there is a tiering policy. There is a Tier 1, there is a Tier 2, and I would suspect that those that are not classified as Tier 1 would be under For Later Release. Would that be correct?

So, that is it. It is the agency that really classifies and they are the ones that proposes which one comes first and which one would be for later.

REP. QUIMBO. So, again, Mr. Speaker, it is the specific agency. So, tama po iyong understanding ko na kung sa UP-PGH, kung ang PGH ay merong FLR, ang nag-determine po niyan ay UP? So, ganoon po?

REP. CUA. That is what I understand, yes.

REP. QUIMBO. So, hindi po DBM ang may say as to whether a particular item is FLR or not?

REP. CUA. Well, I think—you are right, you are right, Mr. Speaker.

REP. QUIMBO. And Mr. Speaker, who collates those requests? So, I suppose agencies would have correspondence with the DBM, and they would indicate, for example, in this case UP, I suppose, would have correspondence with the DBM, indicating that mechanical ventilators should be For Later Release. Am I right? And if yes, may we request the DBM to submit to us all of these correspondences from the agencies indicating that they themselves had chosen particular items for For Later Release.

REP. CUA. Yes, yes. As you said correctly, it is the agencies that determine their priorities in the budget proposal. So, when they prioritize their priorities, they are supposed to submit supporting documents. And if the proposals that they submitted do not have yet those supporting documents, that means they are not shovel-ready, so that would be classified as FLR. So ...

REP. QUIMBO. But, Mr. Speaker, pasensya na po. It does not make sense to me. Tama po ba na iyong FLR items are still within the budget ceiling of the agency? So, halimbawa po, P1 million ang budget ceiling ng isang agency at meron po doon P200,000, iyong P200,000 na iyon na FLR is still part of the total budget ceiling, hindi po ba?

REP. CUA. Tama.

REP. QUIMBO. So, ano po ang dahilan kung bakit pipiliin ng isang ahensiya na ipa-for later release na lang ang isang item? Like in the case of the PGH, napakaimportante ng mechanical ventilator at napakaraming COVID patients ang pumupunta sa PGH because, of course, it is the country's premier teaching hospital.

REP. CUA. Kaya nga po, kagaya ng nasabi

ko kanina, hindi siya nakasama sa NEP kasi hindi pa siya ready. So, kung may mga proposal na pumasok after the NEP, iyong mga NEP talagang ready – so, may mga pumasok later on na proposal sa kanilang budget na hindi kasama sa NEP, nagiging FLR talaga iyon kasi they are not ready.

REP. QUIMBO. But, as we know, Mr. Speaker, the total, which in this case for 2020 is P5.02 trillion, ay hindi naman po magbabago. Kaya iyon lang po ang hindi ko masyadong maintindihan. So, may I ask, ano po ang specific criteria ng DBM sa mga ahensiya, sa kanilang pagpili kung ano ang mailalagay sa FLR classification. I suppose manggagaling – palagay ko manggagaling sa DBM ang criteria na iyan, hindi po ba, kasi, ang DBM ang overall manager ng buong national budget. So, ano po ang specific criteria or ano ang considerations ng DBM na, presumably, na-communicate sa ating mga agencies as to paano pipiliin kung ano po ang magiging FLR?

REP. CUA. Well, actually, I have explained that, I suppose well enough in my original response to your earlier question, na bakit nagkakaroon ng FLR. Ang aking paliwanag kanina is, iyong mga proposal, over and above the NEP. Kasi, iyong NEP matagal na pinag-aralan iyan; February, March pa lang may budget call na. So, iyong mga ahensiya, they are called upon to submit their proposals na talagang implementable na. So, itong mga ito, naisasama sa NEP. After thorough consultations with the agencies, they are – hindi naman lahat ng proposals nila matatanggap dahil sa limitation ng budget. So, kung ano lang talaga iyong kaya, iyon ang maipapasok sa NEP. So, kung naipasok na sa NEP, iyon talaga hindi maii-FLR. Pero, kung nag-introduce ang ahensiya after the approval of the NEP by the Cabinet, mayroon pang introduce o pre-budget approval, mayroon tayong mga initiatives na inilagay natin sa mga ahensiya na hindi siya kasama doon sa NEP, so talagang maka-classify siya as FLR. So, iyong ahensiya, na-identify niya iyong mga priorities niya, nakapasok lahat sa NEP iyon. Ngayon, iyong mga hindi nakasama doon sa NEP at pumasok, dinanan sa ahensiya

ng kung sinuman, iyon ang magiging FLR. Hindi ba?

REP. QUIMBO. So, Mr. Speaker, kung ganoon po ang paliwanag o ang paliwanag ninyo po is, that any amount over and above what was originally proposed by the DBM, iyon po ang mailalagay sa FLR.

REP. CUA. Correct.

REP. QUIMBO. In which case po, hindi po ba magiging useless po ang ating budget deliberations? Sa ngayon po, halimbawa, mukhang lumalabas talaga na napakababa ng budget natin para sa health response sa COVID kasi ang lumalabas P48 billion lamang ang budget para sa COVID health response pero hindi kasama diyan ang napakaimportanteng two items: number one, vaccines for 2022; and, number two, allowances para sa ating medical frontliners. So, kung saka-sakali man na mag-propose ang Kongreso ng dagdag po na budget sa DOH, ang sinasabi ninyo po ay mailalagay po ito sa FLR. So, hindi po ba, parang all that means, as I said, is parang balewala itong pinaghihirapan po natin na masusing pagtingin sa GAB 2022? Tama po ba ang understanding ko? And, on top of that, kapag pinag-aaralan natin ang GAA, nakikita rin po natin na iyong mga nae-FLR ay iyong mga items po na mayroong “errata” kung tawagin. Ibig sabihin, may mga very simple modifications doon po sa title ng mga project at iyon po ay nailalagay sa FLR.

Bakit po natin pinagtutuunan ng pansin ang FLR? Ang problema kasi sa FLR is, in effect, it appears to be effectively a veto. Kasi approved na po ang mga items na ito ng Congress at ng Senado, hindi naman po na-veto ng Presidente, pero many of these FLR, up to today, have not been released. Bilang isang ekonomista, napakalaking problema po nito dahil sa ngayon po, as we all know, our economy is in a slump. The only way that we can actually recover is for the government to spend. Why the government? Because households do not have cash anymore; our businesses are also cash-strapped. The only sector that has the cash para ipaikot sa ating ekonomiya is just the government. Pero sa

ngayon lumalabas na mayroon pang malaking pondo. Maaari ba natin malaman, Mr. Speaker, kung magkano po ba ang currently na FLR at hindi pa nare-release sa ngayon?

REP. CUA. Okay. So, anyway, I would like to respond point-by-point.

Iyong tungkol sa FLR, hindi naman po nangangahulugan na kung na-classify iyong new na proposal, gaya ng inyong nasabi, kung ganoon ang mangyayari, 'di parang nawalang saysay na iyong ating power dito sa Kongreso, na anything we introduce would be classified that way. Ang sinasabi lang po natin is kung halimbawa ang isang proposal natapos tayo, naipasok ng December, na-approve ang budget ng December, pagdating ng Enero maipapakita ng ahensiya na implementation-ready na sila, although classified siya as FLR, mare-release kaagad iyon. So, in other words, tinitignan nila kung ano talaga iyong implementable na at hindi pa implementable. Kasi kung nag-propose ng FLR na madami at hindi naman pala sila implementable kaagad kasi hindi dumaan sa proseso doon sa paghahanda ng ipapasok sa NEP, e kahit release-an mo iyan ng pera ay hindi rin mai-implement. 'Di natulog lang iyong pera doon, hindi ba? So, that is why – what we are saying here is, it is really cash programming and management that really is the main consideration on why this thing is happening.

Now, iyong sinabi natin na it is because ang private sector ay hirap at walang gaanong perang pang-invest kaya kailangan pumasok ang gobyerno, tama po iyan, wala naman tayong debate diyan. Ang sinasabi lang natin is, mina-manage din ng gobyerno iyong paglobo, paglobo ng ating, what do you call this, deficit-ratio level. So, siyempre gusto natin lahat na gumastos nang gumastos ang gobyerno, pero saan kukuha ng pera? Hindi na nga tayo makakolekta ng taxes dahil nga walang negosyo, so ang recourse noon ay umutang. So 'pag umutang ka at hindi mo talaga – wala kang disiplina, hindi mo na-manage iyong deficit ratio mo, maaapektuhan iyong ating credit rating. Kapag naapektuhan ang ating credit rating, tataas ang ating interest na babayaran. Tayo rin ang magbabayad noon e, si Juan dela Cruz din ang magbabayad noon.

So the net effect is negative to Juan dela Cruz. So, I think, while it is true that the government should really step up and spend and spend, there must be some level of discipline. Thank you, Mr. Speaker.

REP. QUIMBO. So, Mr. Speaker, sino po ba ang nagde-decide kung ang isang FLR ay mare-release na? And what are the triggers for that? Anong conditions? What conditions must be met for an FLR item to be released?

REP. CUA. Okay.

REP. QUIMBO. And who decides that?

REP. CUA. Well, the information is that, ultimately, it is the Office of the President that decides kung kailan ma-release iyong FLR, so I suppose the Office of the President has a process of determining why it should be released already.

REP. QUIMBO. So, just a...

REP. CUA. Or implementability, maybe, availability of cash already. So these are basic criteria for deciding to release it.

REP. QUIMBO. So to summarize, it is the agencies that determine which would be FLR or not, but ultimately, when an FLR is to be released shall be decided by the Office of the President. Iyan po ang sinasabi natin, Mr. Sponsor?

REP. CUA. That is true. That is true.

REP. QUIMBO. And so magkano po ngayon ang natitira pang FLR?

REP. CUA. As of August 31, the remaining unreleased was P192 billion.

REP. QUIMBO. So, P192 billion and ang magde-decide, ang maga-assess kung implementation ready na ang mga programa na 'to ay ang Office of the President?

REP. CUA. Approval. But of course the evaluation will be by the agency, I suppose.

REP. QUIMBO. So may we know the specific process?

REP. CUA. I beg your pardon?

REP. QUIMBO. May we know the process by which agencies assess whether a certain budget item is ready for release?

REP. CUA. Of course it would be the relevant agency that will determine the readiness. So, the question is, how do they evaluate whether it is ready? Well, I suppose, the program of work, things like that. Kung kalsada iyan, may right of way na ba? Mga ganoon 'di ba? So, of course, this will depend on the agency's criteria, kung ano-ano iyong mga criteria nila to say, "O this is shovel-ready na, puwede na 'to, puwede na 'tong i-release." So, they will recommend it to the DBM and then submit it to the President for approval.

REP. QUIMBO. Mr. Speaker, I am running out of time. For my last set of questions, matagal na po kayo, Mr. Sponsor, na naging Appro Chair and may we know your expert opinion po on this matter. Do you think that this is a good budget practice, ito pong making a distinction between for late release or, maybe, current release? Is this something that falls under good budget practices? Ito po ba, sa tingin ninyo, ay dapat ipagpatuloy sa mga susunod na fiscal years? Sa akin po, again, I stand by my position na tila unconstitutional po ito dahil ang power of the purse naman rests with Congress, na ibig sabihin, kung ano po iyong budget document na lumabas po mula dito at wala naman po doon na distinction between what is for late release or not, ay siya rin po dapat ang aaprubahan o ivi-veto man ng Presidente at kung ano man ang inaprubahan ng Presidente, iyan naman po ay ie-execute to the letter. So sa ngayon po, nagkakaroon ng gray area because mayroong For Late Release classification or categorization na nangyayari after Congress and the Senate approve the budget. So, sa aking palagay, hindi po ito constitutional and so I would like your opinion bilang nga isang eksperto sa budget, kung ito po ba ay isang good practice, ito po ba ay dapat ipagpatuloy sa susunod na mga taon? At kung

hindi man, mayroon po ba tayong makukuhang commitment mula sa DBM na hindi na ito mangyayari ulit sa mga susunod na taon?

REP. CUA. Napakagandang tanong po iyan at napakahirap sabihin—napakahirap sagutin, ibig ko sabihin. Nagkataon na dinedependahan po itong budget ng DBM, kaya mukhang wala akong choice kundi sabihin na okay iyan. But, you know, I share your sentiment. I feel also that this kind of practice somehow diminishes the power of Congress. But, I also would like to remind our colleagues that if I were in the shoes of the President, and cash is a problem for me, I may have to do something like this because when Congress approves, everybody expects its immediate release and for the entire budget process, we never expected such a substantial increase in the budget. Medyo mahirap din iyon e, lalong-lalo na kung iyong dinagdag ay madi-dislocate iyong ating napag-usapan sa DBCC na hanggang dito lang ang ating budget deficit. So, I think, on that point, it make sense. But, as a legislator, I really feel that it diminishes our effectiveness.

So, I guess there is a need to really look into the process. I think the leaders of Congress will have to sit with the Executive, that in the NEP, let us agree, this is what we will agree on, ito lang ang aming ipo-propose na budget deficit pero pagkasunduan na natin na in the event na Members of Congress would like to increase the budget, hanggang saan lang at nagkakaintindihan tayo na sa lebel na ganito ay kakayanin ng gobyernong i-execute na hindi madi-dislocate ang mga assumptions, so hindi na kailangan ng FLR. That is how I would like to look at it. Now, based on my experience, during our time, this never happened because mayroon kaming preliminary discussion between the Executive and the Legislative. So, mayroong kasunduang ganoon. So, 'pag nagdagdag kami, alam naming kakayanin. E ito wala e. So, basta dagdag tayo pero walang coordination, mahihirapan nga naman. Thank you, Mr. Speaker.

REP. QUIMBO. And, wala po bang commitment mula sa DBM? Is this something that—ano po bang balak ng DBM dito po sa FLR?

Will they continue it? Are they reviewing it? Ano po ba ang current status po ng FLR as a policy?

REP. CUA. Let me suggest a solution to that. As I have intimated earlier, let there be a strong collaboration between the Executive and the Legislative. We have LEDAC and matters of this nature, puwedeng pag-usapan sa DBCC. So, itong NEP, ito nag-agree tayo dito, may agreement na with the Legislature. 'Pag pumasok iyan sa budget process sigurado tayo, madadagdagan iyan pero 'pag tayo ay nagdagdag, hanggang dito lang, at pagka hanggang dito lang, walang FLR. Iyon ang aking kaunting mungkahi, Mr. Speaker.

REP. QUIMBO. Salamat po, Mr. Speaker.

I have no further questions. Maraming salamat po sa ating kagalang-galang na Sponsor.

REP. CUA. Thank you po. Thank you.

THE DEPUTY SPEAKER (Rep. Oaminal). Thank you very much, the Hon. Stella Quimbo for your intellectual interpellations. Congratulations. And also, to the good Sponsor for your intellectual responses and your honest-to-goodness sharing of your wisdom on budgeting.

Majority Leader.

REP. BOLILIA. Mr. Speaker, I move that we recognize the Hon. Edcel Lagman, Representative of the First District of Albay, for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The Hon. Edcel Lagman, distinguished Representative of the First District of Albay, is recognized.

REP. LAGMAN. Thank you, Mr. Speaker.

Will the distinguished Sponsor yield to a few questions?

THE DEPUTY SPEAKER (Rep. Oaminal). What is the pleasure of the Sponsor?

REP. CUA. Isa pong malaking karangalan na makipagpalitan ng kuro-kuro sa isang guro.

THE DEPUTY SPEAKER (Rep. Oaminal). The Honorable Lagman, the Sponsor is very glad to answer your interpellations.

REP. LAGMAN. May I now proceed, Mr. Speaker?

THE DEPUTY SPEAKER (Rep. Oaminal). Please proceed.

REP. LAGMAN. Considering that the DBM principally and actively participated in the preparation of the National Expenditure Program, which was virtually copied as the General Appropriations Bill for 2022, may we know, in 2022, how will the School Building Program be funded?

REP. CUA. May I beg your pardon? How will the School Building Program be funded? Is that the question?

REP. LAGMAN. Yes, distinguished Sponsor.

REP. CUA. Is it the intention of the good Congressman to find out where the funds to build the school buildings would come from?

REP. LAGMAN. Yes. Would this continue to be funded by the national government or downloaded to the local government units for funding?

SUSPENSION OF SESSION

REP. CUA. May I request for a minute of suspension, Mr. Speaker, to consult, just to make sure that my answer will be accurate.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is suspended to allow the technical staff to assist the Sponsor.

It was 10:12 a.m.

RESUMPTION OF SESSION

At 10:15 a.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is resumed.

REP. CUA. Thank you, Mr. Speaker.

In response to the question of the good Gentleman from Albay, I was informed that as a result of the *Mandanas* ruling, only the school building programs for fifth class and sixth class local government units – the need for school buildings will be funded by the national government. And the requirement of these two classes is 1,168 units or in peso amount, P2.9 trillion – P2.9 billion, P2.9 billion, sorry, P2.9 billion will be funded by the national government.

REP. LAGMAN. Conversely, distinguished Chair (*inaudible*) by the local government units. Is that correct?

REP. CUA. Mr. Speaker, I missed some parts of the question because of connectivity. Puwede po bang ulitin ng ating magiting na kaibigan?

REP. LAGMAN. Yes, I will do as long as it is not deducted from my time.

Conversely, the school building program for the first class up to the fourth class municipalities will be devolved to local government units concerned for funding in 2022. Is that correct?

REP. CUA. Tama po iyon, Mr. Speaker.

REP. LAGMAN. Okay. Now, how much is the amount involved for the School Building Program that is to be devolved for funding to local government units from the first class to the fourth class LGUs?

REP. CUA. So, unfortunately, the DBM feels that they are not competent to give the information on that point and it would be best if we ask the question when the time of the Department of Education is set, if that would be okay with the good Gentleman?

REP. LAGMAN. Yes. It will be okay with me, but considering that the DBM prepared the NEP, which is now the GAB, may we know how much has been allocated for the School Building Program which is to be funded by local government units starting from Class 1, Class A – the first class up to the fourth class.

REP. CUA. Yes, I understand your frustration, my dear colleague, that is the same question I asked them before you asked that from me, but, unfortunately, I was also not able to get the data from them. So, I suppose the reason why it happened that way is because they implemented or they thought that in the Supreme Court ruling, it is clearly stated that the responsibility of the national government will only be with respect to the fifth- and sixth-class LGUs. So, therefore, they focused on the estimate and in their coordination with DepEd on what the requirements for fifth- and sixth-class LGUs will be. But, I guess, as I have said, maybe it would be best to wait for the DepEd to answer the query. When their time comes, I am certain that this figure will be found in their transition plan.

REP. LAGMAN. Okay.

REP. CUA. Yes.

REP. LAGMAN. Now, you mentioned, distinguished Sponsor, that there is a statement in the ruling, in the *Mandanas-Garcia* case, that for the school building program for fifth- and sixth-class municipalities, this will still be assumed by the government. Can you please point to us the particular portion of that ruling?

REP. CUA. No, that – I stand corrected.

I am not certain that, really, there is such statement in that Supreme Court ruling but I just thought and assumed that that could be the reason why the DBM focused only on fifth- and sixth-class provinces because that might have been the spirit.

REP. LAGMAN. Now, I think, that is the way the Executive Department would like to implement the *Mandanas-Garcia* ruling but there is no specific statement in that ruling or in that decision to that effect.

My next question is, if the school building program for the first up to the fourth-class municipalities will be funded by the local government units, are we going to get the funding from the IRA of the LGUs?

REP. CUA. Well, I think that is the expectation of the national government.

I am now provided with the guideline that the DBM gave out to interpret the *Mandanas* ruling. This is the one. And, I would like to read that guideline. More specifically, relative to these devolved functions, concerned agencies shall be guided by the following:

- 1.) Refrain from including funding for devolved local projects for LGUs belonging to the first to fourth income classifications in their budget proposal;
- 2.) Include the funding requirement for capacity building of the LGUs to enable them to assume these devolved functions; and
- 3.) Limit subsidies for local projects to the LGUs belonging to the fifth- and sixth-income classes, the geographically isolated and depressed areas (GIDAs) and those with the highest poverty incidences ranked in top third highest.

So, in response to your point, I think, this is how they interpreted the Supreme Court ruling, Mr. Speaker.

REP. LAGMAN. Now, if the school building program for the first- to the fourth-class municipalities will not be funded anymore by the national government, then there is no other source of funding for this except the IRA of the LGUs because they cannot depend on their other income; it is really minimal. This funding cannot come as manna from heaven; it would have to be funded from the IRA of the LGUs. Is that not correct?

REP. CUA. I agree with you, Mr. Speaker, Your Honor, if that is the interpretation of the national government. And the first class – the fourth class, or the fourth class to the first class will have to fund their school building needs from the IRA.

REP. LAGMAN. Now, is it ...

REP. CUA. Or from borrowings.

REP. LAGMAN. I beg your pardon?

REP. CUA. Or from other sources. It could be local taxes, it could be borrowings,

it could be from whatever sources that they are able to generate, Mr. Speaker. It may not be exclusively from the IRA.

REP. LAGMAN. But it will be principally from the IRA?

REP. CUA. I would suspect that it would depend on the profile of the revenue of the LGU.

REP. LAGMAN. Okay.

REP. CUA. Take the case of highly urbanized LGUs. Case in point may be Taguig, Makati, Manila, Pasig, the surrounding rich, urbanized LGUs. Their IRAs are very much less than their local taxation and other sources of income. So, I would surmise that it would really depend on the profile of the revenue. But LGUs like Quirino, for example, definitely, it will be from the IRA or maybe from borrowings because now, there are programs available for local government units to avail of concessional loans. There are programs being managed by GFIs that intend to promote rural development through their lending windows, Mr. Speaker.

REP. LAGMAN. Yes.

Well, we agree with that observation, but the wealthy LGUs are very few and are the exceptions. The general rule covers the rural, impoverished LGUs who principally depend on their IRA; that is the vast majority of our local government units.

Now, let me go to the next question. It is true that the Assistance to Individuals' Families in Crisis Situation or what is popularly known as the "AICS" will be funded by the LGUs?

REP. CUA. Well, this is a program of the Department of Social Welfare and Development. We may have to, again, for accuracy, I would suggest wait for the proper time, but if ...

SUSPENSION OF SESSION

REP. CUA. A minute's suspension, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is suspended to allow the technical staff to assist the Sponsor.

It was 10:29 a.m.

RESUMPTION OF SESSION

At 10:29 a.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is resumed.

The honorable Sponsor.

REP. CUA. It is my understanding, Mr. Speaker, that for the year 2022 in the NEP, there is provided an P18-billion appropriation for the AICS Program. So, I am not sure whether this is smaller than it used to be. Well, it looks like it is smaller than that of 2021; it was P23 billion in 2021 and P5 billion in 2020. So, there will still be, Mr. Speaker, there will still be funding coming from the national government. Thank you, my dear colleague.

REP. LAGMAN. Now, if there will still be funding coming from the national government, how much of the AICS Program will be funded by the LGUs?

REP. CUA. By the LGUs? Well, looking at the historical data, if we are to base it on the funding for 2021, the appropriation was P23 billion. And what is proposed for 2022, is P18 billion, so there is a reduction of P5 billion. So, looking at this, one can probably safely presume that the rest will have to be funded by the local or, probably, even more because the need is growing.

Thank you, Mr. Speaker.

REP. LAGMAN. Thank you.

Distinguished Sponsor, can we ask the DBM to validate your assumption?

REP. CUA. Well, what I have here, Mr. Speaker, is data from the DBM, which I suppose is the data that the DSWD possesses.

REP. LAGMAN. In other words, P5 billion

or even more of the AICS Program in 2022 will be funded by the LGUs. Is that correct?

REP. CUA. I did not hear you completely, Mr. Speaker. Can you please ...

REP. LAGMAN. In other words, P5 billion or even more of the AICS Program in 2022 will be funded by the LGUs. Is that correct?

REP. CUA. Yes. That is my suspicion, Mr. Speaker.

REP. LAGMAN. Now, in 2022, are the local roads and bridges to be funded by LGUs, not by the national government anymore?

REP. CUA. Well, if—let me check, Mr. Speaker. If my recollection serves me right, the only local road program that the national government has been funding even prior to the *Mandanas* ruling is limited, actually, to the CMGP Program. This is the matching program with the provincial government whose budget, actually, for this had been reduced to zero, and the FMR, the farm-to-market roads under the DA program. Let me check, Mr. Speaker.

Mr. Speaker, Your Honor, in so far as local roads are concerned the FMR Program of the DA will be limited to fifth and sixth class LGUs. And under the DPWH, what would remain would be what are called the "Sustainable Infrastructure Projects Alleviating Gaps" and the "Basic Infrastructure Program." So, that is it, Mr. Speaker.

REP. LAGMAN. In other words, distinguished Sponsor, the rest of the local roads and bridges and the farm-to-market roads will have to be devolved for funding to local government units, from the first- to the fourth-class classifications. Is that correct?

REP. CUA. That is correct, Mr. Speaker.

REP. LAGMAN. Now, in 2022, distinguished Sponsor, how will the communal irrigation systems be funded? Will it be funded by the national government or by the local government units consisting of the first-class to the fourth-class LGUs?

REP. CUA. My understanding also with respect to communal irrigation is that they have been devolved, actually, but the national government continued to support this until the *Mandanas* ruling. It is my understanding that it will be or there will be only – Mr. Speaker, I am not so sure with my answer but my suspicion is that there will be none for communal irrigation, no funding support from the national government, so, they will be essentially devolved to the local government.

REP. LAGMAN. Okay. Now, with respect, distinguished Sponsor, to the Tulong Panghanapbuhay sa Ating Disadvantaged/ Displaced Workers or the TUPAD, how will this be funded in 2022? Will it be funded just the same by the national government or by the local government units to the extent of the first- to the fourth-class LGUs?

REP. CUA. I think the DOLE budget reflects continuous support. There is an appropriation of P20.4 billion under that program.

REP. LAGMAN. Distinguished Sponsor, thank you for that.

When these locally devolved projects are funded by the LGUs, how much national funds are liberated?

REP. CUA. I am sorry, my hearing is a little bit impaired. Can you please repeat that?

REP. LAGMAN. When these locally devolved projects are funded by the LGUs, how much national funds are liberated?

REP. CUA. How much national funds ...

REP. LAGMAN. Are liberated, because they are not going to fund the local projects anymore.

REP. CUA. As a consequence of the *Mandanas* ruling, Mr. Speaker, the national government is giving an additional P263 billion to the local government units. Now, the question is, as a consequence of the devolution, how much of the national government fund has been freed up? So, it is a question that is

difficult really to compute. But what is sure is that while what has been transferred is P263 billion, it is not a one-on-one correspondence; it could even be less the value of devolved functions. So, certainly, I think it is not going to be more than P263 billion, but less. So, that is the estimate by the DBM. Thank you, Mr. Speaker, Your Honor.

REP. LAGMAN. I will now go to my last question on this particular topic.

Under the Local Government Code, the only condition for the automatic release of the IRA is that 20 percent of the IRA should be devoted by LGUs to developmental projects. Is that correct?

REP. CUA. My recollection is at least 20 percent. It does not say only 20 percent, but at least 20 percent.

REP. LAGMAN. But as of now, the local government units just follow 20 percent of their IRA, so much so that the 80 percent would be a free portion which would be subject to the best discretion of the LGUs. Now, when the LGUs assume the funding for locally devolved projects, will this 20 percent or at least 20 percent be exceeded?

REP. CUA. Be what? Be?

REP. LAGMAN. When the LGUs assume the funding for locally devolved projects, will the amount which the LGUs assume exceed the at least 20 percent development fund?

REP. CUA. Yes, Mr. Speaker, my understanding...

REP. LAGMAN. I would suppose so you are correct, Mr. distinguished Sponsor, it will be exceeded. And as it will be exceeded, do you not think we have to amend the Local Government Code?

REP. CUA. But the Code only says "at least." So, it is the LGU that will decide whether they will allocate more than 20 percent. Of course, since it is mandatory, it could not be less than 20 percent.

REP. LAGMAN. Yes, but it could be much more than 20 percent. So, I think there must be an amendment to the Local Government Code, because this transition period, these amounts to be assumed by the local government units cannot be by Executive or administrative fiat; it should be done by congressional action. I would end my question on this particular aspect with that commentary.

Now, let me go to my last series of questions. Distinguished Sponsor, the NEP is just a proposal; it is subject to the disposition and approval of the Congress of the Philippines. Is that correct?

REP. CUA. That is correct, Mr. Speaker.

REP. LAGMAN. Okay. So, which would be more ascendant, the NEP or the General Appropriations Bill approved by both Chambers of Congress where the enrolled bill is submitted to the President for his approval?

REP. CUA. Of course, the latter.

REP. LAGMAN. Latter. Now, those affirmative answers would not – would now answer why there is a need to really release the appropriations which were categorized under For Later Release because the General Appropriations Act, which is the product of Congress, is more ascendant than the NEP. And if there is any discrepancy between the NEP and what is approved by Congress, the latter must prevail. Maraming salamat, Mr. Sponsor, for your candid answers.

REP. CUA. Thank you, thank you.
Thank you for that brilliant commentary.

THE DEPUTY SPEAKER (Rep. Oaminal). Thank you very much, distinguished Edcel Lagman for your sharp and intelligent interpellation.

Majority Leader.

REP. DE VENECIA. Mr. Speaker, next to interpellate the Sponsor is the Hon. Carlos Isagani Zarate from the Party-List BAYAN MUNA. I move that he be recognized.

THE DEPUTY SPEAKER (Rep. Oaminal). Rep. Carlos Zarate of the BAYAN MUNA Party-List is recognized.

REP. ZARATE. Thank you, Mr. Speaker.
Mr. Speaker, naririnig po ba ako sa Plenary?

THE DEPUTY SPEAKER (Rep. Oaminal). Yes, you are loud and clear.

REP. ZARATE. Thank you, Mr. Speaker.
Will the good Sponsor of the budget of the DBM yield to some clarificatory questions, Mr. Speaker, Mr. good Sponsor?

THE DEPUTY SPEAKER (Rep. Oaminal). What is the pleasure of the good Sponsor?

REP. CUA. Opo, Mr. Speaker, karangalan ko po.

REP. ZARATE. Maraming salamat po, Mr. Sponsor, Mr. Speaker.

Una po sa lahat, pinasasalamatan natin ang DBM sa pagpapadala nila noong mga ni-request nating dokumento noong nakaraang budget presentation ng DBM, kung saan ay nagtanong ang Kinatawang ito no'ng mga punto patungkol sa overall savings ng pamahalaan. Ang aking nabanggit sa panahon na iyon ay hindi na natin nakita sa budget books, beginning 2017, and, in fact, up to 2020, but only now, in the budget books of 2021 ay bumalik iyong mga entries related to savings. But I will go to that later, Mr. Speaker, good Sponsor. I will now proceed with my questions and interpellation.

Ang mga katanungan ko pong una ay may relasyon doon ho sa paglabas ng Administrative Order No. 41 and National Budget Circular No. 586, Mr. Sponsor, Mr. Speaker. Ang Kongreso po, tayo po ay nagpasa ng isang batas, ano, ito po iyong Republic Act No. 11519, na nagpahaba ng validity ng Bayanihan funds hanggang June 30, 2021. Tama po ba, Mr. Sponsor, Mr. Speaker?

REP. CUA. Tama po.

REP. ZARATE. Tama po. Pero may probisyon po ang ating ipinasang batas. Ayon

po sa Section 2 ng nasabing batas, hanggang December 19, 2020 na lang ang kapangyarihan ng Presidente na puwede niyang i-exercise and kapangyarihang ibinigay sa kanya sa Bayanihan 2 na mag-reprogram, mag-reallocate at mag-realign ng savings. Tama po ba ito, Mr. Sponsor, Mr. Speaker?

REP. CUA. Tama po.

REP. ZARATE. Salamat po.

Now, sumunod naman, inilabas din natin, nagpasa rin tayo ng isa pang panukalang batas at ito nga ang Republic Act No. 11520 na nagpahaba naman ng validity ng General Appropriations Act of 2020 hanggang December 31, 2021. Tama rin po ito, Mr. Sponsor, Mr. Speaker?

REP. CUA. Tama po, tama po.

REP. ZARATE. Well, thank you for that, Mr. Sponsor.

Now, in line with this, naglabas po ang Executive ng Administrative Order No. 41 noong May 12 ng kasalukuyang taon, 2021, at ang National Budget Circular No. 586 noong naman May 21 ng kasalukuyang taon din na nag-aatas sa mga ahensiya ng pamahalaan na magdeklara ng savings mula 2020 GAA Appropriations na hindi pa obligated hanggang May 15, 2021. I just want to confirm kung tama itong paglabas ng A.O. No. 41 noong May 12 at NBC No. 586 noong May 21, both this year, Mr. Sponsor, Mr. Speaker.

REP. CUA. Yes po.

REP. ZARATE. Okay.

So, ang tanong ko po diyan, Mr. Sponsor, Mr. Speaker, nabanggit nga ninyo kanina, and you confirmed, that under Section 2 of Republic Act No. 11519, iyong Bayanihan funds, ang kapangyarihan ng Presidente na mag-reprogram at mag-realign, mag-reallocate ng savings ay hanggang December 19, 2020 na lamang. So, hindi po ba ang paglabas ninyo ng NBC No. 586 and A.O. No. 41 ay paglabag sa Section 2 ng Republic Act No. 11519, Mr. Sponsor, Mr. Speaker?

REP. CUA. Magkaiba po sila, Mr. Speaker.

REP. ZARATE. Puwede po bang ipaliwanag ng kagalang-galang na Sponsor kung bakit ang Budget Circular No. 586 ay nag-utos sa mga ahensiya na ideklara ang savings nila mula 2020 GAA Appropriations na hindi pa obligated hanggang May 15, 2021, contrary to the very provision of R.A. No. 11519 on Section 2 stating that the President's power to realign, reprogram or reallocate all these funds that are considered savings is only up to December 19, 2020?

SUSPENSION OF SESSION

REP. CUA. Mr. Speaker, can I ask for a minute suspension?

THE DEPUTY SPEAKER (Rep. Oaminal). The session is suspended.

It was 10:52 a.m.

RESUMPTION OF SESSION

At 10:58 a.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Oaminal). The session is resumed.
Majority Leader.

REP. CUA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Okay. The distinguished Sponsor, please proceed.

REP. CUA. Mr. Speaker, I just want to respond to the point of the Gentleman.

There seems to be confusion on the understanding of the purpose of A.O. No. 41. A.O. No. 41 talks about the identification by different agencies of the savings coming out of GAA 2020, which has been extended until December 31 of 2021 by R.A. No. 11520. So, it cannot be said that this A.O. No. 41 has no use because there is (*inaudible*). So, just want to respond to the good Gentleman.

At this juncture, Deputy Speaker Oaminal relinquished the Chair to Deputy Speaker Divina Grace C. Yu.

REP. ZARATE. Is that the complete answer of the good Sponsor, Mme. Speaker? Because I did not only ask about A.O. No. 41 but I also inquired about National Budget Circular No. 586 which mandates, 'no, inatasan po ang mga ahensiya na magdeklara na ng savings mula sa 2020 GAA appropriations na hindi pa obligated as of May 15, 2021. That date is very significant, May 15, 2021, Mr. Sponsor, Mme. Speaker. Ideklara na daw nilang savings iyong mga unobligated projects, activities or programs as of May 15, 2021. So, hindi po ba, Mr. Sponsor, Mme. Speaker, nabanggit ko na kanina, paglabag ito sa Section 2 ng R.A. No. 11519? At hindi ba parang kapareho ito doon sa dineklara na ng Korte Suprema na unconstitutional iyong Disbursement Acceleration Program? Dahil dito sa Budget Circular No. 586, ang Executive, the present administration, gumagawa ng savings ang Executive Department sa gitna ng fiscal year samantalang extended naman ang validity – tama po iyong binanggit ninyo kanina – extended naman ang validity ng General Appropriations Act of 2020 hanggang December 31, 2021. So, kung extended po iyon up to the end of the current year, ay bakit by May 15, ideklara na pong savings iyan, Mr. Sponsor, Mme. Speaker? Iyon po ang aking buong katanungan, Mr. Sponsor, Mme. Speaker, na gusto nating mabigyan ng kaliwanagan mula sa kagalang-galang na Sponsor, Mme. Speaker.

REP. CUA. Well, gaya ng aking nabanggit kanina sa aking pagpapaliwanag ay itong GAA 2020 ay na-extend ang validity nito until December 31, 2021. Therefore, iyong mga savings na na-identify ng mga ahe-ahensiya, may karapatan ang Presidente na magamit ito all the way up to December 31, 2021.

REP. ZARATE. But that is only true, Mr. Sponsor, with due respect, Mme. Speaker, kung iyong mga savings na iyan were already identified as of December 19, 2020, dahil ang kapangyarihan ng Presidente at that time, na

binigay nga sa Bayanihan 2, ay nilimitahan hanggang December 19, 2020 lang iyong kapangyarihan niyang mag-realign at mag-reprogram o mag-reallocate ng savings. Dito po sa Budget Circular No. 586, kung in-extend naman pala ang validity ng GAA 2020 up to December 31, 2021 hanggang sa kasalukuyang taon, bakit po, if pilitin, ideklara na agad na savings sa gitna pa lang ng taon ang mga unobligated fund ng mga projects, activities and programs? Why do we not give our agencies up to the end of the year to obligate all of these projects, activities and programs? Bakit po dito sa 586 ay inatasan na sila na 'pag hindi nila pa na-obligate by May 15, 2021, those are already considered savings? And that is also again, I submit, a violation of what was already contained in the General Appropriations Act, a law passed by Congress in the exercise of our power of the purse. Dahil malinaw po sa General Appropriations Act ang mga pamantayan kung kailan lamang magdeklara ng savings ang mga ahensiyang pinayagang magdeklara ng savings ano, at dito po malinaw iyong mga pamantayan niyan. For example, on Section 67 of the GAA, binanggit doon that you can only declare savings if there is already a completion, final discontinuance, abandonment of a project, activity and program to which the appropriation is authorized, et cetera, or when there is use of saving devices or other means na nakapagtipid po ang pamahalaan.

So, iyon po ang gusto nating maliwanagan dito, Mr. Sponsor, Mme. Speaker, dahil wala nga itong pagkakaiba doon sa Disbursement Acceleration Program. So, again, kung sinasabi po ninyo na may batayan ito, ano ang basis para gawin ang pag-iipon ng savings sa gitna ng taon? Ano ang batayan ng cut-off date na May 15, 2021, Mr. Sponsor, Mme. Speaker

REP. CUA. Well, ang basis po noon iyong mga certification ng mga ahensiya na ang mga proyekto na iyan ay completely implemented. And therefore, iyong mga natitirang pera ay savings na talaga at iyong target ng 2020 ay na-achieve or na-attain na, so iyon po ang pinagbatayan na iyon. So, kung na-certify na na savings e 'di savings na talaga iyon.

REP. ZARATE. Ano po ang basis — again, saan pong hangin sa kalawakan kinuha iyong date na May 15, 2021?

REP. CUA. Paki-ulit nga po.

REP. ZARATE. Ang nilagay po na deadline is May 15, 2021. If you fail to obligate on May 15, 2021, these projects, activities and programs are already considered savings as per National Budget Circular No. 586. So, ano po ang naging batayan ng May 15, 2021 maliban po sa piyesta ng San Pedro — ng San Isidro Labrador iyan, Mr. Sponsor, Mme. Speaker?

REP. CUA. Pinagbatayan ng ano po ng paggamit nung pondo?

REP. ZARATE. Ulitin ko po ang aking katanungan. Under Budget Circular No. 586, ang mga pondo na hindi pa na-obligate as of May 15, 2021 are considered savings, ano. Ano po ang pinagbatayan nung date bakit May 15, 2021? Bakit binigyan na lang ng hanggang May 15, 2021 ang mga ahensiya na i-obligate ang kanilang extended funds of GAA 2020, Mr. Sponsor, Mme. Speaker? Ito po ang kinukwestyon namin. There is no question that savings may have been realized already by the agency at the beginning of the year, but to command, direct the agencies to declare their appropriations savings because they failed to obligate it by May 15, 2021 — I think that is a violation of the General Appropriations Act, a violation of the law that we passed, the Bayanihan 2, the law that we passed extending the validity of GAA 2020, Mr. Sponsor, Mme. Speaker. And, if I may also submit, it also violates the decision on *Araullo vs. Aquino* on the Disbursement Acceleration Program, Mr. Sponsor, Mme. Speaker.

REP. CUA. Well, Mme. Speaker, the explanation for that is that this AO No. 41 mandates the agencies to submit within 15 days their savings. So that is it, on the basis of this, they comply. So, the National Budget Circular actually is just a support to AO No. 41, requiring that the unobligated allotment as of May 15 shall be reported.

Mme. Speaker, I think I have responded to the Gentleman. I do not know if...

REP. ZARATE. Well, if that is the response of the good Sponsor, with due respect, the response is truly inadequate. Hindi po katanggap-tanggap sa Representasyon na ito ang kanyang naging katugunan kung bakit sa gitna ng taon ay ideneklara nang savings ang mga pondong inilaan ng Kongreso sa General Appropriations Act, ang mga pondong in-extend ng Kongreso by virtue of Bayanihan 2 at ang mga pondong inilaan ng General Appropriations Act 2020 na in-extend ang validity nito hanggang December 31, 2021. Ito ay kahalintulad doon sa pagbuo po, pag-centralize ng mga savings ng iba't ibang ahensiya ng Executive.

So, I will now go to my next question. As we speak now, Mr. Sponsor, Mme. Speaker, magkano na po ang kabuuang savings na na-realize ng Executive by virtue of this Budget Circular No. 586? Can we have a total of all the savings already realized as of this time, Mr. Sponsor, Mme. Speaker?

REP. CUA. Mme. Speaker, Your Honor, I think the question is how much is the total pooled savings. So, the amount is P13.3 billion and, in fact, they have all been released and distributed as ayuda in the National Capital Region, as well...

REP. ZARATE. Okay.

REP. CUA. ... as the provinces of Bataan and Laguna.

REP. ZARATE. Okay. So, by virtue of that circular that mandates the agencies to already declare savings kahit na extended po iyong validity noong Bayanihan 2, extended iyong validity noong GAA 2020, there is already a P13.3-billion savings na na-realize ng Executive. May I know saan po gagamitin ng Executive itong P13.3-billion savings na ito, Mr. Sponsor, Mme. Speaker?

REP. CUA. I have already answered that po. As I said, it was used in the ayuda program for the National Capital Region as well as the provinces of Bataan and Laguna. So...

REP. ZARATE. May we get a complete and detailed report on how this P13.3 billion was expended, Mr. Sponsor, Mme. Speaker?

REP. CUA. Yes, Your Honor. We will gladly comply with the request. So, it is unfortunate that they are not really readily available but the committee will comply. The DBM will comply, I should say.

REP. ZARATE. Thank you, Mr. Sponsor, Mme. Speaker.

Again, I submit, iyong premature declaration of savings is a violation of the General Appropriations Act. This Budget Circular No. 586 is unconstitutional dahil minandato nito ang forced declaration of savings, contrary to the intended spirit ng General Appropriations Act and the laws that we passed extending the validity of Bayanihan 2 and even the validity of GAA 2020. And, I have to also underscore, Mr. Sponsor, Mme. Speaker, that Section 79 of the General Appropriations Act of 2020 and Section 80 of the—even in Section 80 of the National Expenditure Program of 2022, nabanggit po doon na puwedeng makasuhan sa unlawful at unauthorized na paggasta ang sinuman. If I may read:

Incurrence or Payment of Unauthorized or Unlawful Obligation or Expenditure. x x x Any and all public officials or employees who will authorize or permit as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80 Chapter 7, Book VI of Executive Order No. 292 or the Administrative Code.

And I hope the DBM will seriously review these Budget Circular No. 586 and A.O. No. 41. Dahil ako po ay naniniwala, tahasang paglabag ito doon sa kapangyarihan ng

Kongreso, the power of the purse na sinasabi natin, na at the end of or after po natin maipasa ang General Appropriations Act at naging batas ito ay puwede palang pakialaman, puwedeng ideklarang hindi na o basta huwag na lang ituloy ang mga projects, activities and programs at ideklara itong savings ng Ehekutibo.

Now, on to my other series of questions, Mr. Sponsor, Mme. Speaker. Naitanong ko rin po ito during the debate on the General Principles, but ito po ay tungkol doon sa nakita po natin sa kasalukuyang mga budget books, iyon pong paglilipat. And may I request, Mr. Sponsor, Mme. Speaker, if I may be allowed to share the PowerPoint presentation that I presented during the debates on the General Principle.

REP. CUA. Yes.

REP. ZARATE. If I may allow to share my screen. I have already it on my screen, Mme. Speaker.

REP. CUA. While we are waiting for that, Mme. Speaker, allow me to respond, although I have already responded to the point mentioned again by the good Gentleman. I guess all of us are aware that in the General Provisions of the General Appropriations Act, the President's authority over these savings and their use is all well provided there. So, I believe that there is nothing is done *ultra vires*. (*inaudible*) this is upon or which the President acted upon, and that is the General Provision.

Secondly, on savings, I think, I have responded earlier that savings can be declared as soon as the agency certifies that the project has been completed and there is nothing more to be done and then there's that money there. So, there is nothing again *ultra vires* about it. So, if there are savings, under our Constitution, under the provisions of the GAA, the President has the authority. Thank you, Mme. Speaker.

Let us go to the—let us go to the screen.

REP. ZARATE. Thank you, Mr. Sponsor. My apologies, pero na-mute po ako. So, I am sharing now my screen, Mr. Sponsor, Mme. Speaker.

Ang next ko pong katanungan ay patungkol po dito sa Contingent Fund. Previously, this was exposed by my colleague, former Cong. Neri Colmenares. Naglabas po ng SARO ang DBM noong June 25, 2020. It was approved on June 25, 2020 and signed by then-DBM Head, Wendel Avisado, on July 14, 2020, and it was released on July 20, 2020. Ang amount po ng SARO na ito ay P10,338,724,684. Saan po nagmula ang pondong ito? So, tiningnan po natin ang budget books, ang NEP 2022, at makikita po ito sa page 660, na malinaw po na these are funds under "Transfers To" and "Transfers From." So, sa madaling sabi, ito po ay mga savings na nagmumula sa DPWH, inilipat sa Contingent Fund but, eventually, ibinalik ulit ng Contingent Fund pabalik sa DPWH para mapondohan, ito iyong ipinondo doon sa SARO. At dito po, ano ang mga pinondohan ng pondong ito, ng P10.3 billion na ito?

So tiningnan po natin iyong annex noong SARO ng mga proyekto. At ito po ang ilan sa mga proyektong pinondohan: P70 million - construction ng sports facilities, this is in Sorsogon; P150 million - construction ng cruise port - ibig pong sabihin, pantalan ng mga cruise ships, P150 million, sa Legazpi City naman po ito. There is also the construction of a P100-million convention center sa Capitol compound ng Region III, at marami pa pong iba. In fact, I pointed out that there is also a P30-million development of a bat cave. I do not know kung para kay Batman ito, pero there is P30 million.

So, dito ko na po idudugtong iyong aking mga katanungan, Mr. Sponsor, Mme. Speaker. Sa gitna noong atin ngang matinding pandemya na kinakaharap ngayon ay nakita natin na mayroon palang pondo ang ating pamahalaan, may savings nga. Kaya itinatanong ko iyong savings, na mayroon nga pala silang savings at ginamit ito sa pagpopondo ng mga, nakalagay po doon sa annex noong SARO, "New Projects." And remember that date, that was June of 2020, kung saan nasa kalagitnaan na tayo noong pakikipaglaban sa pananalasa ng pandemya ng COVID.

So, batay sa mga ini-raise ko nang issues noong nakaraan at sa pag-aaral namin, nag-

augment kayo ng P10.33 billion sa Contingent Fund ng 2019 galing sa savings ng DPWH noong 2020. Puwede po bang malaman, Mr. Sponsor, Mme. Speaker, kung ano-ano ang batas na nagbibigay sa Executive, sa DBM, ng kapangyarihan para gawin ito?

REP. CUA. Mme. Speaker, Mme. Speaker, may I be recognized?

Mme. Speaker, just to respond to what our good colleague said about this transfer of the DPWH fund to the Contingent Fund of the President, and which was later transferred again, I see nothing wrong with what happened because the DPWH has certified that these are savings and cannot - and the projects for which these were allotted had all been completed and these funds can be used for other projects. So, I see nothing wrong with that. And if it was sent and became part of the Contingent Fund of the President, there also seems to be nothing wrong with that because those funds will have to find a place somewhere and that is what they feel is the convenient place to put it in. However, the DPWH also, in that transfer, included a request that these savings be used instead for a long list of new projects which are also very important projects. In fact, there is a certification made by the Secretary of the DPWH essentially for ensuring the safe, faster movement of people and the protection of lives and property. These are the justifications for the new projects. So, this is what happened, and I guess there is nothing illegal and irregular about it, Mme. Speaker, Your Honor. It is simply a more judicious and more relevant fund utilization of savings, Mme. Speaker, Your Honor.

REP. ZARATE. Thank you, Mr. Sponsor, Mme. Speaker.

I cannot understand, with due respect, how it becomes judicious when you allocate funds in the middle of a pandemic, when you allocate funds to new - remember these are new projects that include, for example, a gym, a port facility for cruise ships, a bat cave. But more than that, Mr. Sponsor, Mme. Speaker, ang talaga pong nakakapanggalit dito, at sa tingin ko ay paglabag muli sa kapangyarihan ng Kongreso, noong kanyang

power of the purse, at paglabag din ito sa General Appropriations Act, hindi po katanggap-tanggap ang inyong eksplanasyon na dahil ito ay savings, at may certification – and may I request that said certification be provided to this Representation as well as the Committee – that said certification justifies the savings of the DPWH being transferred to the Contingent Fund, and eventually that Contingent Fund of P10.33 billion was, again, given back to the DPWH to fund new projects. Kasi malinaw po – kahit na sa ating GAA, Mr. Sponsor, Mme. Speaker, malinaw din po ang pagkahulugan kung ano ang Contingent Fund at kung kailan lang ito puwedeng gamitin.

Sabi po sa definition ng Contingent Fund: “This can only be used to cover funding requirements of (i) legal obligation of the government arising from the final and executory decisions xxx, (ii) requirements of newly created offices (iii) deficiencies in the appropriations for local and external travels of the President.” So, iyon po ang kino-cover, along those activities, programs and projects na puwedeng gamitin ang Contingent Fund. So, I cannot understand how the Contingent Fund, even if it is already declared as savings, can be used doon po sa sinasabi po ninyong new projects. And if these are new projects, therefore, these are projects not found in the General Appropriations Act. So, para pong lumalabas dito, Mr. Sponsor, Mme. Speaker, naging washing machine, parang this is budget laundering. Dahil noong inilipat ang savings ng DPWH sa Contingent Fund nagkaroon ito ng parang bagong purpose, at iyon nga ang sinasabi ninyo, pagpopondo sa new and urgent projects as judiciously identified by the Executive. Iyon po ang sabi ninyo. At nasuri naman natin na ang Annex B, na hindi ito mga urgent projects sa panahon ng pandemya. How can you classify as urgent projects sa panahon ng pandemya ang bat cave, ang pantalan para sa mga cruise ships? So, that is our point here, Mr. Sponsor, Mme. Speaker, iyong apparent abuse of the power of the Executive to transfer funds from one department to another just to justify funding so-called “new and urgent projects.”

Ang Contingent Fund, Mr. Sponsor, Mme. Speaker, ay kontrolado ng Presidente, kaya

ang Kinatawang ito ay naniniwala na iyong mga pondong iyan ay ginamit sa pagpopondo ng patronage, iyong pork barrel, at itong P10.33 billion na ito ay nagiging pork barrel dahil nagbibigay ito ng pondo sa mga piling lugar na ang tanging nagdedesisyon ay ang Presidente. Ang mga proyektong tulad ng bat cave at museum sa panahon ng pandemya ay hindi po authorized ito ng Kongreso. Nasa Kongreso ang power of the purse, ang Executive Department ay susunod lang ayon sa itinatakda ng GAA. Pero ang nangyayari ngayon, hindi na alam ng Kongreso kung paano binabalasa ng Executive ang pondo ng bayan. Kaya nga nagrereklamo ang ating mga kasamahan dito sa Kongreso. Doon sa in-approve na nating mga proyekto in the exercise of our power of the purse, noong ang kanilang National Expenditure Program ay inihain sa atin at mayroon tayong mga new projects, activities and programs na inilagag, ng mga pondong ito ay nagkaroon ng bagong klasipikasyon, FLR, For Later Release. Pero on the other hand, mayroon din namang ginagawa ang Executive na they can fund new and urgent projects through this budget laundering, binabalasa iyong pondo na hawak nila.

Hindi ba’t, Mr. Sponsor, Mme. Speaker, ang misyon ng DBM ay to “lead public expenditure management to ensure the equitable, prudent, transparent and accountable allocation and use of public funds to improve the quality of life of each and every Filipino.” Sa nakikita po natin dito, Mr. Sponsor, Mme. Speaker, hindi po ito tinutupad ng DBM in these past years. So having said that, Mr. Sponsor, Mme. Speaker, I hope the DBM will have a more acceptable explanation as to why this is happening, itong pagbabalasa-balasa nila ng pondo.

I will now go to the last point in my interpellation Mr. Sponsor, Mme. Speaker. Tungkol po ito doon sa usapin ng unused appropriations. For a while, Mr. Sponsor, Mme. Speaker – ito po ay nakuha ko rin sa ating budget books, sa National Expenditure Program, Summary of Appropriations and Applications. By the end of 2020, there is an unused appropriation of P262,241,072,000. This is a combination of unreleased appropriations and unobligated allotment. Tama ba ang

pagtingin na hindi kayang – ito po ang aking katanungan, dahil nakita po natin from 2016, palaki nang palaki iyong ating unused appropriations: in 2016, P596.6 billion; 2017, P388.2 billion; 2018, P283.5 billion; 2019, P321.5 billion; and finally, gaya ng nabanggit ko kanina, in 2020, P262.2 billion. Tama ba na ang pagtingin na hindi kayang gastusin ng mga ahensiya ang mga budget nila kaya nagkakaroon tayo ng unused appropriations, Mr. Sponsor, Mme. Speaker?

REP. CUA. Well, Mme. Speaker, Your Honor, bago ko po sagutin iyong panibagong set ng tanong gusto ko lang – just to put closure on the issue of the Contingent Fund, I think, in the General Appropriations Act, very clearly defined naman ang ibig sabihin ng Contingent Fund. So, iyong Contingent Fund can be used for urgent activities or projects of the national government.

So, there seems to be nothing wrong with using the Contingent Fund for national government projects. It is a fund that is also flexible. So, that is it. Further, the new projects that was submitted by the DPWH are projects identified and even proposed by us. It went through the process, it went through the legislative mill because the DPWH cannot just pick from somewhere a list of projects. It is a list of projects also deemed urgent and priorities by Congress. So, I think, legally, there is nothing wrong, and in terms of urgency and priority, I think they have been identified – it went through the legislative process and therefore, considered as priorities of the government.

Now, let us go to the new point being raised by the good Gentleman, and this is about unused appropriations. Well, I think this issue of unused appropriations is a year-in, year-out issue. In every budget season, we find this as an issue, and it is really a valid issue. It is an issue of absorptive capacity of our government, but we must also understand that even in other jurisdictions, this happens. This does not happen only in the Philippines. It happens in every country because the implementation of projects, oftentimes, encounters unexpected issues. It is really difficult to really foresee everything.

So, there could be right-of-way issues, there could be climate issues, there could be *force majeure* issues, there could be issues with the contractor. And we are talking here of a huge organization and therefore, the amounts really are big. But we must try to understand where we came from. In 2017, unused appropriations were P388 billion compared to P262 as of 2020. In 2019, it was P321. We have gone a long way. So, true, unused appropriations is an issue, and I think all of us are worried about it that is why we are doing improvements in our system. The Cash Budgeting System is an attempt to improve and increase the absorptive capacity of our agencies.

So, I guess, that would be my short response to the concern of the good Gentleman. I think it is a proper and valid concern, but I think, we are doing what we can and we are improving, in fact, and we are instituting means to do it. But, unfortunately, things like this can happen. There is a pandemic, and that slows down everything. Can we blame that this thing is happening when these things are also beyond our control? So, thank you, Mme. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor, Mme. Speaker. So, what happened to these unused appropriations at the end of the or at the expiration of the validity of this appropriation, Mr. Sponsor, Mme. Speaker? For example, ...

REP. CUA. My information is that ...

REP. ZARATE. ... in 2017, it was P388 billion; in 2019, it was P321 billion; and in 2020, it was P262 billion.

REP. CUA. Well, my information is that, eventually, they were absorbed. They may not have been absorbed by the end of the fiscal year, but because they have been obligated already, they continue to be active and will eventually be implemented. Of course, there might be some projects that really cannot be implemented anymore and they may have to be reverted to the Treasury.

REP. ZARATE. Yes, and if they were not anymore obligated, these are all savings. Is that correct, Mr. Sponsor, Mme. Speaker?

REP. CUA. My understanding is that most of it ...

REP. ZARATE. To be considered as savings?

REP. CUA. ...really are obligated. They tried their best to really obligate them before the expiration. Those that cannot really be obligated, naturally, will have to be reverted. So, if they have been reverted for some valid reason, I think, we should understand.

REP. ZARATE. Yes, thank you, Mr. Sponsor, Mme. Speaker. Kaya nga po talagang importante na nire-report, ano, nire-report ito ng DBM sa atin, lalong-lalo na sa Kongreso at makikita natin ito sa mga budget books na sina-submit nila sa atin iyong overall savings, 'no, dahil nga bilyon-bilyon po ito kung hindi nagagasta.

Tungkol sa savings, noong nakaraang taon, maalala ko, Mme. Speaker, Mr. Sponsor, ang sabi ng dating Kalihim ng DBM, wala na raw savings kaya walang report na nakalagay sa National Expenditure Program. Pero maraming ahensiya, in our initiative, tinanong namin sila na nagpasa na sa amin ng kanilang mga savings, 'no, nag-report sila ng savings mula 2017. And initially, there were, I think, six agencies that gave us these documents related to or that reported the savings na na-realize nila from 2017 to 2020, at umaabot nga ito sa at least P57 billion sa aming pagtataya. So, ano po ba ang itinatago ng DBM, ng administrasyon, at walang transparency sa pambansang budget, especially, sa usapin ng overall savings, Mr. Sponsor, Mme. Speaker?

REP. CUA. Well, I think the policy is really to discourage it. I think we all know that there is this cash budgeting policy now. The intention really is to intensify the absorption of funds, and I think this is evident also in the budget process itself. From the time of the budget call, they insist that these should be shovel-ready projects, otherwise, they are not accepted. So, I think these policies there are intended really to ensure the speedy implementation of projects. Thank you, Mme. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor, Mme. Speaker.

That is very ironic dahil ang naging dahilan ng DBM in their official reply to us, ay dahil daw doon sa desisyon sa Disbursement Acceleration Program ng Supreme Court, ang savings daw are no longer required or no longer required to be posted starting 2016, which of course, it may be true but, bago lang tayo nag-usap ngayon, under Budget Circular No. 586 ay nire-require na naman ng DBM iyong declaration ng savings. So, Mr. Sponsor, Mme. Speaker, malinaw din naman po sa ating inaprubahang batas, sa Section 67, na dapat iyong mga savings ay ipino-post ng mga ahensiya, at dahil ang DBM naman ang manager ng public funds—sabi ninyo nga kanina they are tasked to manage the resources of the government in a rational and efficient manner to promote the good of the nation, nasa kanila ang reports ng mga savings, kaya responsibilidad dapat ito ng DBM na i-post sa website itong overall savings na hindi natin nakita in these past years. Dahil malinaw iyan sa Section 67 ng ating General Appropriations Act.

And, kadugtong ng mga tanong diyan, Mr. Sponsor, Mme. Speaker, sa mga nakaraang budget books at kahit nga sa ngayon sa 2022 National Expenditure Program, ang overall savings ay presented just like "Transfers To" and "Transfers From," ayon nga sa ating Konstitusyon. So, gaya ng naipakita ko kanina, paano inilipat iyong savings sa DPWH papuntang Contingent Fund, and from the Contingent Fund, inilipat naman pabalik sa DPWH "Transfers To" and "Transfers From."

Malinaw naman kasi talaga sa ating Konstitusyon na bawal nga magpasa ng batas authorizing the transfer of funds. However, nasa Section 25 (5) ng ating Konstitusyon, the President and some constitutional officers may be authorized by law to "augment any item in the General Appropriations Law for their respective offices from savings in other items of their respective appropriations." So, iyon lang po iyong exception, sabi ng Konstitusyon, bawal mag-transfer ng pondo na pinayagan sa General Appropriations Act, the only exception ay iyong Presidente at ilang constitutional officers to augment items in their budget from their savings. Kaya puwede lang mag-augment ang mga nasabing opisyal mula

sa savings ng kanilang departamento patungo sa deficient projects, activities and programs sa current year. Iyon din po ang pinunto doon sa naging desisyon at inilagay din sa probisyon ng ating General Appropriations Act ng kanilang departamento.

Kung gano'n, Mr. Sponsor, Mme. Speaker, and budgetary adjustments ay nagpapakita lang ng totoong halaga ng savings. Dahil tanging savings lang ang puwedeng ilipat-lipat. Tama po ba ito Mr. Sponsor, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Yu). Before the Sponsor replies the query, I would like to remind Honorable Zarate that your time has already expired, in fact, 20 minutes ago. So, please wind up.

REP. ZARATE. I will just wrap up, Mme. Speaker.

Thank you.

May we get the reply, Mme. Speaker, from the good Sponsor.

REP. CUA. Yes, Mme. Speaker, as a way of replying, I would like to read Section 68 of the General Appropriations Act of 2021:

Authority to Use Savings. – The President of the Philippines, the President of the Senate, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, the Heads of the Civil Service Commission, the Commission on Elections, and the COA are hereby authorized to declare and use savings in their respective appropriations to augment actual deficiencies incurred for the current year in any item of their respective appropriations.

I think the language speaks very clearly that the President, the President has the authority to declare and use savings. Since the President is the head of all the departments, the President can do that. So, the savings that had been declared and determined by a department and transferred to the Contingency Fund is valid. And "Contingent Fund" is very well defined in this book, also it

says that they can be used for priority projects. So, the President has done that, declared savings and used these within its jurisdiction for their respective appropriation. So, that is it, Mme. Speaker. That is my response to the very good point of the good Gentleman.

REP. ZARATE. Thank you, Mr. Sponsor, Mme. Speaker.

That is why I pointed that out dahil kung hindi po natin – tama po iyon. But how can we know that, indeed, the President judiciously used the power given by the Constitution and by the General Appropriations Act as to when to augment a particular item that is deficient when Congress is blind as to how much savings the Executive Department realizes in a particular department because the DBM failed to post that or failed to reflect that in the budget books, Mr. Sponsor, Mme. Speaker? Iyon po ang punto natin kaya tauntaon hinahanap natin iyong usapin noong savings.

But, thank you for the reply of the good Sponsor and, again, as a short rejoinder to the justification that the Contingent Fund, the definition of the Contingent Fund may accommodate funding for a bat cave, I so disagree because, while it is true that funding from the Contingent Fund may be used for new or urgent activities or projects of the government, it should be in the same class, as identified in that definition, meaning, the legal obligation incurred by the government, requirements of newly created offices, and deficiencies in the appropriations for the local and external travels of the President. Nowhere in the definition of the Contingent Fund can you find a justification for, for example, doon sa funding ng bat cave.

Thank you, Mr. Sponsor, Mme. Speaker. My time has run out but ang dami ko pang gusto pong linawin at hindi po katanggap-tanggap, with due respect to the good Sponsor, ang mga ibinigay na kasagutan ng Department of Budget and Management sa napakaraming katanungan, hindi lang ng Kinatawang ito kundi maging ng iba pang mga kasamahan natin na naunang nagtanong.

And, because of that, Mr. Sponsor, Mme. Speaker, with due respect, I move to defer the

consideration of the budget of the Department of Budget and Management.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader. Majority Leader.

REP. BONDOC. Mme. Speaker, we have a motion from our esteemed Minority Leader to defer the period of interpellation and debate on the proposed budget of the Department of Budget and Management. Mme. Speaker, we second the motion of the Minority and move to defer the discussion and the debate on the proposed budget of the Department of Budget and Management.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

COMMISSION ON AUDIT

REP. BONDOC. Mme. Speaker, I move now that we begin the discussion on the proposed budget of the Commission on Audit. For this purpose, I move that we recognize once more our esteemed Sponsor from the Lone District of Quirino, Vice Chairman of the Committee on Appropriations, the Hon. Junie Cua.

SPONSORSHIP REMARKS OF REP. CUA

REP. CUA. Thank you, Mme. Speaker.

It is my honor and pleasure to sponsor before this august Chamber the budget of the Commission on Audit, a constitutional body mandated to ensure that the money of the government is well spent and well managed.

So, because of the importance of the role of the Commission on Audit in ensuring good fiscal financial management, I appeal to the Members of this House to support their budget. Thank you so much, Mme. Speaker.

REP. BONDOC. Mme. Speaker, the first of our colleagues to interpellate our Sponsor is the Lady from the Party-List ACT TEACHERS. I move to recognize the Hon. France Castro.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rp. Yu). Honorable Castro is recognized. Please proceed.

REP. CASTRO (F.L.). Thank you very much, Mme. Speaker.

Magandang tanghali po sa ating lahat, ganoon din po sa ating honorable Sponsor, Rep. Junie Cua, sa lahat po ng ating mga colleagues at syempre iyong mga resource persons po natin.

So, would the honorable Sponsor yield to some clarificatory questions related to the COA budget briefing, Mme. Speaker?

REP. CUA. Yes, Ma'am, readily. With pleasure, Mme. Speaker.

REP. CASTRO (F.L.). Okay. First, of all, Mme. Speaker, Your Honor, I would like to thank the Commission on Audit for providing a timely report regarding the data or the information that I sought last briefing: number one, the status report on the 20 secret bank accounts under the DND; report on all the debts from 2016 to 2020; and the detailed breakdown of the communication expense of selected agencies, Mme. Speaker, Your Honor. Okay. Thank you po sa ating COA, Mme. Speaker.

Napakahalaga, Mr. Sponsor, Mme. Speaker, ang tungkulin ng COA laban sa katiwalian, iyon po'yung graft and corruption, pagkasayang at pagwaldas sa buwis ng mga mamamayan lalong-lalo na sa panahon, Mme. Speaker, ng pandemya. Naniniwala po ba ang ating butihing Sponsor dito, Mme. Speaker?

REP. CUA. Naniniwala po ako. Tama po ang inyong inihayag.

REP. CASTRO (F.L.). Tama po. Kaya napakahalaga po ng COA.

Ano'ng experience po ng ano, 'no, Mme. Speaker, Your Honor—so sa experience po ng COA sa paghahabol sa mga ahensiya at opisyal na nakitaan nito noong IUEEU o iyong tinatawag na "irregular, unnecessary, excessive, extravagant or unconscionable

expenditures," ibig ko pong sabihin, mayroon po bang nai-refund o nabalik na pondo, may napapatigil na proyekto o programa o aktibidad? May napapanagot either civilly or criminally ba sa ibang mga ahensiya like iyong Ombudsman or the courts? Gaano katagal ang inaabot bago ma-refund, bago matapos ang mga apela at iba pa? At bago pa, may nakikita kaming mga incorrigible o recidivist na mga ahensiya na paulit-ulit na lang 'yung mali – makikita sa Status of Implementation of Prior Years' Recommendations – gaya ng matagal-tagal nang 'di nase-settle na mga disallowances, unliquidated cash advances at iba pa, excessive and unjustified COS hiring, or 'yung DepEd na matagal ng sakit iyong computerization program nila na low accomplishment rate. May nare-resolve ba na observations and recommendations sa mga ganitong incorrigible na mga recidivist na mga ahensiya? Mayroon po ba, Your Honor?

REP. CUA. Mme. Speaker, Your Honor, gusto ko pong sabihin na ang Commission on Audit ay committed and would like to ensure that the money of the government is well-spent and really protected. And kapag po may mga ebidensya ng katiwalian ay talagang hindi nila pinababayaan. At kung ang tanong ninyo ay mayroon bang mga kaso na na-pursue, mayroon po. Iyon po kung gaanong katagal, napakahirap sagutin sapagkat depende kung mas simple or complicated iyong kaso. But to the best that the Commission can do, it tries to make sure that this is pursued relentlessly and speedily, Mme. Speaker, Your Honor.

REP. CASTRO (F.L.). Okay. Mme. Speaker, Your Honor, so may we request from the COA some suggestions or wish list kung paano po mapapatatag natin iyong COA. Puwede po ba tayong manghingi sa COA na mga suggestions in aid of legislation doon po sa mga nabanggit ko na mga paulit-ulit na ganito iyong mga observations? Although sinasabi namang nagawa na, hindi naman, nagawa na, hindi naman – hindi ko naman nakikita, pero puwede po bang magbigay sa atin ang COA, in aid of legislation, Mr. Sponsor, noong mga suggestion para mapigilan natin ito na seemingly pagsasayang ng pondo ng bayan?

Can I have that commitment, Mr. Sponsor, Madam Speaker?

REP. CUA. Yes po. The Commission would gladly help come up with suggestions on how to improve the system patungkol po sa mga bagay na pangangalaga ng pera ng bayan at masigurado na ang mga kawani, opisyaes ng Commission ay talagang maituturing nating bantay ng kaban ng bayan. They will – the Commission will come up with a proposal and maybe craft this into some kind of a legislative proposal which the House can look into. Rest assured, Mme. Speaker, Madam, Your Honor.

REP. CASTRO (F.L.). Ah, okay. Thank you, Your Honor. Thank you, Mme. Speaker.

Kasi siguro po kung papalawigin ko po iyong aking suggestion, Your Honor, Mme. Speaker, may mga relevant laws po tayo on the liability of agencies and officials. Nakalagay po iyan sa Article IX (D), Section 2 of the 1987 Constitution. So, nakalagay diyan na iyong COA is the main vanguard against this "irregular, unnecessary, excessive, extravagant, unconscionable expenditures or uses of the government funds and properties."

Bagamat nakalagay iyan, Mme. Speaker, Your Honor, paulit-ulit pa rin po ang ginagawa noong ilang mga ahensiya. Mayroon din pong Section 33 of P.D. No. 1445 or the Government Auditing Code of the Philippines – baka puwede natin itong mapalitan or ma-improve – which says: "Prevention of irregular, unnecessary, excessive, extravagant expenditures of funds or uses of property; power to disallow such expenditures. The Commission shall promulgate such auditing and accounting rules and regulations as shall prevent irregular, unnecessary, excessive, or extravagant expenditures or uses of government funds or property."

At marami rin pong mga COA circular at saka iyong mga E.O. kung babanggitin po natin. So, iyon lang po 'no, pagpapalawig lang po doon sa gusto natin na ma-improve pa iyong mga rules, regulations ng COA natin para po ma-prevent natin itong mga irregularities na ito. Okay.

Iyon pong susunod na katanungan ko, Mr. Sponsor, ay iyong tungkol sa public

debt reporting. Okay. So, mayroon po ditong ipinasa iyong tungkol po sa debt reports ng COA. Thank you po. Mayroon din po ba kayong, Mme. Speaker, Mr. Sponsor, iyong update doon po sa debt incurred doon sa ano po iyong pandemic – iyong debt incurred by the government dito po sa pandemic mula 2020 to 2021, iyong updated?

REP. CUA. That is a very good point. As of August 25, this is the data that we have, the total financing obtained by the government in response to the COVID-19 pandemic as of August 25 amounted to \$22.5 billion, broken down as follows – we can furnish your office with this data.

REP. CASTRO (F.L.). Yes.

REP. CUA. ... Mme. Speaker.

REP. CASTRO (F.L.). Thank you, Your Honor. Thank you, Mme. Speaker.

Can I just have a copy or...

REP. CUA. Will do.

REP. CASTRO (F.L.). The copy of that – okay. Thank you.

Mme. Speaker, Mr. Sponsor, now, we have, more or less, P13 trillion in debts, am I right? Tama po ba? Ngayon po, generally, we have, more or less, a P13-trillion debt. So, the last public debt reporting was for the period that ended on December 2009 and 2010, when our outstanding debt was just only P5 trillion. So, ngayon po, in the span of, ito, mula sa 2010 hanggang 2021, P13 trillion na. Mayroon po bang regulation, for example, ang COA as regards dito sa debt, sa pag-aano ng mga debt servicing kung mayroon po? Mayroon po bang limit or mayroon po bang certain amount na cap sa pangungutang? May regulation po ba ang COA na ganon, Your Honor, Mme. Speaker?

REP. CUA. Well, I think that this kind of data would be best sourced from the Department of Finance, them being the agency really mandated to manage the debt policy of the government. Their figure will be more

accurate. At data reaching the COA may be limited only to those that would require audit. But certainly, if there are data available, the Commission would gladly furnish the good Lady the information. So, that is it, maybe that is the only thing that I can say on your point.

REP. CASTRO (F.L.). Thank you, Your Honor.

Kasi po, Your Honor, itong mga debt na ito, nakikita natin may kulang na mga reports, there is incomplete public debt data, inadequate disclosure of relevant information on the contingent liabilities, including fiscal risks associated with BOT or PPP projects. E ngayon po, Your Honor, Mme. Speaker, trillions have been spent and are being spent on Build, Build, Build. Hindi entirely accurate and reliable iyong mga reports from the DBM, DOF, LGUs and others.

So, ano po ba iyong puwedeng magawa ng COA regarding dito, kasi lumalaki nang lumalaki po iyong ating mga foreign at domestic debts pero lumalabo po iyong transparency and accountability? So, ano po ba iyong comment dito, Mme. Speaker, ng ating Sponsor?

REP. CUA. Mme. Speaker, Your Honor, alam ninyo po iyong desisyon tungkol sa pag-utang, ang may mandate po diyan ay Department of Finance. I would also say that the decision on debt level is actually a collective decision of the DBCC, the NEDA, the DBM and the members of that DBCC or Development Budget Coordination Council. So, COA's role there on the decision-making on how much to borrow is disconnected actually. So, COA's role is really to look after the transaction is done, whether the transaction followed the proper accounting procedure and rules and it will pass through or if it can pass audit.

But this question of how much to borrow and the issue of whether we have overborrowed, these are issues beyond COA. Of course, hindi naman po na dahil lumaki ang utang ay masama na, sapagkat lumaki ang utang lumaki naman ang ating ekonomiya. Parang isang negosyo – ang paglago ng isang negosyo ay hindi lang nakaasa sa kapital niya kung

hindi sa kanyang kredibilidad sa pag-utang, pero dapat kapag umutang siya nababayaran niya at lumalago ang negosyo niya. Ganoon din ang isang ekonomiya, maaaring umutang tayo pero marami naman tayong nagagawa—kalsada, tulay, ospital, eskwelahan, programs, school buildings, and other social services programs. So, that, Mme. Speaker, Your Honor, would be my response to the good Lady.

REP. CASTRO (F.L.). Thank you po, Mme. Speaker, Your Honor.

Pero ang tanong ko po iyong tungkol sa mga debts, domestic debts and iyong mga foreign debts, iyong tungkol po doon sa transparency. Wala naman po akong—kung wala po talagang rule kaugnay kung may cap ba o wala iyong pag-utang natin, ang gusto nating bantayan dito ay iyong pagiging transparent and accountable ng mga ahensiya or mga opisyal na may kinalaman sa pangungutang. So, iyon lang po, kung mayroon tayong regulation ng ganoon sa COA.

REP. CUA. Well, kagaya po ng nasabi ko, ang papel po ng COA ay, kumbaga, *post mortem*. Tapos na iyong transaksyon bago sila papasok kasi post-audit, hindi naman pre-audit tayo. So, wala rin po silang kinalaman doon sa approval ng pag-utang. Now, whether there is transparency in the process of borrowing, I would believe that hindi puwedeng itago kasi iyong pangungutang at iyong pag-utang kasi bidding din iyan. Iyong pagbebenta ng treasury bills, this is participated in by the entire financial market, banks. Other financial institutions can participate in the bidding when there is an offer for sale of government debt instruments. So, tingin ko, may transparency din po naman tayo doon. So, siguro hindi po kapanga-pangamba iyong aspeto na iyan. But, again, COA's role really is, I should say, post-audit or *post mortem*.

REP. CASTRO (F.L.). Thank you, Your Honor. Thank you, Mme. Speaker.

So, next question po. Are there any prospects of including po iyong the DOH in the Resident Ombudsman Program po? Bakit po kaya hindi nakasama doon po sa MOA with the DBM? So, ...

REP. CUA. Ang paliwanag po sa akin, iyan ay pilot program pa lang, so, hindi lahat po nakasali. Ite-test muna natin sa ilang ahensiya. I think there are only five agencies involved. Unfortunately, hindi pa yata kasama DOH but...

REP. CASTRO (F.L.). Oo nga.

REP. CUA. ... they can come around later.

REP. CASTRO (F.L.). Okay. So, ilan po ba itong agency na ito, iyong limang kasama dito sa pilot program MOA with the DBM?

REP. CUA. Lima, limang ahensiya - the DPWH, Bureau of Customs, DOTr, hindi ko maalala iyong iba.

REP. CASTRO (F.L.). Okay. Thank you po. Thank you po, Your Honor and Mme. Speaker. Tingnan ko na lang po doon sa ilang mga news items.

Okay, so, what are the funding requirements to strengthen, regularize and institutionalize the COA's function with respect to—balik ako sa debt. Mangangailangan po ba tayo ng additional na mga personnel po sa COA? Kasi, natanong ko na po yata ito doon sa briefing. So, para po in my amendments, maidagdag po natin iyong sa personnel na requirement po ng COA.

REP. CUA. Definitely, Ma'am, as we expand the program, we will need more people. So, thank you, thank you for a ...

REP. CASTRO (F.L.). Okay. Thank you po. May I seek a written request po kung ilan po iyong mga personnel para mas mapalakas natin, Your Honor, itong COA.

REP. CUA. Yes, Ma'am. We will do that.

REP. CASTRO (F.L.). So, iyon na lang po, Your Honor. Thank you for your answers and for your patience. And I reiterate my motion in the briefing that we maintain the proposal of the COA in their budget kasi binawasan ito ng DBM. So, iyon lang po. Thank you po, Mme. Speaker, Your Honor.

REP. CUA. Thank you for the support, ma'am. Thank you.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BOLILIA. Mme. Speaker I move that we recognize Rep. Ferdinand R. Gaité of the Party-List BAYANMUNA for his interpellation. I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Gaité is recognized. Honorable Gaité. Majority Leader.

SUSPENSION OF SESSION

REP. BOLILIA. Mme. Speaker, I move that we suspend the session for a few minutes.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 12:17 p.m.

RESUMPTION OF SESSION

At 12:20 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

REP. BOLILIA. And may I reiterate my motion to please recognize the honorable Rep. Ferdinand Gaité of the BAYAN MUNA Party-List for his interpellation.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Gaité is recognized.

REP. GAITE. Pasensya na po, napuputol-putol iyong aking koneksyon; hindi ko po nasubaybayan iyong mga huling pagtatalakay.

Maaari po ba, Mme. Speaker, malaman kung ano ng ahensiya ang nakasalang for interpellation, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Commission on Audit, Honorable Gaité.

REP. GAITE. Ay, salamat po. Pasensya na po at kanina pang intermittent ang aking koneksyon at nakailang putol na po iyong aking koneksyon sa araw na ito. Salamat po, Mme. Speaker. Sana po ay pahintulutan ako ng ating kagalang-galang na Sponsor na makapagtanong, kung mamarapatin po ng ating kagalang-galang na Sponsor, Mme. Speaker.

REP. CUA. Isang karangalan po, Mme. Speaker.

REP. GAITE. Salamat po. Noong nakaraang briefing ng Commission on Audit, naitanong ko na po ang mahahalagang usapin hinggil dito sa inilabas ng COA-DBM na Joint Circular No. 2, Series of 2020 patungkol po doon sa ating mga kawani sa pamahalaan na tinaguriang "job orders" or "contract of service." Bagama't, muli, hindi ko na alam kung pang-ilang pag-extend ito, I think, the first one was in 2017, if I am not mistaken, but muli in-extend iyong deadline, the deadline being na iyong ating JOs and COS ay ipagpapatuloy pa ang kanilang serbisyo until 2022, as I understand. Meaning, iyong contractual arrangement sa ating mga job orders and contract of service employees na hina-hire on an individual capacity as opposed doon sa pinaplanong service contract agreement – meaning, idadaan sa agency – ay ipagpapatuloy pa. So, aware po ba ang ating kagalang-galang na Sponsor dito sa DBM-COA joint circular na ito, Mme. Speaker, Mr. Sponsor?

REP. CUA. Ano iyon? Ano ang tanong?

Mme. Speaker, Your Honor, to be honest, I am not familiar with it but now I understand it a little bit. So, can the good Gentleman proceed with his interpellation?

REP. GAITE. Salamat po. Actually, hindi rin ganoon – marami ang hindi masyadong naiintindihan actually ito, Mme. Speaker, Mr. Sponsor, kaya po, ito naman, sa bahagi ng mga job orders, contract of service employees, napaka-concerned nila dito dahil nalalagay sa panganib ang kanilang katayuan sa gobyerno. More than 700,000 po ang out of a total of 2.1

million government workers are classified as non-regular workers at malaking bahagi dito iyong tinatawag na "JO" at "COS."

Mme. Speaker, Mr. Sponsor, ano ba ang inaasahan nila na dito sa proseso ng service contracting? Kasi nga po ang panawagan nila ay maging regular, but if they will be hired under a service contracting agreement, idadaan sila sa agency or contractor or service provider, hindi ho ba taliwas ito doon sa konsepto na dapat ang ating mga empleyado sa gobyerno, para magkaroon sila ng katiyakan sa trabaho as guaranteed by the Constitution—na mismong dapat gobyerno ay modelo o uliran sa pagpapatupad ng patakaran ito—ay dapat sa halip na gawin natin silang contractual, job order, contract of service, na walang employee-employer relationship, hindi ho ba sa halip na idaan sila sa contracting agency, hindi ba dapat gawing silang regular na mga empleyado ng gobyerno, Mr. Sponsor, Mme. Speaker?

REP. CUA. Well, that is really a labor issue, but I agree with you, I agree with your point. I certainly support that idea. So, I just would like to know how is that related to the mandate of the Commission on Audit.

REP. GAITE. Salamat po.

Ang author po noong Joint Circular na binabanggit ay COA-DBM, Commission on Audit and Department of Budget and Management. Ito pong nabanggit ko na sirkular, dati kasama nga po ang Civil Service Commission, but now COA takes precedence, nawala na nga po iyong CSC doon sa Joint Circular na ito, at ngayon COA, Commission on Audit na raw ang, actually, magmo-monitor din ng implementation nito, kung kaya't isa sa mga policies ngayon ng Commission on Audit ay itong sinasabi ngang hiring ng mga job orders and contract of service employees. Kaya ko po natatanong ito sa inyo, kagalang-galang na Sponsor, dahil naniniwala po ako na itong sirkular na ito ay taliwas doon sa prinsipyo ng regularization ng contractuales, at sa halip na i-regularize sila, sila pa ay mananatiling kontraktwal sa ilalim ng service contracting arrangement with the, probably, private contractors or service providers.

Kaya't ang tanong ko po ay patungkol po dito, Mr. Sponsor, Mme. Speaker.

REP. CUA. Hindi ko naintindihan iyong tanong. (*Laughter*)

Mme. Speaker, Your Honor, in response to the query, I just want to explain that doon sa mga empleyado, iyong mga puwedeng maging institutional—halimbawa, security ka, janitorial services, iyon ay puwedeng ina-ousource lang, ano. But, iyong hindi, iyong ang ginagawan natin ng paraan para sila ay ma-absorb talaga sa organization at imbes na maging job order lang sila ay maging permanent employee noong organization, be part of the plantilla.

REP. GAITE. Thank you, Mr. Sponsor, but apparently, hindi po iyon ang nilalaman ng binabanggit ko pong COA-DBM Joint Circular No. 2. Tulad ng nabanggit, sila po ay gagawing—currently, sila po ay directly na hina-hire ng mga ahensiya.

Iba pa ho iyong binabanggit n'yo pong security guards at mga janitorial services na dati nang dumadaan sa agency. Malaking bahagi po nito, kulang-kulang ay almost 600,000 out of the total non-regular employees in government, ay through a contract na ini-indicate na walang employee-employer relationship, at ang kategorya ng trabaho nila ay either job orders, iba pa iyong contract of service. At dito sa sinasabi ko pong COA-DBM joint circular, mawawala na iyong direct hiring ng ahensiya at ngayon idadaan na sa third party na service contractors. Ibig sabihin, parang tulad nang nabanggit ko kanina, idadaan na natin sila sa parang security guards at janitorial services na for the longest time—mantakin n'yo, Mr. Sponsor, some of our job orders or contract of service employees who have no employer-employee relationship ay nasa serbisyo na for the longest time. Sa DWSD, may mga nakausap kami doon 30 years na, na ganoon ang katangian ng kanilang trabaho, dating casual-contractual employees, na-convert to job order or contract of service employees pero hanggang ngayon ay hindi pa rin regular.

So, Mr. Sponsor, hindi po sila mapapailalim sa ahensiya, kung hindi mapapailalim sa isang

contractual arrangement na naman with a third-party service contractor or institutional contractor na gagamitin itong prosesong ito na sa pananaw ko po ay hindi makatao at hindi makatarungan at violative noong prinsipyo na dapat ang mga manggagawa ay may kasiguruhan sa trabaho, Mme. Speaker. So, hindi po mangyayari iyan sa ilalim ng COA-DBM Joint Circular No. 2, Series of 2020, I believe, Mme. Speaker.

REP. CUA. So, I want to assure you na hindi naman ganoon ang intention. You know, we really want to reward the employees for their long length of service. But naiintindihan po natin iyon inyong punto at, I think, the DBM and the COA will take your point very seriously. I think in the interest of justice and fairness ay kailangan talagang tingnan iyong anggulo na binanggit ninyo.

REP. GAITE. Salamat po, Mr. Sponsor. Thank you, Mme. Speaker. Kasi, ito, I will focus on ito pong usapin kasi po sa kontrata nila, kung mayroon kayong pagkakataong mabasa ito, naka-indicate sa kanilang mga kontrata that no employee-employer relationship exists. Okay. So, hindi po sila itinuturing na empleyado currently under the JO or contract of service agreements.

Mga tanong lang po, una, sa ating kagalang-galang na Sponsor. Doon sa JOs at COS ng na-hire na empleyado, doon sa mga kontrata nila, sino po ba ang nakapirma at naga-hire doon sa mga empleyadong ito? At ikalawa, sino rin po ang nagpapasyang tanggalin sila sa pana-panahon na sila o sa kanilang proseso ng pagseserbisyo sa gobyerno, Mme. Speaker, Mr. Sponsor?

REP. CUA. Well, ang intindi ko dahil siya ay empleyado ng ahensiya, ang nakapirma doon ay iyong representative ng ahensiya.

REP. GAITE. Thank you.

REP. CUA. Kung iyong authority ay ibinigay sa administrative officer, iyong administrative officer ang nakapirma.

REP. GAITE. Salamat po, Mme. Speaker, sa

pag-clarify nito. Mme. Speaker, Mr. Sponsor, isang sunod na katanungan, sino po ang nagpapasuweldo dito sa ating mga JOs at COS? Saan po nanggagaling iyong pondo sa pagbayad sa kanila, Mr. Sponsor, Mme. Speaker?

REP. CUA. Siyempre po ang nagpapasuweldo, iyong ahensiya na nag-hire. So, hindi siya manggagaling sa PS kasi siya ay hindi naman plantilla item holder; manggagaling iyong kanyang suweldo sa MOOE.

REP. GAITE. Tama po. Salamat po sa pag-clarify. I think iyong specific item sa MOOE, iyong Professional Services or Contracting of Services, parang ganoon po yata iyong item, pero nasa ilalim pa rin ng budget ng pamahalaan. Pangatlo po, sino po ang nagtitiyak na iyong kanilang trabaho o nagsu-supervise sa kanila para gawin iyong kinauukulang trabahong kinakailangan sa kanila? Sino po ang nagsu-supervise, iyong mga kapwa empleyado rin na mas mataas, tama po ba, Mr. Sponsor, Mme. Speaker?

REP. CUA. Well, depende iyan sa organizational structure, kung halimbawa ay janitor, halimbawa, utilities, e may supervisor iyong mga iyon. So, depende siguro doon sa kung sila ay mga job order employees na nasa loob ng, let us say, admin offices. So, mayroon silang mga respective relevant superior doon, iyon ang magsu-supervise doon. Depende nga 'ika ko kung ano iyong structure.

REP. GAITE. Tama po. Tama po at maganda po iyong clarification n'yo, dahil wala nga silang agency, ang nagsu-supervise sa kanila ay directly, iyong ahensiya ng gobyerno, hindi iyong ahensiyang pribado. Kaya't directly supervised sila ng, normally, alam ko mahigpit ang COA dito, hindi puwedeng COA rin, COS o JO rin ang nagsu-supervise sa kanya kasi hindi iyon ang inilalatag ng batas mismo na nakalagay sa sirkular na ito. Kaya ko po natanong ito, Mr. Sponsor, gusto ko lang ipaabot sa inyo na matagal na pong kapasyahan ng Korte Suprema na kahit na nakasulat o nakasaad ito

sa kontrata nila, iyong usapin ng non-existence of employee-employer relationship, iyong tatlo pong—actually, apat pa ito, iyong apat na mahahalagang aspeto. Ito iyong tinawag na four-fold test sa pag-determine if there is an existing employee-employer relationship. These are the following:

1. “The payment of wages,” na sinagot n’yo rin kanina;
2. Sino ang magtatanggal o “the power of dismissal”; and
3. “The employer’s power to control the employee with respect to the means and methods by which the work is to be accomplished.”

So, ang punto ko po, Mr. Sponsor, Mme. Speaker, iyong kahit ilagay n’yo ho iyong phrase na “no employee-employer exist” doon sa kontrata, ang Korte Suprema na po ang nagsabi na kahit na ilagay n’yo iyan sa kontrata, pero nag-e-exist itong four-fold test na ito, they are considered employees of the government dahil sila po iyong tinutukoy dito na employer sa pagkakataong ito. Ano ho ang tingin ng ating kagalang-galang na Sponsor dito sa binaganggit na pananaw na ito lalo na sa ating JOs at COS, Mme. Speaker, Mr. Sponsor?

REP. CUA. Siyempre kung ano iyong sinabi ng Supreme Court ay iyon ang susunding batas. The Supreme Court is supreme even in its errors, so, we need to follow them.

(Laughter)

REP. GAITE. Tama po kayo, Mr. Sponsor, Mme. Speaker, kaya naniniwala po ang Kinatawang ito na itong Joint Circular No. 2, Series of 2022 ay hindi magreresulta sa pagreregularisa ng mga kawani at manggagawa, sa halip lalo niyang palalain iyong kalagayan ng ating mga kawaning hindi regular sa ilalim ng JO at COS arrangement. Malinaw rin, ano, na dapat kilalanin ng pamahalaan na ang mga JO at COS ay dapat ituring na may employee-employer relationship dahil malinaw sa dami ng ating mga job orders and contract of service employees ngayon na mayroong initial na datos nilabas ang Civil Service Commission in the last briefing na malaki ang nawalang

JO at COS employees nitong panahon na ng pandemya. There were about a hundred thousand, more or less, I think. From the data na na-present, from about over 600,000 nasa almost 450,000 na lamang ang naiwan. Meaning, sila po iyong naging casualty nitong pandemya dahil tinignan na isang paraan daw ito ng pagtitipid para i-address iyong problem ng pandemya. Sa pagtitipid, ang tinipid ay ang ating mga manggagawa.

Kaya po naniniwala ang Kinatawang ito na dapat mas bigyan natin ng diin iyong ating panawagan na iregularisa iyong mga contractuals. Dapat itong DBM-COA Joint Circular No. 2, either do away with this or completely revise it para maging responsive doon sa provisions na nabanggit ko, ng ating Saligang Batas, ng desisyon ng Korte Suprema regarding the four-fold test at gayundin para iyong ating mga government workers ay mabigyan na sa matagal na nilang panawagan ng kasiguruhan sa trabaho. Para lang sa impormasyon ng ating kagalang-galang na Sponsor, kami po ay nag-file rin ng kaukulang panukalang batas para dito, at mayroon pong iba nating kasamahan sa Kongreso na naniniwala na ang kasiguruhan sa trabaho ay dapat talagang bigyang diin sa panahon ngayon, ano, at ito ay tinatalakay na rin ngayon doon sa mga respective na committees.

At sana po kahit ang COA ay mayroon ng ganitong sirkular, ay i-reconsider nila na sa halip na ipagpatuloy pa iyong—kami ay naniniwala na unconstitutional ang hiring ng job orders and contract of service sa halip na kilalanin ang kanilang security of tenure at lalo na iyong matatagal na sa services at alam naman natin marami dito ay gumagawa at gumagampan ng regular na trabaho. I cannot fathom the concept na 20, 30 years na ay hindi na regular na trabaho iyon. Ang tawag nga, Cong. Cua, doon sa ibang empleyado, emergency hires. Paano naging emergency iyong 20 years? Hindi na ho emergency iyon, parang malubhang sakit na ho iyon. Ibig sabihin, similarly, our employees should benefit from that provision of the Constitution and also iyong desisyon sa Supreme Court na dapat matigil na itong patakaran ng contractualization. And we hope that the COA revisits this Circular at bigyan ng

pagkakataon iyong ating daang-libong mga government workers na hindi makapag-avail ng kanilang karampatang mga karapatan sa ilalim ng batas, Mme. Speaker.

So, hindi ko na po pahahabain, salamat po sa pagkakataong ito. At sana po ang COA, we hope that the agency, with its mandate, ay ipagpatuloy pa rin nila iyong kanilang tungkulin at kami po ay sumasaludo sa mga efforts na gampanan ang kanilang tungkulin sa usapin ng paggampan ng pagbantay ng pondo ng bayan despite iyong mga hamon na hinaharap nila ngayon, iyong pagpipilit na gawin ang mga gawain na hindi dapat pero ginagawa naman nila sa kasalukuyan, tulad noong utos na i-audit ang isang non-government agency tulad ng Red Cross, which I believe is outside the ambit of the Commission on Audit. So, iyon nalang po, Mme. Speaker. Salamat po sa pagkakataong ito, Mr. Sponsor, Junie Cua.

REP. CUA. Thank you. Maraming, maraming salamat, my dear colleague, Congressman Gaite, sa napakaganda mong mga sinabi. I agree with your explanation of the Supreme Court decision on the different criteria defining what is meant by employee-employer relationship. But I just want to make a distinction that insofar as government employees are concerned, my understanding is that they should also be qualified. So, thank you, thank you, Mme. Speaker, Your Honor.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 12:45 p.m.

RESUMPTION OF SESSION

At 12:49 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

REP. BONDOC. Mme. Speaker, I move that we recognize for the Minority our

esteemed Deputy Minority Leader, the Lady from Marikina, the Hon. Stella Luz Quimbo.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Quimbo is recognized.

REP. QUIMBO. Mme. Speaker, there being no other Member of the Minority who wishes to interpellate, I move to terminate the period of interpellation and debate on the budget of the Commission on Audit.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BONDOC. Mme. Speaker, we thank the Minority, and we congratulate the Sponsor. Likewise, and we move to close the period of debate on the proposed budget of the Commission on Audit.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

ANTI-MONEY LAUNDERING COUNCIL

REP. BONDOC. Mme. Speaker, I move now that we begin discussion on the proposed budget of the Anti-Money Laundering Council.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BONDOC. Mme. Speaker, I move once more for the recognition of our Sponsor, the esteemed Vice Chairman of the Committee on Appropriations, our senior statesman from the Lone District of Quirino. I move to recognize the Hon. Junie Cua.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Cua is recognized.

REP. BONDOC. Mme. Speaker, before

we give the Honorable Cua the floor, we would like to acknowledge the presence of our guests from the Anti-Money Laundering Council family led by their Executive Director Mel Georgie Racela, Deputy Director Emmett Rodion Manantan, Acting Deputy Director Ronel Buenaventura, Acting Deputy Director Ronaldo Velasco, and their Manager Ma. Liza Rachele Cruz. They are the members of the Anti-Money Laundering Council family.

THE DEPUTY SPEAKER (Rep. Yu). We welcome to the House of Representatives the Anti-Money Laundering Council.

Please proceed, honorable Sponsor.

SPONSORSHIP REMARKS OF REP. CUA

REP. CUA. Mme. Speaker, thank you for this opportunity to sponsor the budget of a small agency under the Bangko Sentral ng Pilipinas, the Anti-Money Laundering Council. Though it is small and its budget is very austere and, in fact, its budget has been substantially reduced in the coming fiscal year, this unit performs a very important task of ensuring that we follow our commitment insofar as ensuring the integrity of our financial system, more importantly our banking system and other financial institutions.

So, thank you so much for this opportunity and I seek the support of this august Chamber to approve its budget. Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. ACOSTA. Mme. Speaker, I move to recognize the distinguished Representative from the Party-List GABRIELA, Hon. Arlene D. Brosas.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Hon. Arlene Brosas is recognized.

REP. BROSAS. Thank you, Mme. Speaker. Maraming salamat, Mme. Speaker.

Will the Sponsor yield to a few questions, Mme. Speaker?

REP. CUA. Yes, isang karangalan, Kagalang-galang na Arlene Brosas.

REP. BROSAS. Salamat po.

Mme. Speaker, Ginoong Sponsor, gusto pong mailinaw ng Representasyong ito ang mandato ng Anti-Money Laundering Council kaugnay sa pagsasagawa ng mga financial investigation, lalo iyong mga ilang usapin nitong nakaraan na may kinalaman sa papel na masawata ang money laundering, Mme. Speaker, Mr. Sponsor.

For 2022, the proposed budget of the AMLC stands at P77 million, which is down from P185 million this year. This is a P108-million budget cut or a 140-percent decrease. May we know, what are the implications of this budget cut? Would this impact on your capacity to conduct financial investigations?

REP. CUA. Ay, napakalaki po ng impact nito. It really, to a certain extent, will really affect the effectiveness of the agency to fulfill its mandate. But we, of course, defer to the wisdom of this Congress.

I think one of the major items there is the matter of the budget pertaining to the hiring of consultants that will assist them in ensuring that the agency is able to comply with the recommendations of the FATF in complying with the orders. So, that is one. I think it also affects one of their major projects on IT, on the procurement of certain equipment that will really enable them to monitor those that are involved in money laundering and in their collaboration with other law enforcement agencies, Mme. Speaker, Your Honor.

REP. BROSAS. Thank you, Mme. Speaker, Mr. Sponsor.

Ngayon, kaugnay po sa financial investigation, maaari bang ipaliwanag ng Sponsor ang mga proseso kaugnay ng financial investigation? Kinakailangan po ba ng court order dito? Ano ang mga rekisitos, requisites, para makapag-imbetiga halimbawa ang AMLC sa isang suspicious transaction, Mme. Speaker, Mr. Sponsor?

REP. CUA. Well, Mme. Speaker, Your Honor, ayon sa ating batas, may mga transaction

na classified as suspicious accounts. So, ang mga information na iyan ay nanggagaling din naman sa mga covered persons, mga bangko at now, naisama na natin iyong real estate developers. So, sila po ang nagpo-provide ng mga data na sa tingin nila ay covered transactions. Ito ay kanilang ini-evaluate at kung sa tingin nila ay mayroong kahinahinala, hindi nagtutugma halimbawa doon sa kakayahan noong organization *vis-à-vis* noong transaksyon na nangyari, ay i-imbestigahan po nila iyan. But iyong pagbukas ng mga account, hindi po basta-basta mabubuksan ang account. Mayroon naman tayong proseso na nilagay sa batas na kailangan dumaan iyan sa korte. They have to ask – they have to secure an authority from the Court of Appeals.

REP. BROSAS. Okay. Thank you, Mr. Sponsor, Mme. Speaker.

Particular po sa mga suspicious transactions, mayroon po bang pamantayan para sabihing suspicious ang isang transaction?

REP. CUA. Mayroon naman po.

REP. BROSAS. Bukod po sa sinasabi niyo, Mr. Sponsor, Mme. Speaker, na pino-provide ninyong data, ini-evaluate nila, so ano pong evaluation iyon? Paano natin sasabihin na suspicious iyong isang transaction, Mme. Speaker, ayon sa AMLC, Mme. Speaker, Mr. Sponsor?

REP. CUA. Well, halimbawa, isang example, mayroon isang account holder na ang negosyo niya ay sari-sari store, bigla siyang nag-deposit ng dalawa o tatlong milyon eh iyong negosyo niya isang araw ay mga P200, P300 lang, kahina-hinala iyon. So, iyong mga ganon. Iyong halimbawa ay bumili ka ng – dahil covered ang real estate broker and developer, bumili ng isang lupa na ang halaga ay P150 million, e imbes na magbayad ng tseke, dala-dala niya iyong P150 million na cash ...

REP. BROSAS. Cash.

REP. CUA. ... pambayad, ay kahina-hinala talaga iyon.

So, these are just a few examples of what a suspicious transaction would be.

REP. BROSAS. Yes. Thank you, Mr. Sponsor, Mme. Speaker.

Mme. Speaker, Rule 3.g.2 of the revised IRR of the Anti-Money Laundering Act, as amended, outlines the circumstances by which a transaction is suspicious. Ang sabi po:

(a) There is no underlying legal or trade obligation, purpose or economic justification;

(b) The client is not properly identified;

(c) The amount involved is not commensurate with the business or financial capacity of the client;

(d) Taking into account all known circumstances, it may be perceived that the client's transaction is structured in order to avoid being the subject of reporting requirements under the Act;

(e) Any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered institution;

(f) The transaction is in any way related to an unlawful activity or any money laundering activity or offense under the AMLA, as amended, is being or has been committed; and

(g) Any transaction that is similar, analogous or identical to any of the foregoing.

Ibig sabihin, Mme. Speaker, there is basis to conduct financial investigation even without a court order or transaction wherein, one, "the amount involved is not commensurate with the business or financial capacity of the client"; and two, "any circumstance relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered institution." Tama po ba ito, Ginoong Sponsor...

REP. CUA. Tama po iyang provision ng IRR.

REP. BROSAS. ... Mme. Speaker?

REP. CUA. In fact, some of the language had been lifted from the law itself. So, tama po iyan, Mme. Speaker, Your Honor.

REP. BROSAS. Ngayon halimbawa po, kung almost 80 percent ng operating expenses ng isang kompanya ay napunta sa donations kahit hindi ito registered as a charitable institution, is there a basis for the AMLC to intervene and conduct a financial investigation?

REP. CUA. Well, not necessarily. If the situation is, half of its transaction – may I beg your pardon? Can you repeat that portion?

REP. BROSAS. Yes. Yes, Mr. Sponsor, Mme. Speaker, if the operating expenses of a company is almost 80 percent ay napunta sa donation kahit po hindi ito registered charitable institution, may basis ba ang AMLC para ito ay imbestigahan, Mr. Sponsor, Mme. Speaker?

REP. CUA. Para sa akin hindi naman siguro kahina-hinala kaagad iyon na kalahati ng kanilang operating expenses ay napunta sa donation. Puwede naman talagang mangyari iyon. So, but if they want to pursue, I think they are empowered naman to look into it. Kung talagang iyong mga personality na involved doon sa transaction na ganoon ay mayroon na talagang dossiers, siguro puwedeng subaybayan.

REP. BROSAS. Kasi Mme. Speaker, Mr. Sponsor, it is clear sa revised IRR na kapag ang transaction ay deviation from its original profile, suspicious transaction ito, Mme. Speaker, Ginoong Sponsor.

Anyway, I will not belabor that point, Mr. Sponsor. Ngayon kung lumobo naman halimbawa iyong cash held in banks ng isang kompanya ng 7,385 percent sa loob lamang ng isang taon, hindi ba't dapat na ituring din itong suspicious transaction or activity ng AMLC? Hindi ba't kailangang magsagawa ng financial investigation ang AMLC kaugnay nito, Mr. Sponsor, Mme. Speaker?

REP. CUA. Again, depende rin siguro kung

anong klaseng transaksyon pero under their mandate, mayroon naman silang authority to look into things like that. Kung talagang parang hindi siya normal, puwede rin naman silang mag-imbestiga.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, at the very least ano, iyong mga bangko should notify the AMLC of suspicious transactions ano, kung may mga ganyang amounts, tama?

REP. CUA. Correct. The banks are supposed to report this to the AMLC. Well, first of all, may mga threshold transaction amount. So, kung iyan ay lumagpas ng P500,000, e usually kailangang i-report. Pero siyempre ang bangko, over the years, kilala naman nila iyong kanilang mga kliyente. So, kung ang isang kliyente ay talagang alam nila na legitimate, tingin naman nila talagang ang negosyo ay legitimate, walang illegal, hindi naman nagiging problema iyon. Pero kung, halimbawa e ang transaksyon ay parang nakikita mo na abnormal na, parang nanggagaling na sa transaksyon sa casino na halos araw-araw ay milyon-milyon, e talagang iyan ay nire-report nila. So, it really is a matter of judgement also based on certain criteria set out by the AMLC.

REP. BROSAS. Yes, Mme. Speaker, Ginoong Sponsor, direktso ko na pong tanungin, kasi wala bang natanggap ang AMLC regarding Pharmally's financial billings? Kasi, kung mag-uusap po tayo dito, halimbawa, the amount involved is not commensurate with the business or financial capacity of the client. Lumalabas, noong 2019, P625,000 lang ang initial capacity ng Pharmally pero they bagged a P8.7-billion procurement contract sa PS-DBM, Mme. Speaker, Mr. Sponsor. Pangalawa po, lumaki ng napakalaki iyong kanilang in-and-out sa bangko, cash in banks na mayroon pong as end of 2020, P44,869,000, iyon nga po ang 7,285 percent increase mula 2019.

REP. CUA. Well, ang aking masasabi diyan ay kahit na iyong financial capability niya maaaring hindi nga tugma, hindi nga tugma doon sa volume of transaction, subalit kung alam mo naman talaga ito ay lehitimong

negosyante at alam mo na iyong proceeds na ang idineposito diyan ay proceeds na nanggaling sa koleksyon sa isang malaking transaksyon na legitimate naman, e hindi naman po money laundering iyon. So, it is a legitimate transaction. Ang importante sa AMLC ay ma-monitor nila iyong labaspasok ng pera na ang pinanggagalingan ay talagang illegal, galing sa droga, galing sa kidnapping, galing sa terrorism financing, galing sa jueteng, so things like those. Alam mo na iyong pera ay galing sa scam, may nascalam na bangko. So, iyon ang mino-monitor ng AMLC, hindi naman iyong mga legitimate na business transaction ang interes nila. Thank you, Mme. Speaker.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, iyong Pharmally po was incorporated in 2019 only, tapos wala silang bank profile at all. Bakit parang, hindi ba, wala ginawa iyong AMLC kaugnay nito, Mme. Speaker, Mr. Sponsor? Ang mandate po ng AMLC is to “protect the integrity and confidentiality of bank accounts and to ensure that the Philippines shall not be used as a money laundering site for the proceeds of any unlawful activity,” katulad po ng mga sinabi ninyo kanina. Bakit tila walang naging aksyon ang AMLC sa napaka-obvious na suspicious transactions ng Pharmally Pharmaceuticals? Nag-produce po ba ang AMLC ng STR or Suspicious Transaction Report on its financial dealings, Mme. Speaker, Mr. Sponsor?

REP. CUA. Kasi ang AMLC naman po ay hindi naman basta-basta lang na kikilos. Kailangan din nilang eksaminin kung mayroon bang na-violate na predicate crimes. Kasi kung walang na-violate na predicate crimes ay hindi naman po nila puwedeng pakialaman. So, kinakailangan mayroong na-violate na predicate crimes. Halimbawa natin, plunder. Iyon puwede nilang imbestigahan iyon, tingnan iyon. Nagkaroon ba ng malversation? So, mayroon bang violation of the anti-graft law, o mayroon bang tax evasion na nangyari? So, itong Pharmally hindi pa ma-establish kung mayroon talagang na-violate na predicate crime. So, hangga’t wala iyon, hindi naman talaga puwedeng pakialaman. So, iyon, it requires a predicate crime.

REP. BROSAS. Mme. Speaker, G. Sponsor, ni iyong profile ng mga nagpautang sa Pharmally hindi ba dapat concern natin iyon, Mme. Speaker, G. Sponsor? Dahil inaward iyong contract, iyong pera ay mula sa taumbayan, that is P8.7 billion na pinag-uusapan natin, Mme. Speaker, G. Sponsor. Kung wala tayong profile tapos klaro naman po iyong IRR na walang need for predicate crimes to be proven, bakit hindi po nagkaroon ng aksyon ang AMLC dito sa mga dealings ng Pharmally?

REP. CUA. Well, hindi naman iyong walang ginawang aksyon kung hindi sa ngayon ay nandoon sila sa first stage, iyong intelligence-gathering, ia-analyze iyong transaction. So, the second stage is investigation, wala pang court order diyan. So, may mga stages – so mayroon naman ding ginagawa pero siyempre mga clandestine operation iyon. Hindi naman puwede nating i-announce sa public iyon. So, kung nagko-conduct ng intelligence work, hindi natin puwedeng i-announce. So, we really do not know whether may ginagawa na sila o wala but, I think, as a matter of conducting their business, kung sa tingin nila ay mayroong maaaring possible money laundering activity, that will trigger those activities. But, as I said, those things will not be telegraphed to the public.

REP. BROSAS. Okay. Mme. Speaker, G. Sponsor. Deretsuhin ninyo na lang po ako. Walang Suspicious Transaction Report na inilabas ang AMLC kaugnay sa financial dealings ng Pharmally – yes or no?

REP. CUA. Maybe it is too early to say now.

REP. BROSAS. Ngayon po, ngayon, Mme. Speaker, G. Sponsor. Ngayon, habang nag-uusap tayo. Is there an STR from the AMLC?

REP. CUA. Maybe in an executive session, we can talk about that, Mme. Speaker.

REP. BROSAS. Anyway, Mme. Speaker, Ginoong Sponsor, obviously ayaw tayo sagutin ng AMLC kaugnay diyan.

Punta na po ako sa next question ko on the freezing of Amihan's bank account. Ang question po ay the AMLC's power to issue a freeze order in line with the Terrorist Financing Law and the Anti-Terror Law, may we be clarified ano ang requisites for the AMLC to issue a freeze order?

REP. CUA. E, pagka po na-relate iyon sa North Korea at Iran, talagang walang question, iisyuhan iyan ng freeze order kasi mayroong UN Resolution enjoining all nations na part of this—what do you call this, this advocacy—kung sa tingin nila iyan ay mga personalities na-identify na mga Iranian or North Korean, makita lang iyan dito, o makita iyong kanilang bank account, puwedeng isyuhan na ng freeze order.

REP. BROSAS. Mme. Speaker, Ginoong Sponsor, nagtatanong po ako sa very specific na case, kaya maganda pong i-consult ng ating Sponsor sa AMLC, particular, itong case na ito. In May 5, 2021, the AMLC issued Resolution No. 38, Series of 2021 freezing the bank accounts of Peasant, through Amihan, and other several organizations, supposedly in line with the Terrorist Financing Act. And according to Amihan, the freeze order was caused by mere testimonies of two alleged witnesses submitted by the NICA. Now, is this sufficient basis to issue a freeze order, Mme. Speaker, Mr. Sponsor?

REP. CUA. Well, Mme. Speaker, Your Honor, unfortunately, with regard to Amihan, again, these are confidential matters. Amihan has been found to be related to a certain terrorist group, as validated by intelligence report, and it is being surveilled. And, so, therefore, that being the case, under the law, AMLC can do whatever is necessary with regard to the freezing of accounts.

REP. BROSAS. Mme. Speaker, G. Sponsor, my question is simple. The freeze order was caused by mere testimonies of two alleged witnesses submitted by the NICA. Iyon po ang tanong ko. Iyon lang po ba basis, sufficient basis po ba ito para mag-freeze ng order or...

REP. CUA. I ...

REP. BROSAS. ... mag-order ng ano, freeze ng bank accounts, Mme. Speaker, Mr. Sponsor.

REP. CUA. Yes, yes.

REP. BROSAS. The two witnesses? Wala ng ibang ebidensya?

REP. CUA. Well, actually, Mme. Speaker, it is so difficult for this humble Representation to respond to queries like this because there is a case pending in the court on this matter, and matters like this can be treated as *sub judice*. We are not doing this in aid of legislation. We are doing this as part of the budget process. So, I would really want to exercise caution on this. But let me say that because I really do not know the legal basis for the freezing of the account, but the general information I got is that there are legal bases for having done that, and that is the most that I can say, Mme. Speaker, Your Honor.

REP. BROSAS. Thank you, Mme. Speaker, Mr. Sponsor, for answering sa abot po ng makakaya ninyo, Mr. Sponsor.

Mr. Sponsor, Mme. Speaker, we find it extremely odd that the AMLC has been so quick at poring over the bank accounts of progressive organizations—iyong Amihan po, peasant organizations of women. Sila po ay mga magbubukid at sila po ay pinararatangan ng kung ano-ano sa kasalukuyan. At isa nga po sa mga dinaranas nila ngayon, extremely, ay iyong pag-freeze ng mga accounts nila. So, therefore, hindi po iyon nakakatulong para sa mga magbubukid natin na mga kababaihan, lalong-lalo na sa panahon ngayon dahil sila ay naghihirap talaga nang sobra-sobra dahil sa pandemya, Mme. Speaker, Mr. Sponsor.

Now, while ito pong mga progressive organizations na ito ay talagang pinag-tuunan ng pansin, it seems to be that clueless ang AMLC on the suspicious transactions of Pharmally happening under its nose. If AMLC would just be equal in its exercise of its mandate, then it would have moved to freeze the assets of Pharmally. Maraming salamat, Mme. Speaker. Maraming salamat, Mr. Sponsor.

REP. CUA. Thank you, thank you so much, Your Honor, for your good interpellation.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. ACOSTA. Mme. Speaker, we move to recognize the distinguished Lady from the Party-List ACT TEACHERS, Rep. France L. Castro. I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Castro is recognized to interpellate the Sponsor.

SUSPENSION OF SESSION

REP. ACOSTA. Mme. Speaker, I move for a five-minute suspension, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 1:22 p.m.

RESUMPTION OF SESSION

At 1:23 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

REP. ACOSTA. Mme. Speaker, I withdraw my earlier motion for the recognition of Rep. France L. Castro.

The Majority moves for the recognition of Rep. Stella Quimbo, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Quimbo is recognized.

REP. QUIMBO. Mme. Speaker, there being no other member of the Minority who wishes to interpellate on the budget of the Anti-Money Laundering Council, I move to terminate the period of interpellation and debate on the budget of the Anti-Money Laundering Council.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. ACOSTA. For the Majority, Mme. Speaker, we join the manifestation of the Minority to terminate the period of interpellation and debate on the budget of AMLC.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. ACOSTA. Mme. Speaker, before I recognize the distinguished Gentleman from Zamboanga, we acknowledge our good friends from the Department of Energy: Usec. Felix William B. Fuentebella; Usec. Donato D. Marcos; Usec. Emmanuel P. Juaneza; Asec. Gerardo D. Erguiza; Dir. Mario C. Marasigan; my friend, Lt. Gen. Rozzano D. Briguez; Deputy Artis Nikki L. Tortola from NEA; Ms. Lorlina E. Bomediano; and Atty. Melvin A. Matibag.

THE DEPUTY SPEAKER (Rep. Yu). We acknowledge the presence of the heads of offices of the Department of Energy. Welcome to the House of Representatives.

DEPARTMENT OF ENERGY AND ATTACHED CORPORATIONS, ENERGY REGULATORY COMMISSION

REP. ACOSTA. Mme. Speaker, we move for the determination of the Budget of the Department of Energy, Mme. Speaker, and with that, we move for the recognition of the distinguished Gentleman from the Second District of Zamboanga City, Rep. Jose "Mannix" M. Dalipe.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BONDOC. Good afternoon, Mme. Speaker.

Mme. Speaker, this afternoon, we will be taking up together the budget of the Department of Energy, including its attached corporations, as well as the proposed budget of the Energy Regulatory Commission. We will be taking them together because many of the questions of our colleagues involve both agencies.

So, with that, Mme. Speaker, let me move that we begin the debate on the proposed budgets of the Department of Energy, including its attached corporations, as well as the proposed budget of the Energy Regulatory Commission.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BONDOC. Mme. Speaker, as they were entering the Session Hall a while ago, let me once again greet the Department of Energy family, headed by my brod, Usec. Felix William B. Fuentebella, son of our esteemed former Speaker Honorable Fuentebella, and a brother of our colleague as well, Cong. Arnie Fuentebella, and himself a former Congressman who we welcome back to the House; along with Usec. Donato Marcos; Usec. Emmanuel Juaneza; Asec. Gerardo "Gerpy" Erguiza Jr.; Dir. Mario Marasigan; Lt. Gen. Rozzano Briguez; Deputy Artis Nikki Tortola; and the rest of their staff. Mme. Speaker, this is the Department of Energy family.

THE DEPUTY SPEAKER (Rep. Yu). We acknowledge the presence of the Department of Energy family. Welcome to the House of Representatives.

REP. BONDOC. Likewise, Mme. Speaker, we would like to greet the guests who are members of the Energy Regulatory Commission family. They are headed by their Commissioner, Atty. Floresinda G. Baldo-Digal; along with Sharon O. Montañer, their Director; Legario L. Galang Jr., OIC Director; and Atty. Krisha Marie T. Buena, from the Office of the Chairperson. These are our guests from the Energy Regulatory Commission, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). We acknowledge the presence of the Energy Regulation Commission family. Welcome to the House of Representatives.

REP. BONDOC. Mme. Speaker, for

purposes of sponsorship, we move to recognize our esteemed and hardworking Vice Chair of the Committee on Appropriations, the Gentleman from the Second District of Zamboanga City, the Hon. Manuel Jose "Mannix" Dalipe.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Dalipe is recognized.

SPONSORSHIP SPEECH OF REP. DALIPE

REP. DALIPE. Thank you, Mme. Speaker.

Mme. Speaker, as Vice Chairperson of the Committee on Appropriations, it is my privilege to present for the consideration of this Chamber the Fiscal Year 2022 Proposed Budget of the Department of Energy, including its attached agencies the National Electrification Administration, the National Power Corporation and the Philippine National Oil Company, together with the Fiscal Year 2022 Budget Proposal of the Energy Regulatory Commission.

Also, part of the DOE family who are with us here in Congress are PNOC, Exploration Corporation, PNOC Renewables Corporation, Power Sector Assets and Liabilities Management Corporation and the National Transmission Corporation.

The 2022 budget proposals of the DOE and its attached agencies and that of the ERC form part of the last full-year budget of the Duterte Administration and are, therefore, crucial in ensuring the country's recovery as we continue to navigate through the COVID-19 pandemic. Mme. Speaker, for 2022, the DOE's total proposed budget is P2.128 billion, with P1.256 billion or 59 percent of the total budget classified under New General Appropriations and P872.28 million or 41 percent of the total budget as Automatic Appropriations. For the corporate operating budget of the attached agencies, NEA's 2022 budget is P3.897 billion. NEA is requesting for the national government's subsidy amounting to P1.827 billion. The National Power Corporation's proposed corporate operating budget is at P29.577 billion, with P1.186 billion as requested national government subsidy.

Lastly, Mme. Speaker, PNOC's proposed corporate operation budget is P1.317 billion. Mme. Speaker, for the part of the Energy Regulatory Commission, for Fiscal Year 2022, the agency's proposed budget is P586.52 million.

Mme. Speaker, we are confident of the efficient utilization of the 2022 Budget and the effective implementation of the programs and projects of the Department of Energy and its attached agencies, and the ERC. We will remain on top of attaining energy security and equity amidst the pandemic.

With that, this Representation, Mme. Speaker, is now ready to answer questions from our esteemed colleagues relative to the budget of the Department of Energy, its attached agencies and the Energy Regulatory Commission, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. ACOSTA. Mme. Speaker, we move to recognize Rep. Carlos Isagani T. Zarate of the Party-List BAYAN MUNA.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Zarate is recognized to interpellate the Sponsor.

REP. ZARATE. Thank you, Mme. Speaker, naririnig po ba ako sa Plenary, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Yu). Loud and clear po, Honorable Zarate.

REP. ZARATE. Maraming salamat, Mme. Speaker.

Magandang hapon sa ating kagalang-galang na Sponsor at sa mga opisyal at kawani ng Department of Energy, as well as that of the Energy Regulatory Commission and the attached agencies of the DOE.

To start off, Mme. Speaker, Mr. Sponsor, just recently, I think it was August 17, mayroon pong nangyaring isang forum whereby officials of the Department of Energy were quoted as saying, forewarning—these officials warned that mayroon hong thinning

of power reserves, pagnipis ng power reserves that could likely coincide with the conduct of the May 9, 2022, general elections dahil daw ang temperature during that summer time is expected to rise and the demand is expected to peak. May we confirm this warning from the Department of Energy, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, the Department of Energy gives assurance that there will be no problem and when the national and local elections come next year, May 2022, we will have enough reserves that we will not even reach Yellow emergency.

So, Mme. Speaker, sapat po at wala pong kailangan na i-worry ang ating mga kababayan because there is enough supply come May 2022, Mme. Speaker, distinguished colleague.

REP. ZARATE. Salamat, kagalang-galang na Sponsor, but that assurance does not assure us at all dahil nga sila mismo ang nag-ulat at nagsabi sa publiko na mayroong pagnipis ng power reserves that may coincide with the 2022 elections, and to some, magkakaroon ng speculation that it is as if the people, the public is already being conditioned na magkakaroon ng problema pagdating ng eleksyon. At, it is not or this will not give confidence doon ho sa mga mamamayan, lalo't higit na nasa isang very precarious and very unique election tayo sa susunod na eleksyon dahil mangyayari ito sa gitna pa rin ng rumaragasang pandemya ng COVID, Mr. Sponsor, Mme. Speaker.

So, are we now being conditioned that in the coming elections, in 2022, one of the major problems that we will have is a possibility na kulang ang ating reserves at magkakaroon ng mga brownouts, if not blackouts, during that period, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleague, tama po, there were some data which were presented na mababawasan, but even with the decrease, there is still enough reserves na hindi tayo aabot sa Yellow Alert. So, I agree with my distinguished colleague na, yes, there might be a decrease, as stated, but if you will look at the data and the projection, hindi po talaga. The Department of Energy

assures us that with that enough reserve, we will not be on Yellow Alert come May 2022, Mme. Speaker, distinguished colleague.

REP. ZARATE. May we know then, Mr. Sponsor, and Mme. Speaker, ilan po ba iyong reserves na sinasabi ninyo na puwede nating asahan pagdating sa panahon ng eleksyon ng 2022, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, based on the initial run made by the NGCP, mayroon po tayong 1,800 megawatts. Above po iyan sa demand. So, ang projected demand, as made sa initial run natin with the NGCP, mayroon po tayong sobra na 1,800 megawatts above the demand. So, if you will look at the figures, hindi po talaga siya mapupunta maski sa Yellow Alert. So, with 1,800 megawatts, sobra-sobra po iyong reserves natin, Mme. Speaker, distinguished colleague.

REP. ZARATE. Lilinawin ko po: Iyong 1,800 megawatts, iyan iyong sinasabi ninyong reserves for the period that may coincide with the 2022 election. Is that correct, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Yes, Mme. Speaker, distinguished colleague, tama po.

Iyong 1,800 megawatts, pagdating po ng May 2022, nandiyan po iyan, at ginawan na po ng initial run ng NGCP. So, with 1,800 megawatts, iyon na nga po iyong guarantee na hindi talaga tayo maski pupunta sa Yellow Alert man lang.

So, with that, I think that is enough assurance that will tell us that we do not have to be worried come the May 2022 national and local elections.

REP. ZARATE. Thank you, Mr. Sponsor. And may the good Sponsor also apprise us on the expected peak demand during that period that may coincide with the conduct of the elections?

REP. DALIPE. Mme. Speaker, for a while, I am just checking the accurate figures. Mme. Speaker, distinguished colleague, the peak demand projected for May 2022 is 12,837

megawatts. So, as we stated, mayroon pa po tayong reserve na 1,800 megawatts.

REP. ZARATE. Bago po tayo pumunta doon sa reserve, so, ang projected na po natin sa May na peak demand is 12,837 megawatts. What is the available reserve for that period less the reserve of 1,800?

REP. DALIPE. Mme. Speaker, distinguished colleague, para mas maklaro, the peak demand come May 2022, ito na iyong projected, pinakamataas, is 12,387. Even if we reach that peak demand of 12,387, mayroon pa tayong 1,800 megawatts nakareserba if we reach 12,387 megawatts peak demand. So, again, with the Department of Energy, I would like to reiterate that with 12,387 megawatts, and based on the initial run done by the NGCP, we will still have a reserve of 1,800 megawatts.

REP. ZARATE. Well, thank you, Mr. Sponsor, Mme. Speaker.

Now, I understand bakit inulat noong August 17 na mayroong pagnipis ng demand—pagnipis ng supply ng kuryente pagdating sa eleksyon. Dahil po, halimbawa, kung pagbabatayan natin, Mr. Sponsor, Mme. Speaker, ang karanasan natin nitong mga nakaraang mga buwan, when Luzon was placed under Red Alert for three straight days between May 31 to June 2, the entire Luzon Grid pa lamang ito, Mr. Sponsor, Mme. Speaker, lost capacity amounting to already 1,372 megawatts dahil sa paralysis ng Unit 2 of the Pagbilao Coal-Fired Plant. Dagdag pa diyan iyong San Roque, three units of the San Roque Power Plant went offline and the grid also lost some 435 megawatts. So, the result of this, 2,126 megawatts, ay kinain na kaagad iyong 1,800 mo na reserve. So, kung nitong experience natin nitong nakaraan, dahil nag-malfunction or nag-shutdown iyong mga power plants ay nawalan ka ng 2,126 megawatts, ay talaga nga na magkakaproblema tayo pagdating ng eleksyon sa 2022, Mr. Sponsor, Mme. Speaker. If you only have a big demand—if you have a big demand of 12,837, and you have a so-called reserve of 1,800, but based on our experience more than 2,000 megawatts nawala

noong mag-shutdown, noong Red Alert tayo between May 31 and June 2. So, again, the assurance that the Department is now giving us is not actually assuring us at all. Kaya ko po naitanong iyan dahil parang nagkakaroon ng batayan iyong mga espekulasyon that we are already being conditioned, the people are being conditioned that there will be a big problem and in the upcoming elections, Mr. Sponsor, Mme. Speaker.

At alam n'yo naman po na—you may say that these are wild speculations, but I think the DOE is one of the most politicized departments in our country today having a secretary, Secretary Cusi, who is, you know, one of the major leaders of a faction of the PDP-Laban that is endorsing candidates, Senator Bong Go and President Duterte, as a tandem in the upcoming election. So, iyon po ang medyo nakakabahala dito. There have been reports that—in fact, Secretary Cusi, last September 6, was in a political convention while more than 0.5 million Filipino consumers suffered brownout during that day, during the battering of Typhoon Jolina earlier this month. So, as the election season progresses, Mme. Speaker, Mr. Sponsor, will the energy sector be really expecting that we will come up with more power reserves and we will have an Energy Secretary who is no longer *in absentia*, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleague, well, the Department of Energy has come up with election policies/strategies. At isa diyan iyong increased reserve contract—increased reserves with NGCP contracting. So, doon pa lang magkakaroon na tayo. Next, again, another strategy is demand-side management.

So, with these strategies being introduced by the Department of Energy, these will give the answers to the worries being projected by some. So, Mme. Speaker, distinguished colleague, with increased reserve contracting plus demand-side management, these will help a lot especially if you are really looking for having more power reserves come May 2022, Mme. Speaker, distinguished colleague.

REP. ZARATE. Thank you for that, Mr. Sponsor.

Again, nakakabahala pa rin iyan, yo'ng inyong naturan dahil nga—if I may recall these past months nga, instead of the Department seriously looking into alternatives and even pushing aggressively na matugunan itong problema natin sa enerhiya, ang maalala ko nga, in several of our committee hearings and even public statements from the Department, Secretary Cusi even blamed the NGCP for the mess that we are in, our energy sector is in. So, again, this is not inviting confidence. —hinaharap pa natin iyong problema, itong pandemya—kung magkakaroon tayo ng malaking problema sa enerhiya sa pagdating ng eleksyon, Mr. Sponsor, Mme. Speaker.

REP. DALIPE. Yes, again, Mme. Speaker, distinguished colleague, the Department of Energy is doing its best to address these concerns, and rest assured that the Department will really come up with additional policies which will secure our requirements, particularly our energy requirements come May 2022, Mme. Speaker, distinguished colleague.

REP. ZARATE. Thank you, Mr. Sponsor.

Hopefully this will truly secure our problems sa enerhiya sa darating na eleksyon in 2022, and not secure the political future of some of our officials in the DOE that, if I may say, may be responsible for these problems that we are facing now in our energy sector.

Now, Mr. Sponsor, Mme. Speaker, in the DOE submissions given to us, they admitted that the Department, between the period of 2017, at least, and up to 2020, generated P1.9 billion in savings. May I inquire, Mr. Sponsor, Mme. Speaker, ano po ng nangyari dito sa amount na ito na P1.9 billion savings? Dahil I checked the website of the DOE, and even with the DBM, hindi ko po nakita itong savings na ito na P1.9 billion, Mr. Sponsor, Mme. Speaker.

REP. DALIPE. Well, iyong savings po, Mme. Speaker, distinguished colleague, ng Department of Energy ay ibinalik na po sa national government. So, iyon iyong proseso. So, as you mentioned, in 2017, 2018, 2019 and 2020, all of the savings were already returned to the national government, Mme. Speaker, distinguished colleague.

REP. ZARATE. And, may I inquire how – what projects, activities and programs or PAPs were affected or were the sources of this P1.9-billion savings, Mr. Sponsor, Mme. Speaker.

REP. DALIPE. Mme. Speaker, the Department of Energy, would like to be clarified which particular item are you referring to, iyong sa savings, kasi mayroong ...

REP. ZARATE. Ang katanungan ko lang, nag-generate kayo ng P1.9-billion savings. Saan po nanggaling ito? Ano'ng mga pinagmulan na mga activities, programs and projects kaya nagkaroon ng savings?

REP. DALIPE. Are you, when you say "P1.9 billion," in particular, Mme. Speaker, sa anong taon po ito? Ito ba iyong sinasabing ninyong cumulative for 2017 to 2020? Can you ...

REP. ZARATE. Yes, Mr. Sponsor, Mme. Speaker, kabuuan po. In the submissions given by the DOE, sinabi nila na nakapag-generate ang DOE ng savings na P1.9 billion between the period 2017 to 2020. Unfortunately, sabi ko nga, bakit hindi ito naka-post sa website ng DOE at hindi rin natin ito makita sa website ng DBM, a blatant violation of the General Appropriations Act provision, specifically Section 66 ng General Appropriations Act, na nagre-require sa mga ahensiya at maging sa DBM na i-post doon ang mga na-generate nito na savings ng mga different agencies, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, can I request our distinguished colleague, Mme. Speaker, to please elaborate kung saang savings iyong tinutukoy niya. Which fund? Kasi mayroon pong Fund 101 at mayroon pong Fund 151. So, which among the two was he referring to, Mme. Speaker?

REP. ZARATE. Well, Mme. Speaker, Mr. Sponsor, hawak ninyo po iyong data, nanggaling po ito sa submission ng DOE. Will you confirm that there is this P1.9 billion in savings na na-generate ng Department of Energy between the period 2017 to 2020?

REP. DALIPE. Mme. Speaker, we will check on the figures because the figures being stated, Mme. Speaker, by our distinguished colleague do not really add up to the data as being totalled here by the Department of Energy. Kaya nga po gusto ...

REP. ZARATE. Now, if that is the case, will you, for the record, state the data on hand with the good Sponsor, Mme. Speaker? Sige po, kayo na po ang maglatag ng inyong data on savings.

REP. DALIPE. Mme. Speaker, we are trying to come up – Mme. Speaker, base sa data, wala pong savings na.

REP. ZARATE. (*Laughter*) Okay. Nawala na iyong savings na P1.9 billion.

Ito po ang problema, Mr. Sponsor, Mme. Speaker, ano, dahil since 2016, 2017, 2018, 2019, hindi na natin nakikita sa budget books ang savings na na-generate ng bawat ahensiya at hindi natin alam kung mayroon nga silang savings o wala. At kung may savings sila, saan nila ito dinala at ano ang in-augment nito na mga pondo? Nakita naman natin ito these past days, for example, doon sa Department of Energy – Department of Environment and Natural Resources, iyong savings nila ginawang pambayad doon sa mga disallowed expenses ng isang World Bank-funded project.

At any rate, Mr. Sponsor, Mme. Speaker, ano, the data that we have will show that indeed there was this P1.9-billion savings generated by the Department and kung ano'ng nangyari diyan at saan ito dinala ay mananatiling isang malaking talinghaga na lang iyan ngayon dahil sinabi nila na wala nang savings.

I will now proceed – I will leave it at that. It is for the Department to justify later on explain where that particular savings went.

Now, in the DOE presentation, Mme. Speaker, Mr. Sponsor, may I inquire, are there capacity additions that we can expect pagdating sa summer period ng 2022 that will also coincide with the conduct of the election, especially if we will have, as I mentioned kanina, gaya noong nangyari these past months, 'no, simultaneous outages of power plants?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Department of Energy reiterates its assurance that we will have sufficient power come summer time 2022.

REP. ZARATE. My question is not about assurance. My question, Mr. Sponsor, Mme. Speaker, mayroon ba tayong additional capacity expected pagdating ng summer period? Ano'ng tinitingnan natin? Saan manggagaling especially kung magkaroon ng simultaneous shutdown ang ating mga power plants, as what happened early this year na nagkaroon tayo ng Red Alert?

REP. DALIPE. Mme. Speaker, distinguished colleague, on top of the 1800 megawatts projected reserves come May 2022, we are projecting to have an additional 300 megawatts from Malaya and 150 megawatts from Ingrid, Mme. Speaker, distinguished colleague.

So, also Dinginin 2, ito pa, will come in in the third quarter with 668 megawatts. So, to repeat it again: Malaya - 300 megawatts, Ingrid - 150 megawatts, Dinginin 2 - 668 megawatts.

REP. ZARATE. Just for the record, Mr. Sponsor, Mme. Speaker, so itong 300 megawatts ng Malaya, when do we expect this to be operational?

REP. DALIPE. Mme. Speaker, for Malaya, the Department of Energy projects that it will be available towards the end of this year, Mme. Speaker.

REP. ZARATE. What about Ingrid?

REP. DALIPE. Well, the good news, Ingrid is already undergoing testing so it will be online anytime soon, Mme. Speaker, distinguished colleague.

REP. ZARATE. What about the 368 megawatts Dinginin Part 2?

REP. DALIPE. Well, iyong Dinginin 2 is expected to be up and running by third quarter of next year, which is the 668, so more or less for this year, we will have an additional of

450 megawatts coming from – 300 megawatts coming from Malaya, 150 coming from Ingrid.

REP. ZARATE. Okay. Thank you for that information, Mr. Sponsor. Now, what about the projected forced outages that we can expect in terms of megawatts pagdating po ng period na iyan that will coincide with the election period? Ano ang projection naman ng Department of Energy? What I am saying is what is the scale of forced outages that we can expect in terms of megawatts?

REP. DALIPE. Well, the data show that, Mme. Speaker, distinguished colleague, kung mayroon man forced outage on the average it is about 1,100 megawatts, Mme. Speaker, distinguished colleague.

REP. ZARATE. One thousand one hundred – hindi po natin puwedeng sabihin kung mayroon man dahil talaga pong historical nangyayari iyan and we have to expect that there will be outages during those periods dahil historical na ho iyan at iyan nga ang isang problemang palagi nating kinakaharap sa panahon ng summer. Now, Mr. Sponsor, Mme. Speaker, do you have available information already on the scheduled preventive maintenance ng ating mga power plants? Can you, just for the record, provide that information now? How many megawatts will be taken out from our power system on each month that this preventive maintenance will be undertaken, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, the Department of Energy has already required all of these producers to submit their schedule and by the end of this month, by end of September, we will be able already to see their schedule and the Department of Energy is very willing to submit, Mme. Speaker, distinguished colleague, those data to the office of our interpellator, Mme. Speaker.

REP. ZARATE. Well, thank you, Mr. Sponsor, Mme. Speaker.

That is lamentable because we are already almost at the end of September and bulag

pa rin ang Department of Energy kung paano ang magiging schedule ng preventive maintenance ng ating mga power plants and paano mapaghahandaan ito lalo na, binabalik at binabalik ko ito, next summer is no ordinary summer that people can just accept the fact that every year mayroong outages. Next summer coincides with the most crucial and important election that our country will ever have, especially nasa panahon tayo ng pandemya ng COVID, and this will certainly affect our energy situation dahil sabi ko nga historical na na nagkakaroon talaga ng mga outages during this time of summer. And kanina iyong pinag-uusapan natin kung pagbabasihan nga natin iyong nangyaring red alert these past months ay talagang kukulangin iyong reserve na 1,800 kung ang magiging basehan natin iyong nawalang more than 2,000 megawatts when Luzon, iyong Luzon ay nagkaroon ng red alert nitong nakaraang mga buwan ng Mayo at Hunyo.

So, I urge the Department to be more proactive and aggressive because this will only add up and fuel the speculations that our people are being conditioned that something will happen in the next election, especially 'pag nagkakaroon ng problema sa kuryente o sa ating enerhiya, given the fact that mainly, the conduct of our election is also dependent on the available energy dahil automated din tayo. Now, Mr. Sponsor, Mme. Speaker, huling katanungan ko na lang po sa Department of Energy. The Department is pushing for a so-called firm contracting of power reserves. How many megawatts of power reserves are now contracted on this firm contracting basis, Mr. Sponsor, Mme. Speaker? And, idugtong ko na, ano ang magiging impact ng cost of these contracts to consumers especially in our electric bills na nitong mga nakaraang mga buwan ay tumaas ng tumaas at hindi man lamang nagkaroon ng waiver ang Meralco dahil sabi nila passed on charges ito, Mr. Sponsor, Mme. Speaker.

REP. DALIPE. Mme. Speaker, distinguished colleague, so far based on the information we have with the ERC, mayroon na po tayong 26, sorry, 20—wait ha, a total of 28 are already expected to be renegotiated from non-firm to

firm. So, iyon po iyong data natin, 28. And with this, Mme. Speaker, distinguished colleague, I think this is enough assurance na may mga ginagawa na po at paghahanda na po iyong ating mga ahensiya to assure that come 2022 we will have a solution to some of the possible concerns that might arise next year.

REP. ZARATE. Thank you, Mr. Sponsor, Mme. Speaker.

And, of these 28 firm basis contracts, ilang megawatts po ang involved dito at iyong kadugtong ko na tanong, ano ang magiging impact nito on consumers especially doon sa babayaran ng mga consumers sa ating electricity bills? Do you have already a projection, a computation, Mr. Sponsor, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Yu). Before the Sponsor will answer the query, I would like to remind Honorable Zarate that your time has already expired.

REP. ZARATE. I will just wind up, Mme. Speaker. Maraming salamat po.

REP. DALIPE. Mme. Speaker, we are still trying to add up the total of the 28 ...

REP. ZARATE. So, while awaiting the answer, Mme. Speaker, may I just propound, my last question actually is directed to the ERC, para maihabol ko lang. For the ERC, kasi parang pinagsabay na natin sila, how much would be the aggregate penalties to be imposed against the earlier reported ninyo na nine generation companies and nagkaroon ng mga violation, and is there a chance that this will trickle down as cost reduction to consumers because it is the consumers that were hit with brownouts and rate spikes during last summer due to the excessive forced outages of power plants? So, in other words, ipapasa na naman ba ito sa mga consumers or paano ito mapipigilan ng ERC, Mme. Sponsor, Mme. Speaker? So, iyon po ang aking tanong patungkol naman sa ERC.

REP. DALIPE. Mme. Speaker, iyong— to the second question, eight out of nine

respondents were held administratively liable, approximately the total penalty imposed is P16 million, but all of these will go to the National Treasury. And to give the answer, again, to those 28 for firm contracting, ang total pong megawatts noon ay 398 megawatts, Mme. Speaker, distinguished colleague.

REP. ZARATE. And, of these 398 megawatts, iyong kadugtong ko po na tanong, ano ang magiging impact nito in terms of iyong babayaran ng ating mga consumers, Mme. Speaker, Mr. Sponsor?

REP. DALIPE. Well, as of now ay nag-apply pa lang po, so, we cannot categorically say that kung tataas ba o bababa because pending application, hindi pa po natin malalaman iyong rates noong 28, Mme. Speaker, distinguished colleague.

REP. ZARATE. Thank you, Mr. Sponsor, but based on our experience ay hindi naman talaga bumababa iyan. May karampatang dagdag na naman iyan sa bayarin ng ating mga consumers as what we saw in these past years, based on history.

Now, Mr. Sponsor, Mme. Speaker, bilang panghuli na lang po. Binanggit ninyo kanina na eight out of those nine GenCos na na-penalize with remittance of P16 million penalty. Now, is there an assurance na itong P16 million penalties na babayaran nitong mga GenCos—well, the P16 million will go to the government as mentioned by the good Sponsor but paano mapipigilan natin ang GenCos na itong P16 million na ito ay ipapasa nila doon naman sa mga—babawiin nila ito doon sa ating mga consumers, Mr. Sponsor, Mme. Speaker? Are there mechanisms that the ERC can possibly employ to prevent the GenCos from passing on these penalties instead na ibawas nila doon sa kanilang limpak-limpak na kinikitang ganansya ay para mapigilan na hindi ito ipasa doon sa ating mga consumers, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleague, we would like to assure na hindi po mangyayari iyon na ipapasa iyong P16 million sa ating mga consumers because under the rate-making methodology, bawal po iyan.

Hindi po puwedeng mangyari iyon. So, it can never be passed on—iyong P16 million to the consumer and that is based—that is a guarantee because it is not allowed, Mme. Speaker, distinguished colleague.

REP. ZARATE. Thank you, good Sponsor, Mme. Speaker.

Dahil ubos na po ang aking oras, ako'y nagpapasalamat na lamang sa ating kagalang-galang na Sponsor, sa mga opisyaes ng Department of Energy, at nagpapasalamat din tayo sa ating kagalang-galang na Speaker. Magandang hapon po sa ating lahat.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

SUSPENSION OF SESSION

REP. DE VENECIA. Mme. Speaker, move to suspend.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 2:14 p.m.

RESUMPTION OF SESSION

At 2:15 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

REP. DE VENECIA. Mme. Speaker, next to interpellate is the honorable Gentleman from Albay. I move that we recognize Cong. Edcel Lagman.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Lagman is recognized to interpellate the Sponsor.

REP. LAGMAN. Thank you, Mme. Speaker. Will the distinguished Sponsor yield to a few questions?

REP. DALIPE. Yes, Mme. Speaker, distinguished colleague.

REP. LAGMAN. During the budget briefing of the ERC, there were a number of commitments, which the Energy Regulatory Commission undertook: one, they are going to terminate the investigation on the complaints against the APEC or the Albay Power and Energy Corp. with respect to the area-wide disconnection of electric power in some places in the First District of Albay, which prejudiced even those who were religiously paying their dues and were never delinquent in such payments. May we know whether the ERC has already terminated the investigation?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Energy Regulatory Commission, after careful evaluation of various claims of the ALECO, the APEC, other government agencies and concerned consumers, the ERC resolved to issue a show cause order against the ALECO and the APEC for violation of the Magna Carta for Residential Electricity Consumers for the wholesale disconnection effected by the APEC/ALECO, Mme. Speaker, distinguished colleague.

REP. LAGMAN. Thank you for that information. But can we get a copy of the show cause order for our record?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Energy Regulatory Commission will provide our colleague from Albay a copy of it. No problem.

REP. LAGMAN. When soonest can I get a copy?

REP. DALIPE. Well, we can – Mme. Speaker, distinguished colleague, puwede naman po e-email na kaagad ngayon.

REP. LAGMAN. Thank you for that undertaking.

REP. DALIPE. We can forward immediately to the office, Mme. Speaker, of the distinguished Gentleman from Albay.

REP. LAGMAN. During the briefing of the ERC, it also undertook to make a clarification

on what is the authority of the APEC in increasing the rates of electricity in Albay. May we know whether that clarification has already been issued?

REP. DALIPE. Well, the concession – Mme. Speaker, distinguished colleague – the concession agreement between the ALECO and the APEC has already been forwarded to the legal department for study.

REP. LAGMAN. May we request for a copy of what has been forwarded to the legal office for study?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Energy Regulatory Commission will forward, at the soonest possible time, the documents requested by our distinguished Gentleman from Albay.

REP. LAGMAN. And the last query, distinguished Sponsor, the ERC also undertook to make a clarification on what is the relationship of the APEC and the ALECO with respect to the provision of electric power and allied services in the province of Albay? May we know whether they have resolved this interrelationship between the ALECO and the APEC? And, what are the respective roles of these two agencies?

REP. DALIPE. Mme. Speaker, distinguished colleague, the relationship of the APEC and the ALECO is also part of the study being forwarded to the legal department, the result of which, the Energy Regulatory Commission will forward, Mme. Speaker, to our colleague from Albay, Mme. Speaker.

REP. LAGMAN. And corollary to this, during the last briefing of the ERC, it said that it could not even access the Memorandum of Agreement between the ALECO and the APEC and that it is with the NEA, the National Electrification Administration. May we know whether they were able to access and secure a copy of that Memorandum of Agreement?

REP. DALIPE. Mme. Speaker, distinguished colleague, it is good that the Energy Regulatory

Commission was already able to access a copy of the Memorandum of Agreement between the APEC and the ALECO. And the Energy Regulatory Commission would be willing to forward the copy of the Memorandum of Agreement to our colleague from the province of Albay, Mme. Speaker.

REP. LAGMAN. When can we get a copy of that elusive Memorandum of Agreement?

REP. DALIPE. We will—Mme. Speaker, the copy of the Memorandum of Agreement will be forwarded together with the other documents as requested by our distinguished colleague, Mme. Speaker. Isasama na po lahat-lahat.

REP. LAGMAN. If the distinguished Sponsor would not mind, could you kindly ask who represents the ERC now to make such a confirmation?

REP. DALIPE. Yes, yes. Mme. Speaker, yes, the ERC gives that confirmation and assurance that we will be able to forward it.

REP. LAGMAN. Who in ERC made the confirmation? May we know, distinguished Sponsor?

REP. DALIPE. The one in charge is Commissioner Digal, Mme. Speaker, distinguished colleague.

REP. LAGMAN. Thank you so much for accommodating my questions. And, this Representation and my constituents in Albay, would earnestly await the submission of these documents and other information. Maraming salamat.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BOLILIA. Mme. Speaker, I move that we recognize the honorable Rep. Dante Marcoleta of SAGIP Party-List for his manifestation.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Marcoleta is recognized to interpellate.

MANIFESTATION OF REP. MARCOLETA

REP. MARCOLETA. Thank you very much, Mme. Speaker.

Good afternoon, Mr. Sponsor.

Of course, I did not prepare a manifestation because I was supposed to ask questions, Mme. Speaker, but given that, I was requested to just reduce my questions into a manifestation and notwithstanding the difficulty, I will comply, Mme. Speaker.

Mme. Speaker, I made a quick review of the major components of the consumer's bill with respect to the electric bills being paid by consumers and I found out that the major components are: generation charge, transmission charge, distribution charge, government taxes and system loss. I also found out, Mme. Speaker, that between January to July this year, I paid an average of P4.55 per kilowatt on generation, P0.72 per kilowatt on transmission, P2.48 per kilowatt on distribution, P0.36 per kilowatt on system loss. I was just hoping, Mme. Speaker, that the ERC is reviewing these rates because when I further reviewed these statistics for a period of six months, January to July this year, my payment for the generation charge, Mme. Speaker, Mr. Sponsor, varied from P4.37 to P4.87 per kilowatt on transmission; it was from P0.60 to P0.75 per kilowatt on system loss; it was P0.29 to P0.49 per kilowatt, while in the distribution charge with metering charge it was constant at P2.48. This means, Mme. Speaker, Mr. Sponsor, that the distribution charge is constant, which means that at any time it cannot be lower than P2.48, while the other components are variable. This is something that must be examined properly.

And then, Mme. Speaker, I also found out that the consumers are also paying 75 percent of the franchise tax which, to my mind, is not quite proper because, first of all, it was Meralco which applied for the local tax. Why is it that 75 percent of that local tax is supposed to be paid by the consumers? Eto pa po iyong wala sa hulog, Mme. Speaker, Mr.

Sponsor. Iyon pong system loss, alam naman po natin, kuryenteng nawawala, pero bakit po iyong isang bagay na nawala o nawala na, bakit po binubuwisan pa at binabayaran po ng consumer? So, ito po iyong pino-point out natin, Mme. Speaker, kasi, masyado naman po yatang imposible, isang bagay na nawala na, e, ita-tax pa. Alam ko po nasa batas natin iyan, pero palagay ko papayag naman ang ERC kung i-amend po iyong Republic Act No. 7832 para sa ganoon mawala na iyong system loss.

Ang isa pa pong nakababahala na sana'y matingnang mabuti ng ERC, Mme. Speaker, ito po iyong tinatawag nating "Retail Competition" at saka iyong "Open Access". Ito po kasi napakaimportante sapagkat nasa batas naman ito. Kung halimbawa po ibaba na ng ERC iyong threshold, sa ngayon po kasi, iyong "Retail Competition" and "Open Access" 500 kilowatts po iyon. Pero over 20 years na po magmula noong maipasa natin ang EPIRA, ito pong isang napakaimportanteng instrument na inilagay sa batas na makapagpapababa po ng taripa, ng presyo ng kuryente ay hindi po nabibigyan masyado ng atensyon. Dahil kapagka po kasi nakagawa na ng paraan at tayo ay pumalaot na doon sa tinatawag nating "contestable market", naniniwala po ako maibababa natin ang presyo ng kuryente dahil iyong mismong mga subdivisions o iyong mga industries na nakagagamit ng sapat na kuryente, ang threshold naman ay 500 kilowatts lang, makapamimili sila, Mme. Speaker, noong retail supplier nila. Samakatuwid, kakalas sila doon sa traditional na supplier nila. In one particular case, halimbawa, iyong subdivision po ni Congressman Dalipe, the sponsoring Member, kung makita po nila na ang total consumption ng kanilang subdivision ay more than 500 kilowatts, they can already request for a retailer ng electricity. At kung mapapansin po ninyo sa website mismo ng ERC, tiningnan ko rin po, Mme. Speaker, ang average po na generation charge is only P3.66. Kung ikukumpara sa ni-review ko na generation charge mahigit po na P4.59, ang laki po talaga ng matitipid.

Mayroon pa rin pong provision sa aggregation nakalagay po sa batas natin, ito naman ang threshold ay 750 kilowatts.

Iyong mga adjoining communities po, Mme. Speaker, Mr. Sponsor, pupuwedeng mag-avail din po sila noong – pero wala pa pong rules ng aggregation ang ERC kaya hindi po tayo napupunta roon. Ang totoo po, Mme. Speaker, Mr. Sponsor, ang batas po natin is eventually aiming hanggang doon sa household level. Hindi po tayo makakarating doon Mme. Speaker, Mr. Sponsor, kung iyong threshold natin mananatili pong nandoon sa 500, 750, ganoon po. At ito pa po, noon pong May 21 hanggang January 1, this year, nagkaroon po tayo ng pagnipis ng supply, ipinangako po ng ERC na tutugaygayan nila o susubaybayan, iimbestigahan kung sino po iyong maaaring nagkaroon ng pagkukulang, maaaring may sabwatan. Kasi kanina po naririnig ko napag-uusapan naman, malaki naman po iyong operating margin natin eh. Kung talaga pong iyong mame-maintain natin iyong operating margin at saka iyong dependable energy na sinasabi ng ERC, palagay na lang natin mag-a-average tayo ng 3,000 megawatts per month, kahit na po siguro – maliban na lang kung talagang mayroong sabwatan para mailugso po iyong 3,000 megawatts na operating margin, mangangailangan po tayo ng katapat na bilang ng mga generating plants para numipis at mawala po iyong supply na iyon.

Ang mangyayari po noon, lalong-lalo na po kung malalaking generation companies ito na kinabibilangan ng mahigit sampung generation plants, ipagpapahinga lamang po iyong kalahati, iyong lima, mawawala na po iyong operating margin natin. Nakapagpahinga na iyong kanilang mga makina, makapagsa-submit pa po sila ng bid sa WESM na iyong approved cap naman po is P32.00. Historically nakita po ninyo, hindi ko nga po malaman, Mme. Speaker, bakit naman po P32.00 kasi iyong cap ninyo, bakit hindi P19.00, bakit hindi P15.00. Samakatuwid, ang – puwede pong mangyari ito eh, Mme. Speaker. Iyon pong unannounced, deliberate, unplanned outages, puwedeng gawin ng isa o dalawang malalaking power plants, Mme. Speaker. At pagkatapos sila pa iyong makikinabang sapagkat kapag numipis po iyong supply pagbibigyan sila ng WESM, makakapag-submit sila ng bid P32.00 per kilowatt hour.

Sino po ngayon ang tatawaan dito? Iyon pong mga consumers po natin. Iyon po sana iyong titingnan nating mabuti total kayo naman po iyong regulator. At ang mamamayang Pilipino naman po umaasa sapagkat nasa tuntunin naman po noong batas na ginawa natin para diyan kung hindi po ako nagkakamali, Section 2, paragraph J noong EPIRA, binabanggit po ito, Mme. Speaker, "To establish a strong and purely independent regulatory body and system to ensure consumer protection..." Napakaimportante po noon. A strong and purely independent regulatory body. Iyon lamang po kasi ang kailangan para matugunan po natin ang hinihingi ng batas na proteksyon para sa ating mga consumers. Kasi po, Mme. Speaker, Mr. Sponsor, in the case of NASECORE vs. ERC, et.al. G.R. No. 226443, in orderan po ang ERC to determine, among others, "the parameters whether expenses that are not directly and entirely related to the operation of a distribution utility shall be passed on wholly or partially to consumers, all to the end that electricity shall be provided to consumers 'IN THE LEAST COST MANNER', in accordance with this Decision". Ito pong salitang "in the least cost manner", Mme. Speaker, Mr. Sponsor, ito po iyong hindi natin masyadong nabibigyan ng atensyon. Paano po mapaniniwala ang ating mga consumers na iyon pong napo-produce na kuryente, na iyon naman po ang binabayaran nila, ay talagang nanggaling sa proseso na ang pinaka-parameter ay "the least cost manner"? Wala po kasing nababanggit at hindi rin naman po kasi napatutunayan pa kung talagang iyong salita na iyon na "in the least cost manner" ay ito po talaga ang nagaganap.

Mme. Speaker, gusto ko pong ipaalam sa inyo na binanggit— ni-review ko rin po iyong net income ng Meralco, isa sa leading distribution companies sa ating bansa, ang revenues po niya, 2018, is, P304.5 billion, in billion pesos; to 2019, P318.3 billion; 2020, nag-pandemic po, P275.3 billion; pero itong first half po ng 2021, umabot na po iyong revenue, P149.1 billion. Kalahating taon pa lamang po ito, at tingin ko, aabutin niya iyong pre-pandemic figure. Ang net income po niya, 2018, P23 billion; 2019, P23.8 billion;

2020, P16.3 billion; first half po ng 2021, nasa P11.4 billion.

Ito po iyong gusto kong iparating sa ating lahat, iyong return on equity po niya: 2018, 28 percent; 2019, 28 percent; 2020, 21 percent. Sana po makita ng ERC sapagkat doon po sa ERC Case No. 2017-060, ERC allowed Meralco a cost or return on equity of 13.65 percent only. Ito po ay sarili ninyong direktiba. Kung 13.65 percent lang ang return on equity, bakit dito po sa kanilang financial statement, ang kanilang return on equity, umabot ng 28 percent? Ibig sabihin, dumoble pa po doon sa parametro na ibinigay ninyo. Binabanggit ko po ito, Mme. Speaker, Mr. Sponsor, kailangan po natin ng isang malakas and independent regulatory commission para lahat po noong isinasaad ng batas na iyon, matunton sapagkat nakalagay din po doon ang kaparaanan para maibaba natin ang kuryente. Napakarami po kasing factors, Mme. Speaker, katulad po na lang iyong ginagamit nating pangkatong, iyong fossil fuel. Fossil fuel natin, oil, iyong coal natin, natural gas, 90 to 95 percent nito po ang ginagamit ng ating mga generation companies.

Mme. Speaker, sana po ay masabi man lang ng ERC sa kanilang mga report na nababantayan nila sapagkat ito, long term po ang kanilang ginagamit sa pakikipag-kontrata sa mga fuel companies, makakapag-hedge po sila, at ito ay dependent din sa volatility ng foreign exchange. Samakatuwid po, kapag tumaas ang foreign exchange o kaya ay tumaas ang presyo ng fossil fuel, coal man iyan o oil, itataas po nila kaagad iyong rate ng kanilang pagsingil sa kuryente. Pero sino po ba ang nagsasabi o sino po ba ang nag-i-imbetiga na baka naka-hedge naman sila? So, imbes na— hindi ko po alam kung sino sa ERC, anong section sa ERC ang matamang nagbantay doon sa kontrata nila, the long-term contracts sa mga suppliers nila, para sa ganoon ay nababantayan nating mabuti po alang-alang po sa kapakanan ng ating mga consumers. Marami pa po sana ito, Mme. Speaker, Mr. Sponsor, kaya lang naipangako ko na maging maiksi lamang, bagama't napakahirap na pagtatanong— mula sa pagtatanong ay ima-manifest ko na lamang. Gayunpaman, nagpapasalamat pa rin po

ako sa ibinigay na pagkakataon. Maraming salamat, Mme. Speaker, Mr. Sponsor.

REP. DALIPE. Mme. Speaker. Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Yes, please proceed.

REP. DALIPE. Thank you, Mme. Speaker. Mme. Speaker, Mr. Senator, distinguished colleague, this Representation shares the same sentiment as expressed by our colleague. We admire his concern for our consumers. I know that with his advocacy, truly, we will have a strong and independent regulatory body. Rest assured, I can see it, Mme. Speaker, mas liliwanag ang buhay ng mga Pilipino with the distinguished Gentleman from SAGIP Party-List, the Hon. Rodante Marcoleta. We are with you, this Sponsor is with you, and together we will be bringing a brighter future to our Filipino people.

Mme. Speaker, distinguished colleague, maraming salamat po.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BOLILIA. Mme. Speaker, I move for the recognition of Rep. Sergio C. Dagooc of Party-List APEC for his interpellation.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Dagooc is recognized to interpellate the good Sponsor.

REP. DAGOOC. Thank you, Mme. Speaker. Thank you, distinguished Sponsor, and esteemed colleagues in the plenary and joining in the Zoom, as well as to the Department of Energy, the ERC, and other attached agencies.

Mme. Speaker, may I ask the distinguished Sponsor if he will yield to some clarificatory questions on the agencies being deliberated?

REP. DALIPE. Yes, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, Mme. Speaker. Thank you, distinguished Sponsor.

Dugtungan ko na lang iyong kanina, manifestation ni Senator Marcoleta – ni Deputy Speaker Marcoleta, in relation doon sa mga bayarin. This is relative to the assurance of the Department of Energy on the availability of back-up power, as well as, during the interpellation of the Deputy Minority Leader Kaloi Zarate, they are giving assumptions kung ano iyong capacity na puwedeng mawala. Ang itanong ko lang, Mme. Speaker, G. Sponsor, ano iyong ginagamit na assumption ng Department of Energy doon sa possible unplanned outage ng mga planta? Ano ang basis noong capacity na iyon na magkaroon ng possible unplanned outage?

REP. DALIPE. Mme. Speaker, distinguished colleague, iyon pong projection na iyon ay derived po sa historical data. So, based on the past three years, iyon po iyong basehan. So, the Department of Energy looked at the figures, last year, the previous year and – actually five years po, the figures for the last five years, and that is where the Department of Energy derives its data, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, Mr. Sponsor, Mme. Speaker.

Ang historical data lang po ba ang nagiging basis ng Department of Energy, for the last five years? Hindi po ba nila isinama na i-identify ano iyong mga planta, historically, na nagkakaroon ng unplanned outage? Kasi magkaiba po iyong capacity na nawala at saka iyong planta. If that is five years, pare-pareho ho bang planta o iba-ibang planta, Mme. Speaker, distinguished Sponsor?

REP. DALIPE. Well, iyong historical data naman, isa lang iyon. But there is another factor which the Department of Energy concedes which is the history and the age of the plant. So, with that, that is also taken into consideration to come up with the projection, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you.

I hope that is true, Mme. Speaker, distinguished Sponsor, because if hindi po nila kinonsider iyon, may I recommend,

Mme. Speaker, distinguished Sponsor, naito consider po nila iyon. Kasi double whammy po ang effect niyan sa ating economy at sa ating mamamayan. Narinig ninyo kanina, sinabi po ng Energy Regulatory Commission na nagpataw sila ng P16 million na penalty doon sa mga erring GenCos. However, hindi po mairerefund iyong P16 million na iyon sa mga nagbabayad kasi tuwing nagkaroon ng unplanned outages, tumataas po ang generation cost sa ating Wholesale Electricity Spot Market. I share the sentiment of the Deputy Speaker, at matagal ko na po iyong tanong, bakit P32 ang cap, noon P62 yata 'yan noon, naibaba ng P32. But still bakit P32, hindi actual cost no'ng planta. Kasi what we are trying to advocate is that, dapat 'yong actual cost no'ng planta. Kung coal-fired iyan, may presyo naman ang ERC n'yan, dapat iyon 'yong presyo. Hindi iyang cap na nasa Wholesale Electricity Spot Market.

So, ngayon binabayaran po ng mamamayan natin iyan pero mapupunta po sa National Treasury iyong penalty. Kaya I am recommending to the Department of Energy na tingnan ng maigi iyong mga planta na iyan, iyong paulit-ulit na lang, baka huwag na nating isama doon sa mga planta na ano, na pupuwedeng mag-supply. Tanggalin na natin para hindi talaga magkaroon ng pagkakataon na magkaroon pa ng spike 'yong ano. That is one. To my second point, Mme. Speaker, G. Sponsor, as submitted to me by the Department of Energy upon my request doon sa Philippine Energy Plan, which I am very appreciative of the Department of Energy for their timely submission, nakikita ko rito na isa sa mga programa nila ay para ma-attain, which is the subject of my interpellation in the budget briefing, ma-attain iyong Philippine Energy Plan which is also anchored on the Philippine Development Plan, ang vision natin 2040, iyong policy reforms to promote competition and encourage investment in the energy sector. For the last five years ba, Mme. Speaker, G. Sponsor, mayroon na bang pag-uusap dito sa investment natin sa energy sector particularly sa generation sector, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, distinguished

colleague, we maintain projected and indicative projects in the pipeline, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Mme. Speaker, G. Sponsor, nakakamit po ba ng Department of Energy iyong kanilang mga targets doon sa Philippine Energy Plan? Kasi, napakaimportante po noon para sa ating Philippine Development Plan, knowing that energy plays a vital role in our economic growth and development, Mme. Speaker, G. Sponsor.

REP. DALIPE. Mme. Speaker, distinguished colleague, so far, okay naman, natutupad naman, pero, kung may nahuhuli, mayroon naman po ang Department of Energy na catch-up plan na para doon sa mga hindi na nasusunod or nahuhuli sa Philippine Energy Plan, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, distinguished Sponsor, Mme. Speaker.

Can the distinguished Sponsor mention specific plans and programs geared toward the attainment of the Philippine Energy Plan, particularly in the area of investment in the energy sector, especially in the generation sector, Mme. Speaker, distinguished Sponsor?

REP. DALIPE. Well, the Department of Energy would like, Mme. Speaker, distinguished colleague, the Department of Energy can state that the Wholesale Electricity Spot Market in Mindanao is one, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Mme. Speaker, distinguished Sponsor, the establishment of WESM Mindanao maybe, cannot be considered part of the program of enticing investors in the energy sector, particularly in the generation, Mme. Speaker, distinguished Sponsor. Kasi, clearly, the law of supply and demand dictates the price. Kaya, kailangan natin ng maraming planta aside na maiiwasan natin iyong mga blackouts, maiiwasan din natin iyong pag-spike ng presyo tuwing nagkukulang iyong supply kaysa demand. So, under the proposed budget of the Department of Energy, alam ko may mga budget intended doon sa mga

departments nila or section na nagtatrabaho para sa investment promotion. So, anu-ano po ba iyong mga programa para malaman ng ating mga kababayan kung iyong pondo na ginugol doon ay nagkaroon ng magandang balik doon sa ating mga mamamayan, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, the Department of Energy, through its Investment Promotion Office, implements iyong EVOSS. At, iyong mga nagawa na is: one, mayroon na po iyong Green Energy Auction; pangalawa, iyong Green Energy Option; at, iyong pangatlo, iyong Energy Efficiency Law.

So, these, Mme. Speaker, distinguished colleague, will be the one to encourage more investments, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you. Thank you, Mme. Speaker, distinguished Sponsor.

Tama po iyong mga program na iyon. Sana po ay mapalakas pa natin iyong mga programa na iyan. I agree with the Department of Energy that those are the programs that need to be strengthened and religiously implemented by the Department using the budget na hinihingi nila particularly for next year. Sana po magagawa ng Department of Energy ang mga programa na iyan kasi talagang may kakulangan tayo diyan sa area na iyan.

Finally, on the part of the Department of Energy, Mme. Speaker, distinguished Sponsor, kasama po ba sa i-implement ng Department of Energy for 2022 and onward iyong rationalization of Universal Charge for Missionary Electrification sa off-grid areas, Mme. Speaker, distinguished Sponsor?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, part po iyon ng programa at pinag-aaralan, Mme. Speaker.

REP. DAGOOC. Mme. Speaker, distinguished Sponsor, I would just like to manifest that as far as that program is concerned, that needs to be carefully studied because that would affect the generation cost in the off-grid areas. Ang mga tao na nakatira rito ay kulang na nga sa mga serbisyo ng

gobyerno dahil malayo sila sa kabihasanan, ngayon nasa batas po iyan, Section 17 ng EPIRA, at tatanggalan pa natin sila, ay that is unfair to the people living in these areas and that could affect the economic growth of these areas and the investment climate in these provinces. Most of these provinces that will be affected with that program belongs to the poor provinces of the country. Hindi ko na po kailangan ng sagot diyan.

Finally, may I ask, Mme. Speaker, G. Sponsor, would the Department of Energy support our move that Section 47 of EPIRA be amended to authorize or allow again the National Power Corporation to engage in generation to supply our ancillary requirement? Would the Department of Energy support that endeavor, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Department of Energy supports that proposal.

REP. DAGOOC. Thank you, Mme. Speaker, G. Sponsor, because the ultimate objective of that is to ensure na mayroon tayong ancillary na hindi kontrolado ng pribado. Mayroon tayong ancillary services provider na pag-aari ng gobyerno. We will discuss that at the proper time.

Now, may I go to the Energy Regulatory Commission, Mme. Speaker, G. Sponsor. Totoo po ba, Mme. Speaker, G. Sponsor, doon sa opening statement mo na the proposed budget of the Energy Regulatory Commission is only P586 million for the year 2022, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, distinguished colleague, yes po, iyong proposal ng Energy Regulatory Commission ay P969 million, and as approved by the Department of Budget and Management naging P586.52 million siya, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, Mme. Speaker, G. Sponsor. Samakatuwid po, malaki po ang binawas ng Department of Budget and Management sa pondo na hinihingi ng Energy Regulatory Commission. Mme. Speaker, G.

Speaker, tama po, I agree with DS Marcoleta na ang dami po dapat kailangang bantayan ng Energy Regulatory Commission. Iyong movement po ng fuel cost natin, variable very clear po tama rin siya na hindi po nagbabago iyong distribution. Ang may problema lang po tayo iyong generation, transmission, nagkakaroon ng variable because of the fuel cost. Pero may I ask, Mme. Speaker, G. Sponsor, kumpleto po ba ng mga lawyers, engineers and other professionals ang department—ang Energy Regulatory Commission para magampanan po ang kanilang tungkulin na inatang sa kanila ng Republic Act No. 9136, Mme. Speaker, G. Sponsor?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, kulang pa po. In fact, the other plantilla positions have not been filled up, iyong mga iba po nagre-resign pa kasi syempre naghahanap po ng greener pasture. If you compare the salary in the private sector with the Energy Regulatory Commission, malayo po, syempre mas mababa po ang sweldo sa loob po ng ERC compared sa private sector, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, distinguished Sponsor, Mme. Speaker. (*Inaudible*) distinguished Sponsor, would you agree with this Representation na kung ikaw ay sundalo at ipinadala ka sa giyera at binigyan ka ng baril wala namang bala, would the distinguished Sponsor agree with this Representation na less ang magagawa mo kung karate lang ang gamit mo versus bala, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, distinguished colleague, yes po. Whatever support that has to be given or has to be provided should be there for an agency or for a soldier to effectively do his job and accomplish his or her mission. So, I agree, Mme. Speaker, with the good Gentleman from APEC Party-List that there is really a need for an additional support, and in this case, additional funding for effective implementation of programs, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, distinguished

Sponsor, Mme. Speaker, for the very candid answer and I—nagkakaisa po tayo sa paniniwala na malaki po ang papel na ginagampanan ng Energy Regulatory Commission doon sa Philippine Energy Plan ng Department of Energy. Hindi po nila makakamit iyon, hindi natin makakamit iyong reliability of supply, least cost na isinasaad ng EPIRA kung kulang po iyong bala ng Energy Regulatory Commission dahil nade-delay po iyong mga transmission projects na inaano ng Department of Energy, distribution kasi ipa-file po iyon, Mme. Speaker, G. Sponsor, as CAPEX projects sa Energy Regulatory Commission. Kapag kulang po sila, iyong mga power supply agreement ay nire-review po iyan sa Energy Regulatory Commission. Pag kulang po sila ng mga lawyers, mga technical personnel, nade-delay po iyon hanggang maabutan na mag-expire iyong mga kontrata at ang resulta po noon ay tataas po iyong presyo ng generation cost. I would like to emphasize the generation cost of that distribution utility being affected. Kasi, mae-expose po siya sa Wholesale Electricity Spot Market doon sa kanyang capacity na ikontrata na hindi pa magiging implementable dahil nakabinbin sa ERC.

So, with that, Mme. Speaker, G. Sponsor, I hope that you are one with this Representation in seeking and appealing to the leadership of the House. Kahit man lang i-restore natin iyong para sa budget ng personnel services, sa mga consultants, lawyers, na kailangang kailangan ng ERC para magampanan lahat noong mga mina-manifest ni DS Marcoleta, tama po lahat iyon. But in order to safeguard the interest of the public, kailangan po nating bigyan ng bala ang Energy Regulatory Commission. Will the good Sponsor, Mme. Speaker, agree with me and help this Representation to that effect, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Sponsor agrees 100 percent to the proposal of our distinguished colleague na kailangan po dagdagan. I am with you and together, hopefully, we will be able to help the Energy Regulatory Commission, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, thank you, distinguished Sponsor. In the last three years that you have defended the budget of the energy family, you were always supportive of our advocacy. So, we thank the good Sponsor to that. Sa halos magtatatlong—last budget hearing ko na ito, I really appreciate the support of the good Sponsor during budget deliberation.

Now, Mme. Speaker, G. Sponsor, my last question to the Energy Regulatory Commission. Totoo po ba iyong nasa mga pahayagan na mag-i-increase po ng rate ang mga electric cooperatives sa Negros at Iloilo area, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Energy Regulatory Commission has already ordered those from Negros and Iloilo to stop that rate increase. So, rest assured na hindi po matutuloy iyon kasi may order na, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Mme. Speaker, G. Sponsor, lilinawin ko lang ang katanungan ko baka hindi tayo nagkaintindihan, totoo po ba na nagpataas ng presyo ng kuryente ang mga electric cooperatives sa Negros at province of Iloilo, G. Sponsor, Mme. Speaker?

REP. DALIPE. Yes, pinataas po, Mme. Speaker, pero the ERC has already issued a stop order to that.

REP. DAGOOC. Ganito na lang, Mme. Speaker, G. Sponsor, bakit po tumaas ang presyo ng kuryente sa mga lugar na nabanggit ko? Is it the electric cooperatives who increase the rates or there are factors that affect the increase in the rate which are not attributable to the electric cooperatives, Mme. Speaker, G. Sponsor?

REP. DALIPE. Yes po, kung may increase naman po doon sa Negros-Iloilo area, hindi po iyon sa distribution, other factors, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Can the distinguished Sponsor, Mme. Speaker, state specifically what is the reason behind the increase in

generation? May I emphasize the generation cost of electricity in those areas that I have mentioned. What is the specific factor or situation that triggers that increase, Mme. Speaker, G. Sponsor?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, isa po iyong pag-damage po sa Negros-Cebu submarine cable of NGCP. It was reported to be damaged due to the dredging activities undertaken by the Department of Public Works and Highways during its conduct of an amphibious dredging at the mouth of Bio-os River in Barangay Amlan, Negros Oriental.

REP. DAGOOC. Thank you, Mme. Speaker, G. Sponsor.

So, ang ibig sabihin po, it is unfair for the electric cooperatives now being dragged as the ones increasing the rates in those areas. So, may I ask, Mme. Speaker, G. Sponsor ...

Mme. Speaker, my apologies. My apologies, because of my Internet problem. Can I continue, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Yu). Yes, please proceed.

REP. DAGOOC. This is a very important issue, Mme. Speaker. Kailangan kong tapusin. Thank you, Mme. Speaker, G. Sponsor.

May I ask, Mme. Speaker, G. Sponsor, ano po iyong existing rules ng Wholesale Electricity Spot Market sa ngayon that trigger the increase in the generation cost because of that submarine cable problem? (*inaudible*) Mme. Speaker, G. Sponsor?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, we can state that iyong isa pong nagpataas ay iyong rules on congestion cost and line rental, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Thank you, distinguished Sponsor.

Kanino po iyong rules, Mme. Speaker, G. Sponsor, sino po ang nag-issue ng rules na iyan, Mme. Speaker, G. Sponsor?

REP. DALIPE. Well, iyong rules na iyon ay—WESM Rules issued by the Department of Energy, Mme. Speaker, distinguished colleague.

REP. DAGOOC. Mme. Speaker, G. Sponsor, if that is the case, may I manifest that the concerned government agency must amend these rules. Imagine, hindi naman po kasalanan noong mga consumers. Halimbawa, may mangyari rito sa Mindanao, interconnection, the good Sponsor is a Mindanaoan. Ngayon, kung ma-interconnect na iyong Mindanao and Wholesale Electricity Spot Market will be implemented, 'pag naputol iyong submarine cable natin, magkakaroon tayo ng line congestion, tatamaan iyong mga taga-Mindanao. So, I think, the rules should only penalize those who caused the problem. Kaya, I would like to manifest for the record, Mme. Speaker, distinguished Sponsor, sana po matanggap—kita mo ngayon, the Energy Regulatory Commission issued an order to stop the PSALM, the WESM, from increasing the rate because of line congestion, ay hindi pala natin ma-resolve, kanino mapapunta iyong penalty on line congestion? Mahaba pong usapan ito, Mme. Speaker, G. Sponsor. It is not proper na dito ko i-discuss. Pero, marami pong problem iyong rules na iyan. Dalawang taon ko na po paulit-ulit iyan, iyong WESM Rules na iyan na i-review dahil po napaka-unfair po na kung magkaroon ng line congestion, tataas iyong generation cost, ang penalty hindi mo malaman kung kanino pupunta iyong binabayad ng mga consumers. At ang magiging ano po doon, ang sisihing ng tao ay iyong distribution utilities na siyang nangongolekta.

Again, I would like to reiterate to the Department of Energy and the Energy Regulatory Commission to kindly amend these rules na maging patas po sa lahat. For the Napocor, Mme. Speaker, G. Sponsor, may I just ask President Marcos of Napocor kung magkano po ba iyong MEDP natin na budget at ilan pong megawatt iyong capacity addition natin sa off-grid, Mme. Speaker, G. Sponsor?

THE DEPUTY SPEAKER (Rep. Yu). Before the Sponsor answers, I would like to

remind Honorable Dagooc that your time is up already.

REP. DAGOOC. I am winding up already, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Thank you.

REP. DAGOOC. Anyway, in the interest of time, Mme. Speaker, may I just request Napocor, through President Marcos of Napocor, to submit to the office of this Representation the MEDP, as well as the additional capacity of the off-grid under the 2022 Budget, Mme. Speaker, G. Sponsor.

REP. DALIPE. Mme. Speaker, distinguished colleague, no worries. The National Power Corporation with its President, President Marcos, will be providing the distinguished Gentleman from APEC Party-List the information that he requires. We will forward it to him at the soonest possible time, Mme. Speaker.

REP. DAGOOC. Thank you, Mme. Speaker, G. Sponsor. So, I would like to manifest formally my support to the budget of the Department of Energy and its attached agencies, particularly, the Energy Regulatory Commission and the Napocor budget for the MEDP. Thank you, Mme. Speaker. Thank you, distinguished colleague and Sponsor, thank you, thank you.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BOLILIA. Mme. Speaker, I move that we recognize Rep. Ferdinand Gaité of BAYAN MUNA Party-List for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Gaité is recognized to interpellate the Sponsor.

REP. GAITE. Salamat po, Mme. Speaker. Isa muling magandang araw sa ating mga kasamahan, mga kapita-pitagang kasamahan sa Kongreso, at ang ating kagalang-galang

na Sponsor, at gayon din ang pamilya ng ating Department of Energy, kasama ang ERC. Pahihintulutan ba na masagot ang ilang katanungan hinggil sa pino-propose na mga programs at gayon din ang budget at ang performance ng DOE sa pagkakataong ito, Mme. Speaker, Mr. Sponsor?

REP. DALIPE. Yes, Mme. Speaker, our pleasure.

REP. GAITE. Salamat po.

Ang Electric Power Industry Reform Act na ipinasa noong 2001, under R.A. No. 9136, ang isa sa mga layunin nito ay tiyakin na ang kabuuang programa ng ating bansa sa usapin ng enerhiya ay makatulong sa ating mga mamamayan at ang mga una nating tagapag-salita ay binanggit na iyong high cost of energy sa ating bansa ay isa sa mga gustong lunasan, supposedly, ng EPIRA Law. At ang isang dahilan kung bakit rin mataas ang kuryente ay dahil sa monopolyo na nag-e-exist sa industriya. Kung kaya't ang Department of Energy ang nagtitiyak na mayroon tayong magandang programa sa power generation, mayroon tayong kabuuang programa sa healthy energy mix na tumutugon rin sa problema ng ating suliraning pandaigdigang, iyong climate change, pati na rin iyong sa usapin ng paano pinatatakbo ang industriya sa ating bansa and, supposedly, one of the agencies under the — na ngayon po'y nagpresent ng budget ay, iyong ERC, is "to promote competition, encourage market development, ensure consumer choice, and penalize abuse of market power in the restructured electricity industry". So, essentially, gusto pong basagin iyong monopolistic character ng industriya ng kuryente. Kaya't, essentially po, iyon po iyong lalamanin ng aking katanungan dahil, sa pananaw po ng Kinatawagang ito, sa halip na mabasag iyong monopolyo ay nagkakaroon ng re-concentration doon sa sources sa iba't ibang sector patungkol sa enerhiya. At sa halip na matugunan ang layunin na basagin ang monopolyo para mag-redound into benefits ng ating mga mamamayan ay tila kabaligtaran ang nangyayari.

Partikular na gusto ko pong tanungin ay itong sa Malampaya na nagde-develop

ng natural gas na para sa pangangailangan ng ating bansa sa enerhiya at iba pang mga pangangailangan. Ayon sa United States Geological Survey, nag-i-indicate about 60-70 percent doon sa West Philippine Sea ay mayroong hydrocarbon resources na gas. Samantala, iyong natural gas usage sa region ay tumataas ng 5 percent taon-taon for the last two decades, faster than any other fuel. At tinatantiya na aabot sa 20 trillion cubic feet per year ang magiging demand. Ang gas consumption ay maaari pang tumaas kung additional infrastructure ay maitatayo.

Unang tanong po, sa kalagayan na agresibo ang Tsina sa pagtatayo ng mga infrastructure dito sa ating exclusive economic zone sa West Philippine Sea na nagreresulta sa mataas na demand sa enerhiya, hindi kaya disbentahe sa bansa natin ang pagkontrol ng isang kilalang malaking negosyante, si Dennis Uy, sa Malampaya, gayong alam naman natin na ang kanyang negosyo at mga proyekto ay may kaugnayan sa mga kompanyang pag-aari ng Tsina. To note, on February 28, 2019, pumasok ang PNOG at Phoenix Petroleum Corporation ni Dennis Uy at China National Offshore Oil Corporation-Gas & Power Group Co. Ltd. sa isang MOU o Memorandum of Understanding para sa investment sa isang Tanglawan Philippine Liquefied Natural Gas Inc. sa Batangas, among others. Ang CNOOC ay isang state-owned company ng China, at ang Phoenix naman ay pag-aari nila — majority owned by Dennis Uy.

Hindi ho ba sa halip na mabasag ang — well, una, doon sa usapin ng soberanya ng ating bansa na dapat nga ina-assert natin na iyong interes ng Pilipino ang mauuna rito sa West Philippine Sea, lalo na rito sa may mga resources ng natural gas. And yet, ang pagkaintindi ko rito parang we are sleeping with the enemy. Kasi, ka-partner pa nga natin ng isang Pilipino, na on the other hand, ang problem ay iyong problema pa rin ng monopolyo, which we are trying to resolve because mahalaga itong resources dito. Based sa data, 30 to 40 percent, hindi ko na alam kung iyan ang eksaktong figure ngayon, ang nagsu-supply ng natural gas para sa energy requirements ng Luzon grid pa lamang at iyong potential nito ay maaaring mas malaki

pa. Bagama't sinasabi pababa na ang available na makukuha sa Malampaya, but, malapit dito, malapit lang sa area ngayon na minimina ay may mga potential areas pa for mining this natural gas.

So, Mr. Sponsor, Mme. Speaker, ano ho ba ang tingin ng ating Sponsor dito? Hindi ba lalong magkakaroon lamang ng, una, bangga sa ating interes, sa ating soberanya na mismo ang Tsina ay involved sa mining. Ikalawa, iyong monopolyo ng industriya ng langis, na sa halip na lumawak o mag-expand ang ownership ay ganoon pa rin, mapupunta sa kamay ng iilan, Mr. Sponsor, Mme. Speaker.

REP. DALIPE. Mme. Speaker, distinguished colleague, as of today wala pa pong involvement ang China sa exploration. So, more or less, we can say that it is purely speculative. So, the Department of Energy can assure the distinguished Gentleman that as of today wala pa po.

REP. GAITE. Thank you, Mr. Sponsor. Thank you, Mme. Speaker.

But it begs the question, bakit noong 2019 nagkaroon ng kasunduan ang Pilipinas at China sa isang joint gas exploration sa West Philippine Sea. Hindi ba iyon na iyong direksyon? Ito ay isasagawa ng PNOOC at ng CNOOC, at ang direksyon, eventually, bagama't sinasabi ninyong wala pa, for now, but eventually, hindi ba iyon ang direksyon? So, why would we have a joint gas exploration agreement with China kung hindi ang direksyon ay makasama ang Tsina rito sa pinagtatalunan natin ngang West Philippine Sea, Mme. Speaker. Kung itong joint gas exploration between Philippines and China, ano na nga ba ang status nito? Mayroon bang identified na locations? Kasi dati po, tinitingnan ko iyong data, there were one, two, three, four, five service contracts existing – service contracts 54, 58, 59, 72 and 75. I do not know kung mayroon pang na-identify na bagong areas. Pero, ang point, hindi ho ba iyon 'yong direksyon? Hindi ho ba iyon ang ultimate objective, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished

colleague, so far, ang nangyari lang is, iyong memorandum of agreement – memorandum of understanding. So, sa MOU na iyon, iba naman po iyong undertaking nila, it is for marine resources, and for others. So, so far, hindi po natin masasabi na mayroon na. So, as of now, it is still a memorandum of understanding.

REP. GAITE. Thank you, Mr. Sponsor, Thank you, Mme. Speaker. So, ganoon pa man, bagama't wala pa, naniniwala ho ang Kinatawan na ito na ang direksyon na ating tinutungo ay essentially, sa haba ng ano daw ay doon rin ang uwi, sa altar rin daw ang uwi. And we are very much concerned dahil iyong key players in this memorandum of understanding ay marami na pong nire-raise na mga concerns hindi lamang po ang Pilipinas, even this, itong CNOOC which was already blacklisted by the United States dahil nga iyong kanilang pagbu-bully sa mga ibang kumpanya, sa mga ibang bansa rito sa West Philippine Sea ay noted na ng Estados Unidos. Kung kaya't kahit iyong kanilang operations sa iba't ibang bansa ay ano na, nire-red flag na nila. Nevertheless, papasok naman tayo doon sa role ng pag-aari na mga kumpanya ni Dennis Uy. Tama po ba na noong November 29, nabili ni Dennis Uy ng Phoenix Petroleum ang 45 percent stakes ng Malampaya mula sa Chevron. Tama po ba iyon?

REP. DALIPE. Yes, Mme. Speaker. Tama po.

REP. GAITE. Salamat po. Pero batay na rin sa nakuha naming impormasyon bago natapos ang taong 2019 the Phoenix Petroleum and CNOOC-GP requested a temporary suspension doon sa Tanglawan Pilipinas LNG projects days before the project's permit to proceed expires. Nangyari ito matapos mabili ni Dennis Uy ang 45 percent stake ng Chevron sa Malampaya. At napaulat din na ang dalawang kumpanya ay nagpaplano na mag-submit ng panibagong plano para i-integrate ang dalawang proyekto doon sa Malampaya at gayundin doon sa Tanglawan, Mr. Sponsor. Can the good Sponsor verify this or correct this if I am wrong?

REP. DALIPE. Mme. Speaker, distinguished colleague, wala na po iyong issue kasi it was already terminated long before. So, no worries po, Mme. Speaker, distinguished colleague.

REP. GAITE. So hindi na po ito magpo-proceed, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Yes, Mme. Speaker, distinguished colleague. Opo, hindi na po magpo-proceed.

REP. GAITE. Salamat po at panghahawakan po namin ang iyong inyong statement dahil nga po despite itong assurance n'yo ay nakikita nga po namin na iyong malalaking interes ng mga malalaking negosyante kasama si Dennis Uy sa ilalim ng kanyang Udenna Corporation doon sa acquisition niya – na nga niya noong 45 percent Chevron stakes ay tingin nga namin ay kuwestiyonable ito dahil naunang nauprabahan iyong divestment noong March 2020 bago naipasa ang kaukulang dokumento ng Malampaya share divestment noong October 2020.

Kaya po ilan lang ito sa mga nire-raise na concern ng Kinatawang ito dahil tulad ng nabanggit kanina, kung ang isang empresa o isang kumpanya effectively, kung natuloy iyong pagbili ni Dennis Uy doon sa isang bahagi pa ng kabuuang Malampaya investments, di aabot na 45 plus 45, tama ba ako? Ninety percent, tama ba iyon? So, nakakabahala dahil nababasag na iyong monopoly, at sa halip, mapanghahawakan lamang ng iilan. Isa pa hong tanong, Mr. Sponsor, Mme. Speaker. Ayon sa mga reports, may isa pang sinasabing bagong service contract itong Sampaguita gas field, Service Contract No. 72 – tama – contains “2.6 trillion cubic feet of in-place contingent resources and 5.5 trillion cubic feet of in-place prospective resources”. Lumalabas, mas malaki pa daw ito kaysa doon sa Malampaya. At sabi nga sa reports, it is touted to be the next Malampaya, at batay sa inyong ipinasang dokumento sa aming opisina na hiningi po namin, iyong Forum Limited, which is a subsidiary of Forum Energy na isang kumpanya na nakabase sa United Kingdom, ang may karapatan sa exploration dito. Tama po ba iyon, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Tama po, Mme. Speaker, distinguished colleague. Tama po, under Service Contract No. 72.

REP. GAITE. Salamat po. Pero tama rin po ba na ang 30 percent participating interest nito ay mula sa Monte Oro Resources & Energy Inc. na pagmamamay-ari ng bilyonaryong Enrique Razon Jr., Mr. Sponsor, Mme. Speaker?

REP. DALIPE. The Department of Energy does not have the data right now, Mme. Speaker, but as far as exploration is concerned, puwede naman po iyong mga foreign entity on a 100 percent, but as soon as we get the data, we will forward it, Mme. Speaker, distinguished Gentleman.

REP. GAITE. Salamat po. Actually, hindi nasagot po iyong isang tanong ko. Iyong isa sa mga participating interests dito, sinabi ko nga po, iyong 30 percent ay galing sa Monte Oro Resources & Energy Inc. na pag-aari ng isang bilyonaryo, ito nga po, si bilyonaryong Enrique Razon Jr. So, again, my point, Mr. Speaker, parang naglalaro tayo noong isang game, isang game board, ang tawag doon, Monopoly, na tila monopolyo na naman ng iilang key players sa industriya ang nangyayari, and sa halip na ma-break up natin itong monopolies na ito as stated in my original position ay hindi nabe-break up, na lalong nare-reconcentrate ang key aspects of the energy industry into the hands of the few, Mr. Sponsor, Mme. Speaker. Karugtong po ng tanong na iyon, sa same report, mayroong planong maglagay ng sub-sea pipeline sa Sampaguita gas, iyan na nga po iyong malaking gas field at idudugtong ito doon sa existing na Malampaya pipeline. Tama po ba ito?

REP. DALIPE. Mme. Speaker, distinguished colleague, the Department of Energy is not aware of any.

REP. GAITE. Okay. Salamat po, at iyan nga po iyong concern ng Kinatawang ito na dapat, ang Department of Energy ay mayroong kabuuang nakikitang paano dinidisenyo ang development ng ating energy resources lalo

na rito sa area ng West Philippine Sea para sa pangangailangan ng bayan. Hindi puwedeng bulag sila sa mga ganitong sitwasyon because, kaya I would believe, it is staring them in the eye, ibig sabihin, hindi na natin kailangan maging isang malaking—isang rocket scientist, sabi nga nila, para makita na mayroong malaking disenyong nagaganap na, ang fear nga namin, na kapag ito nga ang mangyari na iyong Sampaguita gas field ay dadaan doon sa Malampaya, existing na pipeline, ay mayroong toll gate na magaganap dahil iyon lang ang daanan. And whoever controls that toll gate, controls the supply of natural gas.

So, hindi ba dapat mas nauunang nakakapag-isip ang Department of Energy dito sa mga developments na ito para, again, kasi parang nangyayari paulit-ulit, despite the EPIRA they are always, ewan ko kung tama iyong term, “caught flat-footed”. Ibig sabihin, nalagpasan na sila noong mga nagaganap dahil hindi sila naghahanda o wala silang preparation para i-meet iyong possible contingencies and provide for certain measures to ensure—dito nga iyon sa EPIRA law, ano—para i-ensure na magkaroon ng pagtitiyak na iyong market development, iyong competition, pagbasag ng monopoly ay naisasakatuparan, Mr. Sponsor, Mme. Speaker. Ano po...

REP. DALIPE. Mme. Speaker.

REP. GAITE. Sige po, ano po iyong comment ng ating kagalang-galang na Sponsor?

REP. DALIPE. Mme. Speaker, distinguished colleague, unless may proposal po na plano ay that is the only time the Department of Energy can review it. Until such time ay hindi naman po puwedeng mag-speculate iyong Department of Energy. So, there should be an application, nandoon dapat po iyong proposal, at doon lamang po puwedeng i-review ng Department of Energy. But as of now, wala pa po. Wala pa pong maski feasibility study, so, the Department of Energy cannot speculate on that, Mme. Speaker, distinguished colleague.

REP. GAITE. Thank you, Mr. Sponsor. Thank you, Mme. Speaker.

But can we speculate? What if? What if? Na-develop nga itong Sampaguita gas field under Service Contract No. 72, at ngayon ay kailangan dalhin ang napo-produce na natural gas sa lugar na iyon patungo sa—pagkakaintindi ko, the pipeline from the Malampaya area now proceeds to—underwater, at patungo sa Batangas, kung hindi po ako nagkakamali at doon pino-process at doon nire-redistribute batay doon sa pangangailangan ng mga end users. Ganito ba ang potential? Ito iyong possibility? In the realm of possibilities, Mme. Speaker, ito ba ay posible?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, kung titingnan po natin iyong SC 72 at SC 38 which is Service Contract No. 72, and Service Contract No. 38, magkalayo po, at iyong isa pang factor doon, magkaiba ng may-ari. So, with that, magkalayo na, magkaiba pa ng may-ari, so, the conclusion, if we are going to speculate, ay mukhang malabo po, Mme. Speaker, distinguished colleague.

REP. GAITE. Salamat po. At sana ay iyong inyong speculation ay tama din. Dahil tulad ng nabanggit ko kanila, kung mako-control ng iilan na namang muli ang sources ng ating energy, lalo na itong natural gas, bagama't ito pa rin ay isang fuel—petroleum-based or fuel-based na source ng energy ay makikita natin na kailangan talagang—ang tingin ko pa nga po dapat proactive ang Department of Energy. Huwag na lamang—kapag nandyan na iyong problema or puputok na 'yong problema ay do'n pa lamang aksyon. Kaya't magandang—ito pa lang ay nagse-scenario-building na rin po tayo para iyong mismong mga ahensiya na may responsibilidad sa usapin ng enerhiya, pati iyong sources nito ay nakakapagtanda.

Tanong na lang po, mga ilan na lang po. There are talks in the energy sector that Dennis Uy will get a license extension for Malampaya gas field. A move that was denied in the SPEX and other shareholders since 2011. Itong SPEX, I believe is the Shell. Meron bang pronouncement ang DOE patungkol dito?

Kasi bali-balita po sa mga – sa energy sector na bibigyan nga ng lisensya for the extension of the Malampaya gas field. Can we have a definitive confirmation from the DOE, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleague, under P.D. No. 87, extendable po iyan for 15 years. So, maximum po iyong 15 years. So, tinatandaan na po, Mme. Speaker, distinguished colleague.

REP. GAITE. So, ang – puwedeng i-extend pero for now hindi pa. Tama ba ang pagkaintindi ko?

REP. DALIPE. Well, as of now, Mme. Speaker, distinguished colleague, pinag-uusapan pa po iyan.

REP. GAITE. Salamat po.

REP. DALIPE. Dapat po ‘yong dalawang parties agreeable, Mme. Speaker.

REP. GAITE. Salamat po.

And if Dennis Uy, again, we are in the speculation again, if Dennis Uy will be given license extension for Malampaya, sino po iyong magiging technical partner nito who will be tapped for the drilling and exploration, since we know that he used to have an agreement with the CNOOC for exploration ventures? But as I mentioned before, that company was already blacklisted by the US for bullying, which it has done to other ASEAN countries as well, not only the Philippines, pero iyong mga ibang bansa din. Pahihintulutan ba ito kung ito’y matuloy, iyong extension, iyong license extension ng – nila Dennis Uy sa Malampaya, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, Can the – can our distinguished colleague repeat it again, kasi medyo naputol siya.

REP. GAITE. Pasensya na po. Opo, napansin ko nga po nag-fluctuate na naman iyong aking Internet.

Ang tanong ko po, if Dennis Uy would be given a license extension for Malampaya, sino

po iyong magiging technical partner niya? Currently, ang kanyang technical partner, mayroon siyang agreement with CNOOC for oil exploration. Hindi ho ba batay na nga rin sa inilabas ng Estados Unidos na blinacklist na itong kumpanyang ito, pahihintulutan pa rin ba ng Department of Energy ang ganitong klaseng arrangement, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleague, yo’ng ginawa po ni Dennis Uy ay bumili ng shares. So, in reality, ‘yong SPEX people sila pa rin po iyong nando’n. Sila rin po iyong nagmamando. So, there are no changes up to now, Mme. Speaker, distinguished colleague.

REP. GAITE. Tama po iyong point ng ating kagalang-galang na Sponsor. For now, tama po. But is it possible that the condition has changed na dahil nga bumili siya ng shares, then, may say siya kung sino iyong exploration and drilling services na kanyang ita-tap, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, it is a business decision to be made by Dennis Uy. But as of – kung – if in the event he will do it, it will be subject to review by the Department. So, ire-review po iyan ng ...

REP. GAITE. Salamat po.

REP. DALIPE. ... Department of Energy.

REP. GAITE. Salamat po for that assurance, Mr. Sponsor.

Mga ilang katanungan na lang po. Ito ay patungkol naman sa current na energy mix po natin. Based sa data, please correct me if I am wrong, ang coal po – our current energy mix comprising about 23 gigawatts, tama ba ito, oo, tama gigawatts, ang coal comprise 47 percent of our energy mix; natural gas, ito nga po iyong LNG, ay 22 percent; renewable energy (hydro, geothermal, wind, solar, etcetera), 24 percent; oil-based is 6.2 percent. Pero, kanina, iyong iba nating nagtanong ay nababahala dahil malaki iyong tinatanyang demand for

the next few years. Sinasabi nga, iyong ating surplus ay posibleng sa isang iglap, dahil nga tulad ng experience natin nitong few months ago, biglang nawala iyong surplus na ito at bunga na nga rin ng mga unscheduled na maintenance, supposedly, ay sumipa nga ng pagtaas ng presyo ng binebenta na kuryente. At, iyong mga GenCos nga, sabi daw tumaas ng, during the outage, by about P10 per kilowatt-hour.

My question is, mayroon – maraming renewable energy investors interested to put up capital in our country. But, the policies such as the Renewable Portfolio Standards, accordingly, are getting delayed in their implementation. Ano ba iyong mga dahilan kung bakit nade-delay ito sa problema – in relation to the Department of Energy? According to the Renewable Portfolio Standards, ang target ng Pilipinas ay to wean away from coal and other oil-based at iyong lalaki dapat ay iyong renewable energy, from 24 percent, ang pagkaintindi ko, itataas nila to 35 percent. Please correct me if I am wrong. So, paano natin maipu-push iyong renewable energy, which according to some scientists ay ang Pilipinas ay napakayaman sa renewable energy. Mayroon tayong geothermal, mayroon tayong solar, hindi pa natin in-explore iyong tidal resources. Iyong wind resources, mayroon na pong nakatayo pero, of course, as I understand, hindi siya base load kaya hindi siya regular, ang supply nito. Pero, ang point, paano natin itutulak iyong renewable energy kung hindi naman natin pinabibilis ang implementasyon dito sa Renewable Portfolio Standards na dapat DOE, I think, is on top. Can I have some clarification on this matter, Mr. Sponsor, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Yu). Before the Sponsor answers the query, I would like to remind Honorable Gaité to wind up. Your time is up already.

REP. GAITE. Salamat po, Mme. Speaker. I am winding up.

REP. DALIPE. Mme. Speaker, distinguished colleague, binibilisan na po ng Department of Energy ang implementasyon na iyan.

REP. GAITE. Mayroon ho ba tayong timetable, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Ang target po matapos iyan is on the second quarter of 2022, Mme. Speaker, distinguished colleague.

REP. GAITE. Second quarter, 2022. Okay, sa RPS. Okay. Salamat po.

Ilang katanungan na lang po bago po ako magtapos. Sabi nga natin kanina na gusto nating pigilan iyong nagaganap na monoployo at iyong unfair practices ng mga GenCos. Nitong nakaraang outage, sumipa ng P10.00 per kilowatt-hour ang presyo ng langis. Pero, ang penalty, of course, tama na dapat i-penalize itong mga GenCos na ito, pero umaabot na ng P16 million ang penalty sa mga GenCos. On the other hand, iyong presyo ng electricity, tulad nang nabanggit ko sa spot market, ay sumipa ng P10.00 per kilowatt-hour. Eh tila mas malaki iyong kinita nila kaysa iyong pinenalize natin. Tama ba ito, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleague, ni-re-review pa po iyan ng Energy Regulatory Commission, and we will give you the information as soon as possible.

REP. GAITE. Thank you. Ito ba’y in-appeal nila o binayaran na?

REP. DALIPE. Mme. Speaker, hindi pa po iyan nababayaran.

REP. GAITE. Okay. So, hindi pa pala nababayaran despite na nakasingil na sila ng additional P10.00 per kilowatt-hour doon sa ating distribution companies. So, sana po iyong report maibigay.

Panghuli, mayroon po akong nakuhang information. Mayroon tinatawag tayong banked gas. Ano ba ang banked gas? Nakatabi, naka-park. Ang PNOC ay may 108.6 petajoules, iyon na yata ang ginagamit na measurement, na naipon na banked gas mula sa natural gas between 2002 to 2008 dito sa Ilijan Power Plant. Ito ay binayaran ng national government under a take-or-pay arrangement or scheme ng Ilijan gas sale and purchase agreement or

GSPA. Nagkakahalaga ito ng P14.4 billion. Noong 2013, binili ng PSALM o Power Sector Assets and Liabilities Management ang 4.61 petajoules sa halagang P937 million. Nitong 2015, binili ng Pilipinas Shell Petroleum Corporation ang 6.324 petajoules sa halagang P2.5 billion. Ang dami palang natitira. Ano na ang status nitong natitirang 97.67 petajoules sa kasalukuyan na magagamit sana, 'no, sa — paulit-ulit iyong sinasabing thin power supply and this can be a source. Ano na po ang status nito, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, the PNOC is currently finalizing the gas sales and purchase agreement with the buyer. Based on current discussion, the entire banked gas will be consumed by February 2027.

REP. GAITE. Twenty twenty-seven (2027), Mr. Speaker? Pakiulit po. Hindi ko po narinig, Mr. Speaker?

REP. DALIPE. February po, 2027.

REP. GAITE. Iyan po iyong target na fully ...

REP. DALIPE. Consumed.

REP. GAITE. ... mabenta. Ma-consume. Okay. Salamat po. Okay. So, natutulog na asset po ito ngayon.

Panghuli na lang po. Kasi paulit-ulit tayo doon sa problema na iyong EPIRA ang dapat nakatugon sa problema ng consumers para mapababa ang kuryente. At naniniwala ang Kinatawang ito na maraming problema iyong EPIRA na hindi natugunan which is why kailangan nito amyendahan. And one of the recent amendments, just last May, through Republic Act No. 11552, ito iyong socialized pricing for — ito nga iyong electric — iyong mga poor consumers, 'no. Nagbigay ng 50 year — extended a 50-year lifeline or subsidy for marginalized or poor consumers. Ang sabi rito 'pag less than a hundred (100) kilowatt-hours ay bibigyan ng diskwento. And tanong ko, how will you spread the discount rates, is it fixed or will you allot certain discount rates according to consumer usage? Dahil nakita

na nga, 'no, iyong sumirit pa rin ang presyo ng kuryente especially now tumaas rin iyong demand dahil nga marami ay work-from-home, pati iyong mga mag-aaral at iba pa, umaasa ngayon sa kuryente para patakbuhan iyong kanilang mga gadgets, Internet access, among others. So, I would presume tumataas talaga iyong demand kahit iyong ganitong hindi na lamang iyong industrial demand pati iyong domestic demand, so karamihan nga rito ay iyong mga mahihirap. Paano ngayon i-implement itong sinasabing socialized pricing for poor users, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, mag-i-issue pa si ERC ng mga rules and the discount based on consumption ay ifa-factor in, Mme. Speaker, distinguished colleague.

REP. GAITE. Akala ko po'y nailabas na, hindi pa pala. Ilang buwan ba iyong ginagamit — ang kailangan bago mailabas kasi May 31, 2021 pa ho naaprubahan iyong batas at kahit paano iyong extension nitong lifeline to 50 years will definitely benefit our marginalized or poor consumers. Mayroon ho bang provision — hindi ako masyadong aware kung mayroong period in which the guidelines should be issued at kung hindi pa nailalabas, kailan po ine-expect ng mga mamamayan ito?

THE DEPUTY SPEAKER (Rep. Yu). Before the Sponsor answers, may I request Honorable Gaito to please wrap up...

REP. GAITE. Iyon na po ang huli kong katanungan.

THE DEPUTY SPEAKER (Rep. Yu). ... to your last question.

REP. GAITE. Mme. Sponsor, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). That should be your last question. Thank you.

REP. GAITE. Opo. Sana po'y kasagutan na lang.

REP. DALIPE. Mme. Speaker, distinguished colleague, the new law is for the extension of the lifeline subsidy. Mayroon na pong existing rules based on consumption, Mme. Speaker, distinguished colleague.

REP. GAITE. So, ang sinasabi ninyo po hindi na maglalabas ng bagong guidelines?

REP. DALIPE. Yes, iyong IRR po doon sa bagong guidelines.

REP. GAITE. So, maglalabas po, Mr. Sponsor?

REP. DALIPE. Yes. Yes. Mme. Speaker, opo...

REP. GAITE. Okay.

REP. DALIPE. ... maglalabas po ng bagong guidelines.

REP. GAITE. Ang tanong ko nga po kanina, kailan po mailalabas?

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, iyong bagong IRR po is in the pipeline and it is already out to other government agencies for comment, Mme. Speaker, distinguished colleague.

REP. GAITE. So, thank you, Mr. Sponsor. So, we expect na lalabas ito as soon as possible, dahil tulad nga ng nabanggit, nakakatulong ito sa ating mga maliliit na users—iyong less than a hundred kilowatt-hours ng usage na marami sa ating mahihirap na mga mamamayan ang saklaw dito. So, iyon na lang po, Mme. Speaker, Mr. Sponsor. Thank you for the enlightening discussion dahil marami akong natutunan sa inaabot ng ating ahensiya, ang Department of Energy at ERC. Salamat po at mabuhay po kayo.

REP. DALIPE. Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Please proceed.

REP. DALIPE. Mme. Speaker...

THE DEPUTY SPEAKER (Rep. Yu). Yes, please proceed.

SUSPENSION OF SESSION

REP. DALIPE. May I move for a three-minute suspension. Three minutes.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 4:04 p.m.

RESUMPTION OF SESSION

At 4:07 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

Majority Leader.

REP. BOLILIA. Mme. Speaker, I move that we recognize Rep. Godofredo N. Guya of RECOBODA Party-List for his interpellation. I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Guya is recognized to interpellate the Sponsor.

MANIFESTATION OF REP. GUYA

REP. GUYA. Thank you, Mme. Speaker. I am the Representative of RECOBODA Party-List, Mme. Speaker.

Our distinguished Sponsor, my colleagues in the plenary and in the Zoom, and to our kababayans who are watching us on Facebook, maayong hapon.

Mme. Speaker, distinguished Sponsor, I will just make a manifestation, Mme. Speaker, in the interest of time because there are still a lot of interpellators, Mme. Speaker.

To the Department of Energy, Mme. Speaker, I hope that the DOE and the NEA will fast-track the Household Electrification Program and the Sitio Electrification Program for next year, Mme. Speaker, because there are still a lot of our kababayans, especially in Mindanao, in the BARMM areas, in the Zamboanga Peninsula wherein our

distinguished Sponsor is also located, there are still a lot of households that have no electricity, Mme. Speaker. So, I hope that the Department of Energy and the National Electrification Administration will be able to comply with its mandate, Mme. Speaker.

And to the ERC, Mme. Speaker, distinguished Sponsor, I would like to support the budget restoration of the ERC in order for the ERC to become a very strong power regulator, Mme. Speaker. So, you have my support to restore the P968 million budget for the ERC for the year 2022, Mme. Speaker.

Thank you, Mme. Speaker, at magandang hapon po sa lahat.

THE DEPUTY SPEAKER (Rep. Yu).
Majority Leader.

REP. BOLILIA. Mme. Speaker, I move that we recognize Rep. Stella Quimbo of the Second District of Marikina City for her interpellation.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu).
Honorable Quimbo is recognized to interpellate the Sponsor.

REP. QUIMBO. Thank you, Mme. Speaker.

Will the good Sponsor yield to a few questions?

REP. DALIPE. Yes, Mme. Speaker, my pleasure.

REP. QUIMBO. Thank you.

I will raise some concerns about Benguet Electric Cooperative and this is an issue that was raised by Chairman Mark Go in one of the Committee on Energy hearings. May I know, Mme. Speaker, who is the current General Manager of the Benguet Electric Cooperative or the BENECO?

REP. DALIPE. Mme. Speaker, distinguished colleague, I am trying to get the name, just a few seconds. Mme. Speaker, distinguished colleague, the Benguet Electric Cooperative has an OIC right now, OIC-General Manager by the name of Engr. Licoben.

REP. QUIMBO. So, the current General Manager is Engr. Mel Licoben.

REP. DALIPE. That is right, Mme. Speaker, distinguished colleague.

REP. QUIMBO. May we know what is the position of Atty. Marie Rafael? Mme. Speaker, the reason why I asked this question is that there appears to be a situation in the BENECO where there are two General Managers at this point. So, one is Engr. Mel Licoben who was elected by the board of the BENECO and another one who is Atty. Marie Rafael, and Atty. Rafael was elected by the board of the NEA. So, we would like to seek clarification, Mme. Speaker, whether this information that we received is correct – that there are two general managers at this point.

REP. DALIPE. Well, Mme. Speaker, distinguished colleague, recently endorsed, appointed by the NEA-BOA but on that issue, the Department of Energy cannot really comment because of a petition, of a TRO, before the Court of Appeals.

REP. QUIMBO. So, you confirm that there is such a situation, Mme. Speaker?

REP. DALIPE. Yes, Mme. Speaker, distinguished colleague. We confirm that there is such a situation, but the Department of Energy would rather not talk about it because of a pending...

REP. QUIMBO. So, Mme. Speaker, you are invoking the *sub judice* rule and would rather not...

REP. DALIPE. Yes, Mme. Speaker.

REP. QUIMBO. ... respond to my query, but when I asked you at the outset who is the current General Manager of the BENECO and you answered that it is Engr. Mel Licoben, the person who was elected by the board of the BENECO which is consistent with the NEA Memo No. 2017-035 with the subject: Revised Policy on the Selection, Hiring, Termination of Service/Suspension for General Managers

of Electric Cooperatives (3rd Revision), which has a provision — provision II, No. 2 that states: “The Board of Directors (BOD) of an electric cooperative shall appoint or terminate the service/suspend a GM in accordance with the guidelines set forth by the NEA.”

So, it would seem, Mme. Speaker, and we would like confirmation from the good Sponsor that the DOE is mindful of this memorandum circular and, therefore, recognizes Engr. Mel Licoben as the General Manager of the BENECO. May we get the confirmation? Is that a correct understanding of the situation, Mme. Speaker?

REP. DALIPE. Well, as far as the Department of Energy is concerned, it is a fact that Engr. Licoben is the one, but the Department of Energy is not judging. So, we are just stating the fact that Engr. Licoben is the one there right now.

REP. QUIMBO. So, and so, Engr. Mel Licoben is the one that has signing authority, for example, is that correct?

REP. DALIPE. Yes, Mme. Speaker, distinguished colleague.

REP. QUIMBO. And it is Engr. Mel Licoben that receives the salaries that will be due the General Manager of the BENECO.

REP. DALIPE. Yes, yes, Mme. Speaker, distinguished colleague. Yes, it is because of the temporary restraining order.

REP. QUIMBO. All right, so, if that is the situation, I suppose that the BENECO is being run properly. Is that a correct assessment, Mme. Speaker, that there is regularity in the management of the BENECO? Is that the correct assessment, Mme. Speaker?

REP. DALIPE. Well, as of now, we will — the Department of Energy will look into that and we will give the proper assessment as soon as possible, Mme. Speaker, distinguished colleague.

REP. QUIMBO. And, Mme. Speaker, may

I request a written submission from the DOE to explain the situation of Engr. Mel Licoben and, again, highlighting that they recognized Engr. Mel Licoben as the duly-elected General Manager of the BENECO,

REP. DALIPE. Mme. Speaker, distinguished colleague, the Department of Energy will submit what the Department can submit on condition on the rule on *sub judice*.

REP. QUIMBO. Thank you very much, Mme. Speaker, and distinguished Sponsor. And with that, there being no other Member from the Minority who wishes to interpellate, I move to terminate the period of interpellation and debate on the budget of the Department of Energy.

THE DEPUTY SPEAKER (Rep Yu). Majority Leader.

REP. QUIMBO. And, Mme. Speaker, if I may add, including the Energy Regulatory Commission, and its attached agencies.

REP. DALIPE. And the attached agencies.

REP. BOLILIA. Mme. Speaker, on the part of the Majority, we join the Minority in its motion to terminate the period of sponsorship and debate on the proposed budget of the DOE and its attached agencies, and the Energy Regulatory Commission.

THE DEPUTY SPEAKER (Rep Yu). There is a joint motion to terminate the interpellation on the proposed budget of the Department of Energy and its attached agencies and the Energy Regulatory Commission, is there any objection? (*Silence*) The Chair hears none, the motion is approved.

REP. DALIPE. Mme. Speaker, attached agencies and corporations.

THE DEPUTY SPEAKER (Rep Yu). Attached agencies and corporations. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 4:20 p.m.

RESUMPTION OF SESSION

At 4:21 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

Majority Leader.

CLIMATE CHANGE COMMISSION

REP. BOLILIA. Mme. Speaker, I move that we open the period of sponsorship and debate on the proposed budget of the Climate Change Commission.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BOLILIA. Mme. Speaker, please acknowledge – I would like to acknowledge the following attendees from the Climate Change Commission: Secretary Emmanuel De Guzman – Vice Chairperson and Executive Director; Jerome Ilagan – Chief, Policy Research and Development Division; Bhaby Edlyn Zamora – Supervising Administrative Officer; Carizon Espenesin – Development Management Officer IV; and Hazel Palaganas – Administrative Officer V. We would also like to acknowledge the support staff who are at the holding room, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). We acknowledge the presence of the Climate Change Commission family. Welcome to the House of Representatives.

REP. BOLILIA. Mme. Speaker, I move that we recognize the honorable Vice Chairman of the Committee on Appropriations, Hon. Mannix Dalipe, to sponsor the proposed budget of the Climate Change Commission.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Dalipe is recognized.

SPONSORSHIP SPEECH OF REP. DALIPE

REP. DALIPE. Mme. Speaker, as Vice Chairman of the Committee on Appropriations, it is my distinct honor and privilege to sponsor the budget proposal of the Climate Change Commission for Fiscal Year 2022. For Fiscal Year 2022, the proposed appropriations for the Climate Change Commission is P145.403 million.

This Representation is now ready to answer any questions from our colleagues relative to the budget of the Climate Change Commission, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BOLILIA. Mme. Speaker, I move that we recognize Rep. Sarah Jane Elago of KABATAAN Party-List for her interpellations.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). The Honorable Elago is recognized to interpellate the Sponsor.

REP. ELAGO. Maraming salamat, Mme. Speaker, Mr. Sponsor.

Tomorrow, September 24, marks the Global Climate Strike. We, in KABATAAN Party-List, stand in solidarity with the Climate Strike and Fridays for Future movement in striking under the banner of #UprootTheSystem.

As Fridays for Future explains: “Uprooting means removing by the roots, which reflects well our belief that we must address the root causes of the climate crises to truly tackle it. By striking together, united by common struggles, we demand a rapid and fair decarbonization of our economy for a safer, greener, more just future.”

May we know, Mme. Speaker, from the distinguished Sponsor, what is the current situation of the country with regard to climate change risk? Is the 2022 proposed budget enough to truly respond to this current climate risk situation of the country?

REP. DALIPE. Mme. Speaker, distinguished colleague, the budget of the Climate Change Commission is not enough. The agency would welcome any additional support or funding for it to be able to effectively and properly implement additional programs to help, Mme. Speaker, distinguished colleague.

REP. ELAGO. Mme. Speaker, the Philippines ranked 17th in the world as the most affected country from extreme weather events in the Global Climate Risk Index of 2021. Nitong 2020 lang, nakita po natin kung gaano talagang sunod-sunod sa buong bansa ang mga extreme weather events, mga malalakas na bagyo na nagdulot ng napakalalang mga pagbaha sa maraming mga lugar. Gayundin, sang-ayon naman, Mme. Speaker, sa 2020 Environmental Performance Index, pagdating sa issue ng climate change, ang Pilipinas ang una na sa ASEAN na pagdating doon sa may pinakamababa na score sa dekadang ito, pagdating sa greenhouse gas emissions, pagdating po sa pagtitiyak na lahat ng mga hakbangin ng ating bansa ay tumutugon doon sa impact ng global warming dito sa Pilipinas. Kaya naman, Mme. Speaker, 'pag titingnan natin iyong total budget for expenditures for climate change para sa 2022, this is P284 billion all in all, which is two billion higher than last year. And like in the past years, Mme. Speaker, the lion's share goes to the DPWH, 67 percent or P190 billion of the total climate change expenditures will go to the DPWH. May we know, Mme. Speaker, from the distinguished Sponsor, what specific National Climate Change Action Plan strategic priority does the DPWH budget serve? Para saan po itong napakalaki na porsyento ng kabuuang climate change expenditure natin taon-taon, mga tipo ng mga proyekto/programa ang nilalaan para dito?

REP. DALIPE. Okay.

Mme. Speaker, distinguished colleague, the major thrusts of the proposed budget for Fiscal Year 2022 are the following: first, the mitigation potential and climate risk assessment facilitation; second, the climate change plan harmonization; third, is the climate change action investment coordination; fourth,

mainstreaming, monitoring, and evaluation, Mme. Speaker, distinguished colleague.

REP. ELAGO. Mme. Speaker, I asked specifically for the allocation for DPWH, it is about P190 billion for 2022. May we know what type of projects are in this allocation for 2022? Why does it get the lion's share in the total climate change expenditure?

REP. DALIPE. So far the projects under the DPWH are all flood control projects, Mme. Speaker, distinguished colleague.

REP. ELAGO. Mme. Speaker, nagkaroon na ba ng evaluation or sa kasalukuyan, mayroon bang assessment ang CCC pagdating sa pagiging mabisa nang paggastos para rito nitong mga nakaraang taon? Mme. Speaker, hindi lang po 60 percent para sa taong ito ang nakukuha ng DPWH. Even in the past years since 2019, napakalaki po ng nakukuha niyang pondo kumpara doon sa ibang mga departamento na kasama rin doon sa pagpapatupad ng climate mitigation and adaptation strategies natin para tiyakin ang pagtugon sa krisis pangklima. Planetary emergency na nga at ang Pilipinas ay isa doon sa may pinaka-bulnerableng posisyon sa buong mundo pagdating diyari.

REP. DALIPE. Well, ongoing pa po iyong monitoring and evaluation but if we can get the findings right away we will be glad to forward, Mme. Speaker, to our distinguished colleague from KABATAAN Party-List.

REP. ELAGO. Yes, Mme. Speaker, we will appreciate a submission from the CCC with regard to the breakdown per region of the allocation for these climate change expenditures. And we would also like to know, Mme. Speaker, the original proposed budget of the CCC for 2022, as the distinguished Sponsor has shared with us earlier, it is about P145 million which is just – which is P5 million short of their 2021 Budget. Mas mababa po ito doon sa kanilang budget for 2021, samantalang ilang beses na po nating sinasabi sa ating, mula sa budget message hanggang sa mga prinsipyo na gumagabay para sa 2022 Budget

na gusto natin hindi maiiwan iyong usaping pang-klima at iyong usaping-pangkalikasan sa ating 2022 Budget. Kaya, Mme. Speaker, magkano po ba iyong napanukalang budget ng CCC para sa 2022? What is their original proposed budget for 2022?

REP. DALIPE. Ang proposed budget ng Climate Change Commission ay P151.117 million, Mme. Speaker, distinguished colleague.

REP. ELAGO. Mme. Speaker, may P6 million na hindi naisama doon sa kanilang pondo para sa 2022. How will this budget cut affect the final year or one of the final years of the National Climate Change Action Plan for the years 2011 to 2028? Magkakaroon po ba ito ng signipikanteng epekto o sa ngayon ba, kasalukuyan pa rin na pinag-aaralan ito ng CCC kung paano iyong magiging adjustment pagdating sa climate financing, at iyong paglalaan po nating pondo para sa lahat ng mga pangangailangan ng ahensiya para tiyakin na ang usaping pang-klima ay nasa gitna ng mga proyekto, aktibidad at programa ng ating mga ahensiya ng pamahalaan?

REP. DALIPE. Yes, iyong budget cut na iyon may mga proposed additional activities na hindi mai-implement to name them: isa, iyong number of policy instruments development issued; number two, number of capacity building activities conducted, supported, and report submitted; third, iyong delivery of training workshops; another one is the production of training and information materials, Mme. Speaker, distinguished colleague.

REP. ELAGO. Mme. Speaker, we hope that the House of Representatives will exhaust all means to fund this P6 million cut from the original proposed budget of the CCC, to fund very important projects, capacity building, information, education, especially at the grassroots level, iyan po iyong kinakailangan para hindi lang iilan iyong nag-uusap tungkol sa planetary emergency o sa usaping pang-klima, kundi matiyak po natin na iyong tao mismo iyong humahawak ng kapangyarihan, gumagalaw sa kanilang mga komunidad para

tiyakin na magiging matagumpay lahat ng ipinapatupad natin na climate mitigation and adaptation strategies.

Now, for my final concern, Mme. Speaker, is the CCC aware of the most recent Global Witness report, naming the Philippines as the deadliest country in Asia for environmental defenders and the third deadliest in the world?

REP. DALIPE. Yes, Mme. Speaker, the Commission is aware of that.

REP. ELAGO. If yes, Mme. Speaker, may we know what the CCC has done so far to coordinate, work with, and alongside the DENR, the CHR and other relevant agencies and civil society groups to ensure the promotion of the rights of our environmental defenders and seek, promote access to justice and demand accountability for all the threats, harassment, intimidation, and worse, killings of our environmental defenders?

REP. DALIPE. Mme. Speaker, distinguished colleague, consultation for NDC is being done, including – with civil society programs and evaluation, Mme. Speaker, distinguished colleague.

REP. ELAGO. Mme. Speaker, the most recent Global Witness report should serve as a wake-up call; it is already sounding the alarm on the grave situation of all those who are speaking out, speaking up on matters of environment, climate crisis and planetary emergency.

Napakalaki po ng pangangailangan na protektahan natin iyong boses noong lahat ng mga nagsasalita pagdating sa proteksyon ng ating kalikasan at nananawagan ng hustisya ng klima, kaya po kung mayroon pang mga panukala, proposal, programa ang CCC sa pakikipagtulungan ng mga kaugnay na ahensiya tungkol sa usapin na ito, buong-buo po iyan, susuportahan ng Representasyon na ito ng KABATAAN.

Mme. Speaker, we will propose an augmentation in the budget of the CCC at the proper time, but for now, there being no Members of the House who are going to ask questions and propound queries to

the Commission, we move to terminate the deliberations on the budget of the CCC.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BOLILIA. Mme. Speaker, on the part of the Majority, we join the Minority in its motion to terminate the period of sponsorship and debate on the proposed budget of the Climate Change Commission.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). There is a joint motion to terminate the interpellations on the proposed budget of the Climate Change Commission. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

OFFICE OF THE PRESIDENTIAL ADVISER ON THE PEACE PROCESS

REP. DE VENECIA. Mme. Speaker, I now move that we begin consideration of the budget of the Office of the Presidential Adviser on the Peace Process.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. To sponsor the said budget, I move that we recognize the Hon. Paul Daza.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Vice Chairman of the Committee on Appropriations, Honorable Daza, is recognized to sponsor the – sponsorship speech on House Bill No. 10153.

REP. DAZA. Thank you, Mme. Speaker.

Good afternoon to everyone, it is my honor to sponsor the budget of the Office of the Presidential Adviser on the Peace Process, Mme. Speaker, and this Representation is now prepared for any interpellation.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, before we begin the interpellation, allow us to greet the esteemed family of the Office of the Presidential Adviser on the Peace Process. First and foremost is Secretary Carlito G. Galvez Jr., Presidential Adviser on Peace, Reconciliation, and Unity; Usec. Isidro Purisima, Deputy Presidential Adviser on Peace, Reconciliation, and Unity for Operations; Jennie Claire Mordeno, Director IV from the Resource Management Department; Carissa D. Cruz, Director IV of the International Cooperation and Partnership Department; Kino Robert G. Pascua, Executive Assistant; and finally, Jay G. Nuarin, Peace Program Officer IV. We also have AW1C as advance party, Maria Catherine Janice Cidro.

THE DEPUTY SPEAKER (Rep. Yu). We acknowledge the presence of the Office of the Presidential Adviser on the Peace Process headed by Secretary Charlie Galvez. Welcome to the House of Representatives.

Majority Leader.

REP. DE VENECIA. Mme. Speaker, first to interpellate the Sponsor is the distinguished Lady from the GABRIELA Party-List. I move that we recognize Cong. Arlene Brosas.

THE DEPUTY SPEAKER (Rep. Yu). The Honorable Brosas is recognized to interpellate the Sponsor.

REP. BROSAS. Thank you, Mme. Speaker. Maraming salamat, Mme. Speaker. Will the good Sponsor yield to a few clarificatory questions, Mme. Speaker?

REP. DAZA. Yes, Mme. Speaker.

REP. BROSAS. Thank you, Mme. Speaker. Mme. Speaker, my question is – pertains to the COA report, Mme. Speaker.

Mme. Speaker, what was the rationale for exceeding the budgeted amount of P2 million? Do you have a breakdown of activities implemented and the budgets allotted for each?

REP. DAZA. Mme. Speaker, that is for localized peace efforts and peace building activities.

REP. BROSAS. Mme. Speaker, do you have a breakdown of the activities po of the P2 million?

REP. DAZA. Does the — is the distinguished Lady requesting for a written report on such? We can provide your office, Mme. Speaker.

REP. BROSAS. Yes, Mme. Speaker. Masyado bang marami, Mme. Speaker para ma-expedite iyong discussion?

REP. DAZA. Mme. Speaker, that minimal funding allocation was used for the development of a transformation framework, conduct of social healing sessions with the families and communities, and coordination and monitoring of the program implementation.

REP. BROSAS. So, Mme. Speaker — Mme. Speaker, the Duterte government rejected the calls for the resumption of peace talks. Now, I am asking what is the purpose of the increase in this budget? Kasi wala naman pong naging peace talks, tama po ba, Mme. Speaker, Mr. Sponsor?

REP. DAZA. Mme. Speaker, it is to continue the localized peace efforts and engagement, Mme. Speaker.

REP. BROSAS. So, Mme. Speaker, Mr. Sponsor, in its 2020 annual audit report of the OPAPP's budget, the state auditor said supporting documents for the P1.36 million in ELCAC Fund expenses, or funds used for the National Task Force to End Local Communist Armed Conflict, were not submitted to the Office of the Auditor. Sinasabi po nila, various vouchers and their corresponding supporting documents pertaining to the ELCAC Fund for year 2019 were not submitted to the Office of the Auditor, contrary to Paragraph 6.05 of COA Circular No. 95-006, dated May 18, 1995, said the report in its observations and recommendations portion.

REP. DAZA. Mme. Speaker, after the COA observation, the OPAPP office had submitted the disbursement vouchers and journal entry — vouchers, which were delayed due to manpower limitations in light of the imposition of community quarantine. Successive submissions have been made, these documents have been forwarded, the latest which was in February 2021. So, this Representation's understanding is, the office has complied with the COA observation.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, nag-exit audit po ba ang OPAPP sa COA?

REP. DAZA. Yes, Mme. Speaker.

REP. BROSAS. And 'yong February 2021 po na tinutukoy ninyo ay that is it, hindi? Ibapayon?

REP. DAZA. That was done after the issuance of the audit observation memorandum.

And let me add, Mme. Speaker, the OPAPP received a rating of 95 percent from the CO and in fact issued an unqualified opinion, and have been recommended for award with office of the government accountants. They are considered a good practice office, having received that 95 percent rating.

REP. BROSAS. Nevertheless, Mme. Speaker, Mr. Sponsor, ang itinatanong po natin ay, what is the reason behind the P1.36 million transfer of fund for the NTF-ELCAC? Dahil OPAPP po kayo, 'di ba? Nagta-transfer kayo ng pondo sa NTF-ELCAC. Iyong NTF-ELCAC may sarili pang pondo, Mme. Speaker, Mr. Sponsor. What is the status of the liquidation of this? Actually this raises concern on the validity and reliability of transfer of funds to the task force.

REP. DAZA. Mme. Speaker, to clarify, these funds were not transferred to the NTF-ELCAC. These are OPAPP funds.

REP. BROSAS. Pero saan po ginamit, Mme. Speaker, Mr. Sponsor?

REP. DAZA. This is what I mentioned earlier. This was used for internal funds for

the localized peace engagements. What I mentioned, the program components were development of a transformation framework; conduct of social healing sessions with FRs, their families and communities; and coordination. It is a very small amount for these activities.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, sinasabi ninyo na walang NTF-ELCAC diyan dahil hindi namanna-transfer iyong fund for NTF-ELCAC o hindi NTF-ELCAC ang siyang nag-utilize no'ng funds, tama ba, Mme. Speaker, ...

REP. DAZA. Yes.

REP. BROSAS. ... Mr. Sponsor?

REP. DAZA. Yes, Mme. Speaker.

REP. BROSAS. Kasi, iyong P1.36 million planned expenses are more than half of the total worth of the OPAPP transactions. Sigurado po kayo na hindi kayo nag-fund ng certain activities ng NTF-ELCAC, Mme. Speaker, Mr. Sponsor? Nowhere doon po sa inyong utilization nagkaroon ng paggamit ang NTF-ELCAC ng pondo ng OPAPP?

REP. DAZA. Mme. Speaker, may I ask the indulgence of the Honorable Brosas. Could you repeat your questions as to the NTF-ELCAC? Because, as I have mentioned earlier, no funds were given to NTF-ELCAC, those funds that she had pointed out were used for internal programs and activities.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, mayroon po kasi na almost P1.4 million or P1.36 million transfer of funds for the NTF-ELCAC under the OPAPP. And, actually, it lacks documentation. Iyon po ang sinasabi ng COA.

REP. DAZA. There is none, Mme. Speaker. To clarify with my esteemed colleague, there were no funds transferred to the NTF-ELCAC. These funds are ...

REP. BROSAS. So, this ...

REP. DAZA. If I may add, these funds are not part of the Barangay Development

Program, which is a whole, completely separate funding that does not go through the OPAPP.

REP. BROSAS. Okay.

Mme. Speaker, Mr. Sponsor, ang sinasabi ninyo po ay walang dumaan, walang pondo ang dumaan sa NTF-ELCAC, walang fund transfer na nangyari, walang P1.4 million na iyon, may sariling programa ang OPAPP, and those programs are, what you have said, iyong sa monitoring, etcetera, etcetera. Mme. Speaker, may we be furnished a copy of the report, kung iyan po ay available, ang report na iyan sa ating tanggapan, Mme. Speaker, Mr. Sponsor.

REP. DAZA. Yes, we will, Mme. Speaker, provide the appropriate documents.

REP. BROSAS. Finally, Mme. Speaker, Mr. Sponsor, wala pong peace talks pero mayroong pondo. This Representation is concerned with the utilization of the funds of the Office of the Presidential Adviser on the Peace Process as there are issues with documentations, tapos, iyong auditing. Nakapagtataka po na mas malaki nga iyong, kumbaga, mayroon pang, sinabi ninyo nga kanina, wala naman pondo na trinansfer sa NTF-ELCAC pero may kwestyon ang COA ng activity that has to do with the NTF-ELCAC, ano po. Kaya, sa tingin po namin, hindi tayo puwede basta-basta na lang na tumatanggap na – tinatanggap na nagkaroon ng alokasyon na hindi malinaw sa atin iyong naging programa, lalong-lalo na sa panahon ng pandemya, Mme. Speaker, Mr. Sponsor. Iyon lang po. Maraming salamat, Mr. Sponsor. Maraming salamat, Mme. Speaker.

REP. DAZA. Thank you very much to my esteemed colleague.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BAGATSING. Mme. Speaker, I move that we recognize Hon. Kit Belmonte for his interpellation.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Belmonte is recognized to interpellate the Sponsor.

REP. BELMONTE. Thank you very much, Majority Leader, Mme. Speaker.

Mme. Speaker, there being no other member of the Minority who wishes to propound questions upon the Sponsor on the budget of the Office of the Presidential Adviser on the Peace Process, I move, on behalf of the Minority, that we terminate the period of interpellation and debate for the said agency.

I so move, Mme. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BAGATSING. Mme. Speaker, on the part of the Majority, we join the Minority in the motion to terminate the interpellations on the proposed budget.

THE DEPUTY SPEAKER (Rep. Yu.). There is a joint motion to terminate the period of interpellations on the proposed budget of the Office of the Presidential Adviser on the Peace Process. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DAZA. Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu.). Majority Leader.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 4:55 p.m.

RESUMPTION OF SESSION

At 4:57 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu.). The session is resumed.
Majority Leader.

REP. SANGCOPAN. Mme. Speaker, I move that we resume the consideration of House Bill No. 10153 and open the period of sponsorship and debate on the budget of the

Presidential Communications Operations Office. And for that matter, Mme. Speaker, I move that we recognize Representative—
Mme. Speaker, I move to suspend.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 4:58 p.m.

RESUMPTION OF SESSION

At 4:58 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu.). The session is resumed.

DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT

REP. SANGCOPAN. Mme. Speaker, I move that we recognize Rep. Paul Daza, Vice Chairman of the Committee on Appropriations, to deliver his sponsorship speech on the budget of the Department of Human Settlements and Urban Development.

I so move.

THE DEPUTY SPEAKER (Rep. Yu.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. SANGCOPAN. Mme. Speaker, I move that we acknowledge the presence of the heads and officials of the Department of Human Settlements and Urban Development, headed by Secretary Eduardo D. Del Rosario, Undersecretary Atty. Marilyn Pintor of the Department of Human Settlements and Urban Development. From its attached agencies, from the National Housing Authority, General Manager Marcelino P. Escalada Jr., Assistant General Manager Victor Balba; from the Social Housing Finance Corporation, Mr. Dante Anabe, OIC, Vice President for Finance and Comptrollership Department. And via the Zoom application, from the Human

Settlement Adjudication Commission, Atty. Melzar P. Galicia, Executive Commissioner; from the Social Housing Finance Committee, Atty. Arnolfo Ricardo Cabling; and from the National Home Mortgage Finance Corporation, President Carlo Luis P. Rabat.

THE DEPUTY SPEAKER (Rep. Yu.). We acknowledge the presence of the heads and officials of the Department of Human Settlements and Urban Development, including its attached agencies and corporations, headed by Secretary Del Rosario.

Welcome to the House of Representatives. Majority Leader.

REP. BAGATSING. Mme. Speaker, again, I move that we recognize Rep. Paul Daza, Vice Chairperson of the Committee on Appropriations to sponsor the budget of the Department of Human Settlements and Urban Development.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; Representative Daza, the Vice Chairman of the Committee on Appropriations is hereby recognized to begin the sponsorship of House Bill No. 10153.

SPONSORSHIP SPEECH OF REP. DAZA

REP. DAZA. Thank you, Mme. Speaker. It is my honor to sponsor the budget of the Department of Human Settlements and Urban Development, one of the newest departments, and I believe one of the most critical departments because it relates to housing. It is my honor to be here with the highest officials of the said Department and this Representation is now ready for any interpellation, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BAGATSING. Mme. Speaker, I move that we recognize Rep. Arlene Brosas of Party-List GABRIELA to interpellate the Sponsor.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Hon. Arlene Brosas is recognized to interpellate the Sponsor.

REP. BROSAS. Thank you, Mme. Speaker. Thank you again and salamat sa ating butihing Sponsor para po sa mga katanungan.

Mme. Speaker, G. Sponsor, maaari po bang magtanong ng mga importante na katanungan kaugnay sa housing, Mr. Sponsor, Mme. Speaker?

REP. DAZA. Yes, Mme. Speaker, it is my honor to be interpellated by the Honorable Brosas.

REP. BROSAS. Thank you. Mme. Speaker, with the housing backlog of 6.5 million between 2017 and 2020, the government needs to build 250,000 houses a year. Currently, however, the housing sector can only build 203,000 to 205,000 units annually between 2016 and 2019, and the target is still not met. Now in 2020, the DHSUD had an obligation to appropriations ratio of 83.8 percent which translated into high unused appropriations totaling P110.1 billion. Ang tanong, bakit po napakataas ng unused appropriations sa kabila ng lumolobo nating backlog sa housing?

REP. DAZA. Mme. Speaker, as we know, housing projects are one of the toughest programs to implement. The gestation period is very, very long. In fact, in many cases, it takes years just to get the appropriate licenses and permits but I am happy to share with the honorable – with my esteemed colleague that the housing industry now is undergoing a review by the ARTA, the Anti-Red Tape Authority wherein the objective is to streamline the process to help not just the Department of Human Settlements and Urban Development, NHA and SHFC but along with the private sector in streamlining the process. Second, Mme. Speaker, because of the nature of these projects, there is a tendency for funds to take time to be utilized. But the point is well-taken, Mme. Speaker, and I agree with my esteemed colleague that we have to find ways as partners in finding solutions to the housing crisis to expedite the implementation

of the projects and to fully utilize funds that are appropriated to various agencies to cure the backlog that the Honorable Brosas has correctly pointed out.

REP. BROSAS. Yes, thank you, Mme. Speaker, G. Sponsor. We are talking about the funding hindi naman po iyong licenses kung bakit walang maayos na funding utilization for the mass housing that is actually dapat affordable for the masses, Mme. Speaker, Mr. Sponsor. And besides that, Mme. Speaker, Mr. Sponsor, sa – ‘di mayroon tayong P110.1 million na unused na appropriations, how come there is also a negative increase in terms of housing finances? Bakit po maliit ang production compared to the previous year in 2019? The target is 20 percent and the actual accomplishment was negative 30.75 percent?

REP. DAZA. Mme. Speaker, just to clarify for the record, I do not believe there is – if I heard it correctly, P110 billion of unutilized fund?

REP. BROSAS. Million.

REP. DAZA. I am sorry.

REP. BROSAS. P110.1 million, Mme. Speaker, Mr. Sponsor.

REP. DAZA. Ah million.

REP. BROSAS. Million po.

REP. DAZA. P110 million ?

REP. BROSAS. Yes, P110.1 million unused appropriations.

REP. DAZA. Mme. Speaker, considering that the annual budget of the DHSUD is more or less P6 to P7 billion, P110 million would – I believe, would be a small amount to consider that is underutilized.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, yes, pero sabi nga natin kanina, dahil ito ay unused appropriations, mas maigi sana kung ito ay nagamit, dahil nga may, sabi nga natin

kanina, nagba-backlog tayo ng housing pero bakit hindi natin mabuo-buo iyon?

REP. DAZA. Mme. Speaker, I agree we should utilize 100 percent. But these funds are continuing appropriations and I assure my esteemed colleague that these funds will be utilized this year.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, to my next question po, iyong maliit ang production compared to the previous year ng 2019, nag-negative increase tayo in terms of housing finance.

REP. DAZA. I apologize, could you repeat that please, that 2019?

REP. BROSAS. Yes, my question was, Mme. Speaker, Mr. Sponsor, how come there is a negative increase in terms of housing finance? Bakit po maliit ang production compared to previous year noong 2019? The target is 20 percent dapat ang increase and the actual accomplishment was negative 30.75 percent, ibig sabihin walang natayong – halos ano? – walang natayong housing.

REP. DAZA. Mme. Speaker, I think – point well taken, but just to put on record, the 2019 production was higher than the 2020 production. I think the honorable Lady from GABRIELA is pointing out that the dip in production is in 2020, not 2019, and this is attributable, Mme. Speaker, to the pandemic. It affected many industries including the housing industry.

REP. BROSAS. So, Mme. Speaker, G. Sponsor, it is the pandemic kaya, iyon po ang reason kung bakit hindi nakapagpatayo ng mga pabahay at nag-negative talaga, Mme. Speaker, G. Sponsor? Nililinaw ko lang po.

REP. DAZA. Yes. And to be specific, Mme. Speaker, in 2019, our production was 225,000 more or less, it dipped to 179,000 in 2020 mainly due to the lockdowns, the pandemic.

REP. BROSAS. Mme. Speaker, G. Sponsor, pero sa pagitan noon na hindi tayo

nakakapagpatayong mga housing ay mayroong demolition noong panahon ng pandemya, tama po ba, Mme. Speaker, G. Sponsor?

REP. DAZA. The – if my esteemed colleague is referring to the Vitas-Katuparan Project, the demolition was issued by the LGU.

REP. BROSAS. Yes, Mme. Speaker, Mr. Sponsor, but nevertheless, there was – mayroong – nagkaroon ng demolition.

Anyway, I would not belabor the point, Mme. Speaker, G. Sponsor. Iyong – pupunta na po ako sa second question ko kaugnay sa DHSUD-NLR. A total of uncollected fines and penalties of P24,998,661 for violation of laws and agency's rules regulations by the project owners-developers covering the period 2011 to 2020 was not recognized in the agency's books of accounts, thus, understanding the accounts receivable income and accumulated surplus deficit. Mabilis ang gobyerno mangolekta ng amortisasyon and other fees lalong-lalo na po sa mga maralita pero bakit itong P24,998,661 na utang ng developers hindi po natin makuha-kuha, Mme. Speaker, Mr. Sponsor?

REP. DAZA. Mme. Speaker, we thank the Honorable Brosas for bringing that up. The Department has crafted an action plan to collect this P24 million from the developers and I have been assured by no less than the head of the Department, Secretary Del Rosario, that they will be collecting this amount from the project owners and developers.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, 2011 pa po ito ha, 2011 to 2020 from the project owners and developers. So, all that time, anong ginawa ng DHSUD – ng NHA, actually, hindi kasi – wala pa naman ano, wala pang DHSUD noon, 2011, so...

REP. DAZA. Mme. Speaker, the Department of Human Settlements and Urban Development is a newly created department, created in the last Congress. They started operating in 2020, so, namana po iyong problema, but we appreciate the comments of my esteemed colleague, the new Department and the new officials have already included

this as a priority and will be collecting in these previous accounts receivable items.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, puwede po ba tayong sagutin ng Sponsor kung bakit nahihirapan mangolekta? Parang, ano iyong balakid, ano iyong reason?

REP. DAZA. Most are under appeal and there is no final decision on these items, Mme. Speaker.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, what do you mean by on appeal? Naka-korte ba? Naka-kaso ba, Mme. Speaker?

REP. DAZA. Some developers have appealed to the Department on the computation, some have appealed not to pay, some are pending with the HSAC – the adjudication committee. So, some are pending but we are assuring my esteemed colleague, Mme. Speaker, that the Department will be prioritizing these collection efforts.

REP. BROSAS. Yes, thank you, Mme. Speaker. Thank you, Mr. Sponsor, for the answer na makukuha natin kasi sabi ko nga kanina kung makapaningil tayo sa amortisasyon ng mga maralita, mga maliliit nating mga mamamayan, talagang very strict. Iyong iba pa nga, binibigyan ng notice agad pero ito, Mme. Speaker, Mr. Sponsor, mula sa mga utang ng developers hindi natin makuha-kuha. So, it is good to know na sinabi ng ating good Sponsor na ito ay kanilang sisingilin at gagagawa ng paraan ang DHSUD na makuha para ng sa ganon ay magamit na pondo ng ating ahensiya.

Now, Mme. Speaker, Mr. Sponsor, my next question is, there is no item in the Annual Procurement Plan 2021 for employees' welfare in response to the COVID-19 pandemic except for the rental of vehicles to transport staff. However, there are several items on the construction, repair, renovation of offices, including a fishpond and gazebo lounging areas, apat na unit ito, which cost a total of P100 million plus at the NHA Main Office compound.

Mme. Speaker, Mr. Sponsor, para saan ang construction, repair, renovation na ito

sa NHA Main Office compound? Kasi po, alam ninyo naman, humaharap ang bansa sa pandemiya, puro renovations ang ating ginagawa, iyong rehabilitation ng tenement sa Vitas-Katuparan, tapos iyong NHA naglalaan ng – hindi makapaglaan ng pondo dito, tapos mayroong ganitong ano – mayroong ganitong repair na ginagawa ang NHA. Butas-butas na actually iyong hagdan ng tenement, tapos iyong renovations ng lounging gazebo and fishpond sa NHA Main Office, P100 million ang pondo, malalaman natin, Mme. Speaker, Mr. Sponsor.

REP. DAZA. We appreciate bringing up these concerns. This Representation has been assured by the Secretary that a COVID action plan will be finalized. We will furnish the Lady from GABRIELA with a copy. The said COVID action plan will include activities that will help employees in these pandemic times, Mme. Speaker.

REP. BROSAS. So, first, Mme. Speaker, G. Sponsor, pinapagawa nga no, may renovation and may P100 million na pondo rito.

REP. DAZA. Mme. Speaker, the NHA, the building is 45 years old and there were some renovations done this year.

REP. BROSAS. So, Mme. Speaker, G. Sponsor, inuuna pa natin iyong fishpond at gazebo, kaysa sa rehabilitation ng mga public housing, Mme. Speaker, G. Sponsor.

REP. DAZA. Mme. Speaker, those are part of the regular maintenance of the NHA, but I understand the point of the Honorable Brosas and the agency is intently listening and taking notes on the concerns.

REP. BROSAS. Thank you, Mme. Speaker, G. Sponsor.

Follow up question ko lang po, kasi first on the list of the 2021 NHA appropriations is the construction of the NHA office tower, costing P2.5 billion. In 2025 or four years from now, iyong corporate life ng NHA will be finished supposedly, unless maipasa natin iyong batas na nakahain ngayon sa Kongreso.

Now, why is the agency pouring billions of pesos for repairs, renovation, construction in the Main Office compound?

REP. DAZA. Mme. Speaker, the mentioned NHA tower was conceptualized to bring in additional revenues to the NHA, which will in turn, redound to benefit the employees and cover MOOE and more housing.

REP. BROSAS. So, Mme. Speaker, Mr. Sponsor, iyong P2.5 billion, tama po ba? Construction ito ng NHA office tower, particular.

REP. DAZA. Yes, Mme. Speaker.

REP. BROSAS. 'Di ba, Mme. Speaker, G. Sponsor, napakalaki naman nito? Katulad din ng sinabi ko kanina, na may mga housing backlog tayo tapos uunahin natin iyong pagtatayo ng tower na ganito ang halaga, Mme. Speaker, G. Sponsor.

REP. DAZA. Mme. Speaker, the precise number is 1.8 billion and this will not be sourced from the General Appropriations Act and the projection is, it will bring in a P150 million a year of income. So it would make sense from a revenue point of view to do the project because, at the end of the day, this revenue will help build more housing.

REP. BROSAS. Mme. Speaker, G. Sponsor, paano po navi-visualize n'yo na may revenue income itong pagpapatayo ng tower na ito, Mme. Speaker, G. Sponsor?

REP. DAZA. Office – leasable space for government offices. So, this is an Executive decision and the appropriate studies have been done, the feasibility has been done and we believe this is a viable project that will, to emphasize, bring in additional revenue to the NHA.

REP. BROSAS. Ako lang, Mme. Speaker, G. Sponsor, if we want more revenues, bakit hindi natin ayusin iyong paniningil natin sa mga developers, Mme. Speaker, G. Sponsor? Baka mas madali pa iyon na makakuha tayo. Kung talagang seseryosohin natin ay

makakapaningil na tayo sa mga developers, sa mga owners na iyan, na hindi natin nasisingil, Mme. Speaker, G. Sponsor. But, anyway, on to my next question.

During the budget briefing of the DHSUD, this Representation questioned the high monthly fees in the Diosdado Macapagal permanent housing which amounts to P3,000 to P12,000. Naaalala n'yo po iyan, Mr. Sponsor, Mme. Speaker? Ang isinagot po sa atin ng NHA at DHSUD, P600 to P2,000 lang daw ang singil nila.

Now, we received reports kung saan ang nakalagay ay, talaga naman, ang monthly amortization ay P2,879.55, may assessment fee na P200, may fire insurance na P300. Iyan po iyong sinisingil doon sa Vitas, Tondo, Manila, Vitas low-rise building. So, Mme. Speaker, G. Sponsor, ano po ang masasabi ng NHA rito?

REP. DAZA. Mme. Speaker, the people can have an option of a longer term loan with a lower amount, or a shorter term with a higher amount. But, I believe, if my mathematics is correct, the P3,000, more or less around P3,000, in Metro Manila is viable for many families. Yes, it is an option that they choose, Mme. Speaker.

REP. BROSAS. Mme. Speaker, ire-reiterate ko lang, Mme. Speaker, kasi iyong sa Vitas, Tondo, iyong mga nakatira naman ho diyan talagang ang kanilang mga trabaho ay iyong nagpe-pedicab, na sila po ay mga mahihirap, maralita na nagtratrabaho sa palengke, nagdya-junk shop, nagkakalakal, iyan po iyong kanilang mga – nangangalakal, iyan po ang kanilang mga trabaho. Hirap na hirap ho sila kapag sinisingil natin sila ng ganitong kalalaking mga kailangan na resibo. In fact, dito po, mayroon po akong hawak na official receipt ng NHA na ang ipinapabayad ay P3,287. So, ibig sabihin, talagang hindi totoo iyong P600 to P2,000 lang na singil, kasi ito 'yong katibayan na sila ay nagbabayad o pinagbabayad ng ganito. In fact, ito ay nitong January 28, 2021 lang. Hindi ko lang po mapakita sa inyo iyong resibo kasi hindi naman tayo – hindi ko naman maaano diyan.

But, anyway, Mme. Speaker, G. Sponsor, tinanong ko na po iyan, kung naaalala ninyo

doon sa Committee hearing na “can you check on this” sabi ko pa sa NHA. Please check on this na iyong mga kababayan natin doon, iyong mga maralita na nakatira sa Vitas, Tondo, maralita po sila eh, kaya nga sila naka-tenement, kaya nga sila nandiyan sa ano, no, sila din ay nanggaling din sa mga dinemolish na lugar, na diyan pinatira, tapos ngayon ang problema nila napakataas noong amortisasyon na sinisingil sa kanila, Mme. Speaker, G. Sponsor, to the point na ang hirap eh, kasi naghahanapbuhay ka pa, panahon pa ng pandemya, tapos magsisingil ng ganito, so – and I believe they did not choose to pay P3,000 para diyan, Mme. Speaker, G. Sponsor.

REP. DAZA. Mme. Speaker, firstly, it is the choice of the beneficiary, they have choices on longer term financing, shorter term. In some cases, it will be P6,000-P7,000, some families choose a smaller amount, 3,000, it will be a longer term. But, the points are well-taken, Mme. Speaker, this Representation agrees. If there are ways to help these families, especially in this time of pandemic, reduce their monthly amortization, this Representation is open. Should my esteemed colleague from GABRIELA have any ideas on income generation so we can increase the subsidy to these families, I would be the first one to advocate for that. Should my colleague have any recommendation to the Committee to increase the budget subsidy for the NHA or for the Department of Human Settlements, I would support that. So, I leave it up to the esteemed colleague because as I mentioned, it is the choice of the beneficiary whether it is P3,000 or P4,000, and I am open to any suggestions to mitigate. May paraan na mabawasan. Maybe my colleague will help me convince the leadership to increase the funding for the NHA or for the other shelter agencies.

REP. BROSAS. Yes. Thank you, Mme. Speaker, G. Sponsor.

This is specific doon sa amortization ng mga maralita na nakatira sa Tondo, Mme. Speaker, G. Sponsor. I am sure parepareho naman nating alam iyong kalagayan nila, Mme. Speaker, G. Sponsor. And I do appreciate iyong suggestion ng ating good

Sponsor kaugnay sa pag-aalam kung paano talaga mababawasan iyong amortization dahil iyon talaga ang gusto ng mga mamamayan natin na nakatira sa Vitas, Tondo, para makaagapay sila sa kanilang pamumuhay. At the proper time siguro, Mme. Speaker, G. Sponsor, puwede tayong mag-suggest kung paano talaga na hindi ganito na ang singil sa kanila ay P3,287, di nila kinakaya, umaangal talaga sila, nagsasabi sila sa atin, kasi, hindi naman po sila pupunta sa amin kung walang reason eh, 'di ba, so, ito po talagang dinudulog nila ito sa amin, Mme. Speaker, G. Sponsor.

REP. DAZA. Mme. ...

REP. BROSAS. Next ...

REP. DAZA. With your indulgence

REP. BROSAS. Next ...

REP. DAZA. With your indulgence, Honorable Brosas, Mme. Speaker, if there are families who are really having a hard time there, I am sure there are, no less than the NHA-GM has mentioned to me that we will be more than happy to give us the names of the families; and if they want to lower the monthly we can come up with the lower amortization. So that is something, I think, the NHA is willing to do to accommodate considering the hardships that the families are undergoing. So, kontakin lang po ninyo kami, Your Honor, call, text or letter, and we will address the issues of these families.

REP. BROSAS. Yes, thank you, Mme. Speaker, G. Sponsor. Definitely dahil ako po personally, minsan po pumupunta pa ako ng NHA para makipag-dialogue. Minsan po sinasamahan ko pa iyong ating mga kababayan pagpunta talaga ng NHA para makipag-dialogue and we have had dialogues ng mga nakaraan. This particular sa amortization hindi pa po talaga ito natutugunan. In fact, kilalang-kila na nga ho yata ako ng mga tao sa NHA kasi medyo makulit na po ako diyan, Mme. Speaker, G. Sponsor.

Anyway, Mme. Speaker, G. Sponsor, on to my next question po. The DHSUD, along with

the NHA, agreed with me that there should be, tama po ba, naalala ko rin po ito noong sinabi natin sa hearing there should be a demolition moratorium. Nag-issue po ba ang DHSUD ng memo regarding the demolition moratorium?

THE DEPUTY SPEAKER (Rep. Yu). Before the Sponsor answers the query, I would like to remind Honorable Brosas, that your time is about to be finished. So please wrap up. Thank you.

REP. BROSAS. Mme. Speaker, may I ask if my esteemed colleague, honorable Rep. Carlos Zarate, gave his time to my interpellation?

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BONDOC. Yes, Mme. Speaker, I move that we give an additional 30 minutes to the Honorable Brosas.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DAZA. Mme. Speaker, to continue and to respond to the Lady from GABRIELA, the DHSUD does not do the demolition, that is the LGU. So, there are no plans to do any demolition now. The Department agrees with the honorable Lady from GABRIELA to no demolition during the pandemic. But there is no moratorium that can be issued by the Department because the demolition moratorium should come from the LGU not from the Department.

REP. BROSAS. Mme. Speaker, G. Sponsor, pupuwede pong mag-recommend ang DHSUD with regard to the memo na dapat ilabas ng either the DPWH and the DILG regarding this matter. Now, may action po bang ginawa kahit ongoing talks, pag-uusap, pagsasabi ng kanilang recommendation sa DPWH and DILG, Mme. Speaker, G. Sponsor?

REP. DAZA. Mme. Speaker, for government projects, I have been assured that there is no

demolition, but the head of the Department has indicated that they will coordinate with the DILG.

REP. BROSAS. So, Mme. Speaker, simula noong nag-usap tayo sa briefing hanggang ngayon wala pa pong ginagawa na action ang DHSUD. Sinabi lang nila iyon last time pero wala talagang ginawang kahit ano to ensure na magkaroon ng moratorium on demolition sa panahon ng pandemya.

REP. DAZA. Mme. Speaker, it has been only a week but I have been assured that they will take action on this and no less than the Secretary will contact the office of the Honorable Brosas to give her updates on the actions taken by the Department.

REP. BROSAS. Yes, please Mme. Speaker, G. Sponsor, dahil actually napakabilis din naman inilabas ng DILG iyong kanilang memo circular last time sa moratorium on demolition. Napakabilis din pong makontak in a span of one week na makapag-usap iyong mga ahensiya kaugnay sa importansya na magkaroon talaga ng moratorium dahil tumataas iyong Delta variant. Iyon naman po iyong mga sinabi natin last time and tumataas at hindi puwedeng without a home ang nagsasabi ng stay-at-home, hindi ba? Ganoon po iyong ano, iyong nire-request natin. Kung hindi baka sabihin lang po sa atin ng mga maralita ay hindi natin sila inaasikaso or baka sabihin nilang niloloko lang natin sila dahil hindi naman pala magkakaroon ng moratorium sa demolition sa panahon na ganito, Mme. Speaker, G. Sponsor.

REP. DAZA. Mme. Speaker, sang-ayon po kami diyan.

We agree, 100 percent with her Honor. I have been assured that they will write the Honorable Brosas on this particular concern and they will coordinate with you and report to you what action the Department will be doing, and this Representation will assist my esteemed colleague in this particular issue. So, I am assuring you, Your Honor, that your concern on demolition will be addressed and this will be done at the soonest time.

REP. BROSAS. Thank you very much, Mme. Speaker. Thank you very much, Mr. Sponsor, sa inyo pong pag-agree.

Sa next question ko po ay sa Bayanihan 2, Mme. Speaker, G. Sponsor. In the Bayanihan 2, Section 4, "the President is hereby," nakalagay po doon, "authorized to exercise powers that are necessary and proper to undertake and implement the following COVID-19 response and recovery interventions."

"(aaa) Implementation of a program which would:

(1) Fast track the approval of all pending and new applications for housing loans, permits and licenses by simplifying the requirements and procedure; and

(2) Accommodate and prioritize critically-impacted home buyers who may want to shift from private bank financing to Pag-IBIG home financing with simplified requirements through the Department of Human Settlements and Urban Development (DHSUD) program and its key shelter agencies;" and encouraging— may part po doon ng "(ccc) Encouraging the BSP," the Bangko Sentral ng Pilipinas, "to allow private banks and financial institutions to: (1) reallocate any unutilized loanable funds to housing loans; and (2) to grant subsidy to the home loan borrowers at the rate equivalent to the gross receipts tax imposed on banks and financial institutions on their interest income."

Ngayon, my question is, Mme. Speaker, G. Sponsor, ano-ano ang mga programang in-implement ng DHSUD in compliance to this provision?

REP. DAZA. Mme. Speaker, the DHSUD interventions to rebound from the COVID-19, and as expressed by the Lady from GABRIELA, that was mandated in the Bayanihan 2 — please allow me to share quickly, are:

Loan payment moratorium, provided five months moratorium in 2020 on loan payments from beneficiaries of HDMF, NHA, SHFC and the National Home Mortgage Finance Corporation Housing Programs, issued directive to developers to provide grace period for buyers under their in-house financing during ECQ;

The Department supported the resumption of housing construction, extended deadlines and adjustments of compliance periods for housing developments;

The Department issued guidelines in resumption of real estate business construction operations and activities post-ECQ in the year 2020;

Allocated P10 billion housing finance construction loan for developers, and reduced the housing interest rates for the end-user financing;

The Department certified the socialized housing programs and projects as under the BALAI Filipino Communities for the allocation of developers' incentive compliance;

The Department issued 882 licenses to sell, with a total of 301,000 units.

There were many, many interventions done by the Department and we will be more than happy to provide more detailed activities done by the Department to my esteemed colleague.

REP. BROSAS. Thank you, Mme. Speaker, G. Sponsor. Kaugnay po sa mga provision na ito, for example, sa government-guaranteed loans sa corporate housing, hindi po ba nalugi tayo sa pandemya, dahil sa pandemya?

REP. DAZA. Yes, Mme. Speaker, because of the loan moratorium, so, yes, Mme. Speaker.

REP. BROSAS. Magkano po ang nalugi natin dito?

REP. DAZA. In the Social Housing Finance Corporation, we estimate about – Mme. Speaker, we are doing the quick math under SHFC, it is about, we believe around 80, P80 million.

REP. BROSAS. P80 billion?

REP. DAZA. Million. Million pesos.

REP. BROSAS. Billion pesos?

REP. DAZA. Million with "M", Mme. Speaker.

REP. BROSAS. Okay. Thank you, Mme. Speaker, G. Sponsor. May additional incentives po ba para sa mga developers? Ano-ano po iyong mga additional incentives na binigay sa mga developers?

REP. DAZA. The Department through its various attached agencies, allocated P10 billion for housing, finance, construction loans for developers, and reduced the interest rate charged to the end-users, meaning the eventual home buyers.

REP. BROSAS. Hindi ba marami na sila – Mme. Speaker, G. Sponsor, hindi ba marami na silang incentives mula sa utang, so, dagdag pa ito? Iyong sinasabi ninyong P10 billion and reduced interest rates?

REP. DAZA. Mme. Speaker, these are – this is funding for developers to encourage them to continue the construction of more homes. But these are loans, so, these will be paid back to Pag-IBIG.

REP. BROSAS. Mme. Speaker, Mr. Sponsor, hindi ba tayo malulugi with these public-private partnerships, kasi iyong iba hindi naman – minsan, ano, hindi natutuloy-tuloy, hindi natatapos iyong project kapag may private entities na kasama, tapos mahirap singilin, Mme. Speaker, Mr. Sponsor?

REP. DAZA. Hindi naman po. In fact, the loan repayment is very good from the developers and they are secured loans. So, hindi naman po lugi dahil po may collateral and at the end of the day marami po tayong buyers.

REP. BROSAS. Anyway, Mme. Speaker, G. Sponsor, magkano po iyong unutilized loanable funds na ginamit bilang housing loans – unutilized loanable funds na ginamit bilang housing loans?

REP. DAZA. Mme. Speaker, could I request for her Honor to repeat the question?

REP. BROSAS. Magkano po ang unutilized loanable funds na ginamit bilang housing loans?

REP. DAZA. Mme. Speaker, if I understand correctly the question, there is really no unutilized loan, because if there is no loan, they are just not funded, Mme. Speaker. So, could my esteemed colleague clarify her question?

REP. BROSAS. So, wala po tayong, unutilized loanable funds, ibig sabihin? Ano po ito, sa provision pa rin ng Bayanihan 2?

REP. DAZA. Mme. Speaker, to my recollection, there is no funding from Bayanihan 2 that went to Pag-IBIG. Pag-IBIG lends out internally generated funds. They do not receive any funding from the GAA. So meaning, there are really no funds to be underutilized. So, from the GAA, there is none, Mme. Speaker.

REP. BROSAS. Mme. Speaker, G. Sponsor, sa Bayanihan 2 po iyong tanong ko.

REP. DAZA. Wala po.

REP. BROSAS. Wala, wala?

REP. DAZA. Wala, wala po sa Bayanihan 2.

REP. BROSAS. Kasi iyong next na tanong ko po dito'y kung may mga home loan borrowers na nag-avail. Kung meron, ilan po ito? So, ang sinasabi n'yo po, wala.

REP. DAZA. Funding from Bayanihan 2, wala po. Wala pong nakuha ang Department from Bayanihan 2.

REP. BROSAS. Okay. Mme. Speaker, G. Sponsor, thank you.

May we get a copy na lang, Mme. Speaker, G. Sponsor, ng copy of revenues between the NHA and—mayroon po ba kayong ano, iyong mga joint projects ninyo with foreign companies?

REP. DAZA. For NHA, Mme. Speaker, none.

REP. BROSAS. NHA and foreign companies na joint projects?

REP. DAZA. Wala po, Mme. Speaker.

REP. BROSAS. Wala? How about iyong copy of revenues na nakuha from deals between the NHA and private—siguro mga Ayala Land, example, Vertis North? Do you have that Mme. Speaker, G. Sponsor?

REP. DAZA. There is one, Mme. Speaker, 2014 joint venture with Ayala. We will provide, her Honor with the requested documents and reports on this.

REP. BROSAS. Thank you, Mme. Speaker, G. Sponsor.

Lastly, as a manifestation, Mme. Speaker, G. Sponsor. Madami sa ating mga kababayan ang nawalan ng kabuhayan dulot ng krisis na pinalala ng pandemya. Kaya dapat na tumalima ang gobyerno sa kanyang mandato na tiyakin na may bahay at kabuhayan ang mga maralita upang makaahon sa tumitinding krisis sa ating lipunan. Dito po lumalabas na hindi priority ng gobyerno ang maglaan ng pondo sa pabahay. At ang tunguhin ng programa nito ay mas lalong dumami pa iyong mga developers at iyong mga tubo ng developers. At sa tingin po namin baka mas tumindi ang dislokasyon sa mga trabaho at paninirahan sa pamamagitan nito. Maraming salamat, Mme. Speaker. Maraming salamat, Mr. Sponsor, for answering all of my questions.

REP. DAZA. Thank you to my esteemed colleague.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. SANGCOPAN. Mme. Speaker, I move that we recognize Rep. France L. Castro of Party-List ACT TEACHERS for the interpellation of the Sponsor.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Castro is recognized to interpellate the Sponsor.

REP. CASTRO (F.L.). Thank you very much, Mme. Speaker.

Magandang gabi po sa ating lahat.

Sa atin pong honorable Sponsor, magandang gabi po, at sa atin pong mga colleagues.

First of all, I would like to thank, Mme. Speaker, the NHA for providing us iyong necessary information I asked during the briefing about the Pandi, iyon atin pong housing doon sa Pandi. At nakapag-update na rin po ako doon sa mga kababayan natin na nandoodon sa Pandi. At mayroon daw namang awarding by Friday pero mukhang ipo-postpone muna dahil sa budget. But anyway, thank you po doon sa NHA. Siguro lang po, as a matter of ano, suggestions and recommendations doon po sa ating mga nire-relocate, napansin din po natin iyong pangangailangan na mapansin din ng NHA iyong mga services, iyong mga water, iyong mga electrical at mahalaga din po iyong kabuhayan. Baka mahalagang, syempre po sa mga relocation areas, dahil alam naman natin ang mga kababayan natin, kapag na-relocate po natin iyan, bumabalik-balik sila doon sa pinanggalingan nila dahil sa kabuhayan.

Baka, based doon sa ating mga karanasan, nakita na rin natin na dapat iyong NHA, maisama na rin doon sa kanilang framework, iyong pagsisiguro na mayroon din pong mga kabuhayan at mahahalagang serbisyong panlipunan ang mga kababayan nating mare-relocate, just in case. May bahay nga po sila pero wala naman po doon iyong kabuhayan nila, walang tubig at walang kuryente. So, babalik at babalik, paulit-ulit lang po iyong magiging problema doon sa kabahayan at kabuhayan.

So, Mme. Speaker, iyon atin po bang Sponsor ay nag-a-agree sa sinasabi ko po?

REP. DAZA. Good evening to my esteemed colleague from ACT TEACHERS. Salamat po sa mga observations ninyo and we agree with your comments and observations, Mme. Speaker.

REP. CASTRO (F.L.). Thank you po.

So, bagama't mayroon po akong natanggap sa NHA, may problema po ako doon sa pangalawang request ko na about doon sa roadmap po doon sa Marawi rehabilitation.

Mme. Speaker, Mr. Sponsor, so puwede po bang matanong ang ating ahensiya bakit po hindi po sila nagpadala noong ni-request po natin doon sa briefing about doon sa Marawi?

REP. DAZA. Mme. Speaker, nagpadala po iyong Department. Maybe there was a mix up. It was sent to the Committee on Appropriations, I am requesting the ComSec to look for those documents and to immediately forward them to you, Mme. Speaker. Napadala po.

REP. CASTRO (F.L.). May I verify, Mme. Speaker, Your Honor, sa ating Committee on Appropriations.

REP. DAZA. Mme. Speaker, we have an extra copy here. Would the Lady from ACT TEACHERS prefer that to be sent to the office now?

REP. CASTRO (F.L.). Yes, Your Honor, nandito po ako sa office.

REP. DAZA. So, sige, ipadala po namin ngayon, Mme. Speaker.

REP. CASTRO (F.L.). Thank you po.

Regarding po diyan sa Marawi rehabilitation, so, during our briefing, the Task Force Bangon Marawi, with regard to the ongoing horizontal and vertical projects in Marawi rehab, Your Honor, they are about to be completed daw, 70 to 75 percent according to Secretary del Rosario. And, furthermore, he said, "We are on track to complete all these projects by December 2021." At, sinabi rin po niya na, dito sa aking notes, mayroong by October this year ay magkakaroon na, Your Honor, ng ano ba ito, iyong pagbibigay ng mga building permit, Sectors 1 to 3, and later iyong 4 to 9 pa na building permit. So, may we know the update. May latest update po ba rito, Your Honor?

REP. DAZA. Mme. Speaker, the IDPs would be allowed, with building permits, would be allowed to enter Sectors 4 to 7 by next month, Mme. Speaker.

REP. CASTRO (F.L.). Okay. Thank you, Your Honor.

Sinasabi din po sa report na nakuha ko, 50 more permanent shelters at the Pamayandeg sa Ranaw Residences at Dansalan o iyong PRRD Village in Barangay Mipantao Gadongan were also awarded beneficiaries. Tama po ba ito, this October po ay maa-award na sila?

REP. DAZA. Yes, Mme. Speaker.

REP. CASTRO (F.L.). Yes.

Katulad noong opening ko kanina, Your Honor, iyong tungkol doon sa mga mamamayan natin, kung mailalagay po sila, maibabalik sila doon, na-ensure po ba natin iyong kanilang kabuhayan ay maibabalik din? Iyong kanilang kabuhayan ay maibabalik din doon sa lugar? So, paano po ma-e-ensure ito ng Departamento, Your Honor?

REP. DAZA. Mme. Speaker, mayroon po tayong livelihood program component, and the Department agrees with the Lady from ACT TEACHERS na talagang dapat po tutukan din iyong mga livelihood program and they are working with the DTI, the TESDA, the DA and the DSWD.

REP. CASTRO (F.L.). Okay. Sana, Mr. Sponsor, ano, matiyak natin ito with your help also na matulungan natin iyong ating mga kababayan. Kasi alam ninyo po, may nakita po akong, ano eh, na-interview na isa nating kababayan sa Marawi. Sabi niyang ganoon hindi daw po totoo na masaya ang mga IDP o iyong internally displaced person. "Ang katotohanan po ay nahirapan kami. Hindi pa nakakabawi iyong 127,000 families na naghihirap because of the siege". So, sabi po iyan ng isang sultan doon sa displaced areas. So, iyan po iyong nakita natin, ano, makikita rin iyan sa isang CNN article. Kaya ko po sinasabi ito dahil sinasabi po ng ating Secretary doon sa last briefing at nagpakita ng mga videos na talagang parang ano na 'no parang kumpletong-kumpleto na iyong ating mga IDP doon, kaya sana naman po tototohanin iyong ganitong sitwasyon, kabuhayan—maibigay iyong kanilang kabuhayan, maibalik iyong

kanilang kabuhayan at iyong kabahayan, Your Honor, Mme. Speaker.

REP. DAZA. Yes, we agree, Mme. Speaker, and we support the contentions of my esteemed colleague.

The whole Department is here, no less than the Secretary, at nakikinig po sa inyo. Tututukan po natin iyong mga kabuhayan, na mga programs para po makatulong sa kanila.

REP. CASTRO (F.L.). Okay. Thank you po.

So, iyong last question ko po, Mme. Speaker, Your Honor. So, how would our program po sa housing would be affected dito po sa *Mandanas* ruling especially po iyong—made-devolve po ba iyong function ng housing sa ating mga LGU or nasa national pa rin po?

REP. DAZA. Mme. Speaker, the *Mandanas* ruling, as we all know, which will be implemented next year, the Department will continue its housing programs because ang pagtingin po ng Department of Human Settlements na hindi po kaya iyong mga funding requirements kasi malaki po ang kailangan sa mga housing project, wala po—itutuloy po ng Department iyong mga programa niya. So, wala pong i-de-devolve na galing sa Department na papunta sa mga LGUs. Except for one, maliit lang po iyon, iyong technical assistance na tinatawag natin, mga government centers. Mayroon pong mandate ang Department to encourage the LGUs to come up with government centers. The Department will assist the LGUs should they opt to prioritize iyong mga government center. So, wala pong ibibigay ngayon na ide-devolve. Tuloy po ang NHA, SHFC and the Department.

REP. CASTRO (F.L.). Okay. So, thank you po, Your Honor. Thank you, Mme. Speaker.

REP. DAZA. Thank you to my esteemed colleague. I would like to add, Mme. Speaker, that the documents that were mentioned earlier were emailed to Representative Gaité per his requirement but we will also forward to the Honorable Castro the said documents.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. CASTRO (F.L.). Okay. Salamat po.

REP. SANGCOPAN. Mme. Speaker, next to interpellate is Rep. Ferdinand Gaité of Party-List BAYAN MUNA. I move that he be recognized.

THE DEPUTY SPEAKER (Rep. Yu). The Honorable Gaité is recognized to interpellate the Sponsor.

REP. GAITE. Thank you, Mme. Speaker. At sa ating kapita-pitagang Sponsor, Congressman Daza, at sa lahat ng kasamahan nating mga Kinatawan sa Kongreso na nakikinig ngayon para sa briefing ng Department of Human Settlements and Urban Development budget amounting to P861.1 million for – including the agencies under the DHSUD.

Mayroon pong ilang katanungan kung pahihintulutan ng ating kagalang-galang na Sponsor? Kung mayroon pong papayagan po ng ating...

REP. DAZA. Yes, Mme. Speaker, it is my honor to respond to the Honorable Gaité.

REP. GAITE. Salamat po. Una sa lahat nagpapasalamat ako sa nabanggit n'yo na po kanina just this afternoon, I received the requested Devolution Transition Plan na batay na nga sa implementation daw ng *Mandanas* ruling sa ilalim ng Executive Order No. 138 ni Pangulong Duterte ang devolution plan na nire-require sa mga agency. At – I am pleased to note that as stated by our Secretary, right now nakikita nilang walang aspects of the devolution will be – the Department of Human Settlements and Urban Development – affected at may ilan lang na mga programang na-identify at nakita ko nga roon sa inyong proposal na most of the programs under National Housing Authority, the SHFC and others – other attached agencies, walang major na pino-propose kayong ililipat sa LGUs. Tama po ba iyon, Mr. Sponsor, Mme. Speaker?

REP. DAZA. Tama po iyon, Mme. Speaker.

REP. GAITE. Okay. Salamat po. Kaya ang susunod ko sanang tanong at tinanong ko noong nakaraan kung ilang empleyado ang affected, so I would assume that, therefore, although you have some items na binanggit, although minor ito, mas social preparation and other aspects ng pabahay, wala po ni isang empleyado – tama – para lang ma-validate 'no, wala pong empleyadong made-devolve because of this non-transfer as articulated in your development transition plan, Mr. Sponsor, for the Department of Human Settlements and Urban Development. Tama po ba?

REP. DAZA. Tama po iyon, Mme. Speaker, wala pong made-devolve sa LGU.

REP. GAITE. Okay, salamat po. Dahil nga kung mangyayari iyon ay parang kaawa-awa na iyong mga empleyado ng DHSUD. As we remember, the Department of Human Settlements and Urban Development was just created a few years back under R.A. No. 11203. Tama po ba? Kaya po kumbaga walang katapusang reorganisasyon iyan. Pero mapunta lang po muna tayo doon sa current level ng reorganization ng Department of Human Settlements and Urban Development. Tama po magtu-two years pa lamang, tama ba or more than two years pa lamang ang Department? Pero ang isang nakakabahala bagamat na more than two years na, ayon sa report ng CPBRD o ang Congressional Policy and Budget Research Department – Division ng ating Kongreso ay marami pa sa DHSUD ang hindi – positions under the – R.A. No. 11201 pala hindi R.A. No. 11203 – marami pang mga posisyon ang hindi pa napupunuan, such that based sa report, sa staffing summary, a total of 1,255 unfilled positions out of its 1,613 authorized positions as of 2020. It has been two and a half years, although the figures were of 2020, nakakabahala dahil 80.7 percent sa OSEC ang hindi pa napupunuan habang 71.6 percent ang hindi pa napupunuan sa HSAC. Mayroon na ho bang development dito since 2020 sa pag-fill up ng mga positions especially of those affected agencies, Mr. Sponsor, Mme. Speaker?

REP. DAZA. Mme. Speaker, the Department, tama po iyon, it started two years ago, 2020, it started with more or less – about 28 percent na filled up. There are now, as of today, 56 percent so nakadoble na po ang number of personnel in the Department.

REP. GAITE. Thank you, Mr. Sponsor, for that clarification. But, still two and a half – more than two years na, two and a half years, I think February, kung hindi ako nagkakamali, noong naaprubahan. Kaya ano ho ba ang target? When will we be the filling up of 100 percent of the positions? And we would like to – siguro ipaalala sa lahat, these positions were previously occupied by the agencies under the office – the agencies prior to the creation of the DHSUD. Iyong agency na dating headed by General Del Rosario and the HLURB. So, inaasahan din sana nila na ma-fill up-an na nila iyong mga position na nanggaling sa mga dating office na nandito. So, kung 50 – tama po iyong pagkarinig ko kanina, 56 percent, ano ang target na ma-fill up-an ang lahat ng position at sana po sa pinakamaagang panahon iyong targeting na scheduled filling up, Mr. Sponsor?

REP. DAZA. Mme. Speaker, ang target po ng Department, ma-hire iyong 95 percent by June, end of June 2022.

REP. GAITE. Okay, thank you for that information, and I think iyong ating mga kawani sa mga ahensiya na ito ay would be pleased to know na mayroon nang effort para mapunuan ito. Although, hindi naman affected immediately iyong mga agencies, tulad ng NHA, Pag-IBIG at iba pa, of course, there is that proviso that their functions will be reviewed in line with the DHSUD law kaya po kahit sila ay nag-aatubili kung ano ang mangyayari sa kanila kung, if and when, as I understand after two years, it is two years to this year, ano, kaya ano ho ba ang current state of affairs? Are these agencies attached to the DHSUD, mayroon na bang ginagawang review dito sa mga office na ito as per Republic Act No. 11201, Mr. Sponsor, Mme. Speaker?

REP. DAZA. Mme. Speaker, the Department is planning a status quo.

REP. GAITE. Salamat po for that information and sana iyong status quo ay tumagal-tagal dahil, of course, in any reorganization, as what happened recently, there is a big dislocation on the part of the employees. Walang assurance that they would be absorbed by the respective agencies kung kaya kanina rin, ang tanong ko po kanina ay patungkol din dito sa devolution because definitely the impact is on the employees and, of course, will also impact on the program of the Department. Kaya po ang isang matagal nang problema, I think, it has been a perennial problem for the Department, is the problem of addressing the housing needs especially of the poor. At paulit-ulit na iyong naririnig naming problema na the budget for the housing sectors has never been sufficient to fulfill the minimum requirements, especially on the issue of creating homes and houses for our informal settlers, those affected by the calamities whether person-made or natural causes.

So, right now, nasaan ho ba ang, nasa anong level ho ba tayo ng kabuuang target vis-à-vis production? Ano ho ba ang yearly production natin ng low-cost housing para sa ating mga informal settlers at mga affected, and I think, this goes for all, iyong ating nabanggit kanina iyong Marawi and tama po kayo na ang isang problema natin, taon-taon nadadagdagan iyong bilang hindi nababawasan. Kasi nga po, our production of housing units is not enough to even cover the deficit of previous years tapos madadagdagan na naman dahil tatama iyong bagyo, tatama iyong lindol, tatama iyong pagputok ng bulkan, and all other calamities which add to the burden, at sabi nga ni Congressman Arlene kanina, buti pa iyong iba kasi sinasabi work from home pero ngayon wala ka na ngang work, wala ka pang home.

So, ano ho na ba iyong status? What is the state of affairs in terms of targeting our production levels for the DHSUD, at ilan ba iyong yearly production at siguro puwedeng kahit ganoon na lamang, tapos ilan pa iyong deficit? Ilan pa iyong kailangan nating mapunuan based sa target ng ever-increasing

na number ng kailangang mabigyan ng pabahay sa ilalim ng pograma ng DHSUD, Mr. Sponsor, Mme. Speaker?

REP. DAZA. Mme. Speaker, from 2016 to current, and despite the pandemic, the shelter agencies have accomplished 84 percent of their target. Tapos iyong tanong po sa kulang na kailangan i-target, under the Philippine Development Plan target, we need to produce 110,000 more units.

Mme. Speaker, may I ask—may I kindly ask my esteemed colleague, the Honorable Gaité, kung puwede po lang ninyong lapitan lang po sa microphone.

REP. GAITE. Pasensya na po.

REP. DAZA. Mahina iyong dating noong sound.

REP. GAITE. Pasensya na po.

REP. DAZA. Kung puwede pong ilapit iyong microphone.

REP. GAITE. Okay. Sige po. So, more than 80 percent ang achievement based sa target. At sana po kung ganoon ay mabigyan ninyo pa kami ng kaukulang report para ma-compare based doon sa current level ng need tulad ng nabanggit ko parang taontaon dahil tumatama iyong mga kalamidad sa atin, dumadagdag iyong bilang. Liban doon sa fixed na figures na na-determine na based doon sa ISF na binabanggit pero nadadagdagan because of the calamities and other problems. So, kung sana po makapag-submit na lang ng report.

So, iyon na lang po, pero doon sa panghuli na lang po, nag-inquire po ako noong huling briefing, I asked for a copy, of course, I thank the Secretary and their office for submitting the copy of the development—the Devolution Transition Plan pero ang hiningi ko rin po sana and this is also a matter of the—for the workers and employees of the agency, there are at least, if I understand, four attached agencies who are considered government-owned and controlled corporations under the DHSUD at ang isang problem nila is the overly delayed CPCS or

Compensation and Position Classification System not only for the GOCCs under the DHSUD but all GOCCs for that matter. And, I asked for a copy of the proposed CPCS that was submitted by the GCG or Governance Commission for GOCCs to Malacañang and as I understand with the good Secretary that they also have a copy and I asked for a copy so that we can evaluate. We are not immediately pushing for its implementation dahil nga bulag po kami dahil hindi namin—hiningi po iyan noong mga unyon sa mga GOCCs. Unfortunately, ang ibinigay lang sa kanila ay bar code indicating that the document was wherever, kung nasaan man iyong document na iyon. But the document itself, hindi nila pa makita. There has never been proper consultation. They do not even know the contents. In their desperation, sabi ko nga, ay gusto na lang nilang maipatupad. However, I prevailed upon them to not go—to run amok and just have it approved just for the sake of approval—approving. Kasi 2011 pa ho, almost 10 years na po iyong iba na walang salary increase. Kaya po medyo ano na sila, desperado na sila, kaya po hinihingi ko po iyong kopya na ito. Is it still possible to get a copy? I had hoped that copy would be given before the budget deliberation, Mr. Sponsor, Mme. Speaker.

REP. DAZA. Mme. Speaker, those have been forwarded to the GCG. The same copies will be provided to the Gentleman from BAYAN MUNA. So, ipadadala po sa inyo iyong kopya.

REP. GAITE. Salamat po. And I think that will greatly benefit our understanding of how the proposed salary schedule for our GOCCs will be formulated. As you know, Mr. Sponsor, this was proposed way back in—kasabay po noong SSL IV, Executive Order No. 201 para sa mga national government agencies at naglabas ng hiwalay na Executive Order No. 203. I believe, it was 2016 na inilabas para sa mga GOCCs, but the President decided to have this suspended because of also some questions regarding the salary schedule for the top positions in the GFIs and GOCCs. Nevertheless, as I understand last May, it was

already submitted and as I also understand, some copies were also given to the heads of the various GOCCs. That is why we are asking for a copy, so we can properly evaluate this. So iyon na lang po ang katanungan ng Kinatawang ito at nagpapasalamat kami sa pagtulong ng DHSUD sa pagsagot sa mga ilang katanungan and, especially, our good Sponsor sa pagkakataong ito. Mme. Speaker, maraming salamat sa opportunity na ito. Thank you.

REP. DAZA. Thank you, to the Gentleman from BAYAN MUNA.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. SANGCOPAN. Mme. Speaker, I move that we recognize the honorable Representative of the Second District of Marikina City, Hon. Stella Luz Quimbo.

THE DEPUTY SPEAKER (Rep. Yu). Honorable Quimbo is recognized.

REP. QUIMBO. Mme. Speaker, there being no other member of the Minority who wishes to interpellate, I move to terminate the period of interpellation and debate on the budget of the DHSUD and its attached agencies and corporations.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. SANGCOPAN. Mme. Speaker, on the part of the Majority, we join the Minority in its motion to terminate the interpellations on the proposed budget of the Department of Human Settlements and Urban Development, including its attached agencies and corporations.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). There is a joint motion to terminate the interpellations on the proposed budget of the Department of Human Settlements and Urban Development, including its attached agencies and corporations. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

SUSPENSION OF SESSION

REP. SANGCOPAN. Mme. Speaker, to allow the family of the DHSUD to exit the plenary and to allow the next agency to be prepared for the consideration of their budget, I move that we suspend the session for a few minutes.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 6:18 p.m.

RESUMPTION OF SESSION

At 6:20 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

Majority Leader.

PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE

REP. SANGCOPAN. Yes, Mme. Speaker, I move that we proceed to the consideration of the proposed budget of the Presidential Communications Operations Office, including its attached agencies and corporations.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

SUSPENSION OF SESSION

REP. SANGCOPAN. Mme. Speaker, I move that we acknowledge the presence of the heads and officials of the said agency.

I so move, Mme. Speaker.

Mme. Speaker, session suspended first.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 6:22 p.m.

RESUMPTION OF SESSION

At 6:25 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

REP. SANGCOPAN. Mme. Speaker, once again, I move that we acknowledge the presence of the heads and officials from the Presidential Communications Operations Office including its attached agencies and corporations, headed by Secretary Jose Ruperto Martin M. Andanar and Undersecretary for Administration, Finance and FOI, Atty. Kristian Ablan, CESO II.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). We acknowledge the presence of the heads and officials of the Presidential Communications Operations Office including its attached agencies and corporations. Welcome to the House of Representatives.

REP. SANGCOPAN. Mme. Speaker, I move that we recognize Rep. Manuel “Mannix” Dalipe of the Second District of Zamboanga City, Vice Chairperson of the Committee on Appropriations, to answer questions on the proposed budget of the PCOO.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; Representative Dalipe, the Vice Chairman of the Committee on Appropriations, is hereby recognized to sponsor the proposed budget of the Presidential Communications Operations Office.

SPONSORSHIP SPEECH OF REP. DALIPE

REP. DALIPE. Thank you, Mme. Speaker.

Mme. Speaker, I am pleased to sponsor the proposed 2022 Budget of the Presidential Communications Operations Office (PCOO), the agency that serves as the lead communications arm of the government.

For Fiscal Year 2022, the proposed appropriations of the PCOO is in the total amount of P1.91 billion. The agency’s proposed budget for Fiscal Year 2022 is divided as follows:

P740.62 million for the PCOO proper;

P456.03 million for the Bureau of Broadcast Services;

P333.54 million for the Philippine Information Agency;

P171.86 million for the Presidential Broadcast Staff – Radio Television Malacañang;

P129.20 million for the News and Information Bureau;

P70.59 million for the Bureau of Communications Services; and

P9.13 million for the National Printing Office.

Mme. Speaker, for the two attached GOCCs, namely: the People’s Television Network Inc., and the International Broadcasting Corporation, budgetary support requested in the amount of P104.94 million shall be appropriated to the PTNI to support its continuing modernization program, to improve its reach and the quality of its programs, while the IBC requested the amount of P73.69 million to support its MOOE. This brings the proposed budget of the PCOO as a Department, including budgetary support for the two attached GOCCs to P2.089 billion.

Mme. Speaker, my dear colleagues, this Representation is now ready to respond to questions regarding the budget of the agency. Thank you very much, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. SANGCOPAN. Mme. Speaker, I move that we recognize Rep. Arlene D. Brosas of the Party-List GABRIELA to interpellate the Sponsor on the proposed budget of the PCOO.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Representative Brosas is recognized to interpellate the Sponsor.

REP. BROSAS. Thank you, Mme. Speaker. Mme. Speaker, G. Sponsor, will you yield to a few questions – will you yield to a few questions, Mme. Speaker, G. Sponsor?

REP. DALIPE. Yes, Mme. Speaker.

REP. BROSAS. Mme. Speaker, according to the 2020 COA Report, the PCOO hired a total of 375 contract of service or COS personnel. Bakit po nag-hire ang PCOO ng ganoong bilang ng COS lagpas kalahati ng workforce 71.70 percent ang contract of service, mas mataas pa ito kaysa sa regular employees, Mr. Sponsor, Mme. Speaker?

REP. DALIPE. Mme. Speaker, distinguished colleagues, the PCOO hired a total of 375 contract of service personnel in Calendar Year 2020 which was 260.42 percent, way above the number. This is due to the lack of plantilla positions, the PCOO urgently needs COS personnel to perform the duties and responsibilities that the current personnel complement has no capability of performing. So, this is in order to regulate expenditure for OCS personnel employment, Mme. Speaker.

REP. BROSAS. Mme. Speaker, G. Sponsor, but why are the accomplishment reports of personnel with similar designations exactly the same with one another? Pangalan at covered period lang po ang nabago, Mme. Speaker, G. Sponsor?

REP. DALIPE. Mme. Speaker, we will evaluate all of their accomplishment reports.

REP. BROSAS. Mme. Speaker, G. Sponsor, the PCOO spent P70,688,830.39 for the 375 COS personnel. Lumalabas na bawat isang personnel ay may P188,503.54. Iyon po ano, malaking gastos ito lalo na't hindi malinaw ang accomplishments and functions ng mga personnel na ito. The COS accomplishment reports were not reflective of their actual duties and tasks accomplished. The same accomplishments were repetitively reported every month, tapos iyong accomplishment of COS personnel with similar designations were exactly the same with one another. At tanging pangalan, only the name and the period covered are being changed. Kaya, Mme. Speaker, Mr. Sponsor po, sa laganap na misinformation and fake news na madalas mismong gobyerno pa ang nagpapakalat,

napakahirap ng ganito. Gumastos ang gobyerno ng P70.68 million nang walang maayos na report at document tungkol sa pag-hire ng personnel. Hindi nga sinabi sa atin na magsa-submit sila ng mga kinakailangang documents kaugnay dito.

May proposed budget ang PCOO sa taong 2022 na P801,748,000. Maaaring gastusin na naman ito ng PCOO sa COS-hired personnel na hindi natin alam kung nag-e-exist ba talaga, Mme. Speaker, G. Sponsor. And, specifically po, Mme. Speaker, G. Sponsor, mayroon pang itinatayo o pinapatayong Visayas Media Hub. Nangangamba po kami dito sa usapin na ito dahil bakit sa panahon ng pandemya, ito iyong inaasikaso ng PCOO, Mme. Speaker, G. Sponsor? Nakakapangamba po itong mga balakin ng gobyerno na magpatayo ng isang media hub na alam natin na pino-propose nitong PCOO, lalo na, may kasaysayan ito ng pagpapalaganap ng fake news, misinformation, red-tagging, sa pamamagitan ng Undersecretary nitong si Lorraine Badoy, na siyang spokesperson din ng NTF-ELCAC.

Walang kasiguraduhan na ang budget na hinihingi ng PCOO mula sa kaban ng bayan ay hindi ilalaan sa pagpapakalat ng fake news at red-tagging, from editing out speeches to spreading fake news, to hiring suspected Internet trolls, we are afraid that this budget will only be used to spread misinformation to favor Duterte in the upcoming 2022 national elections. With that, Mr. Speaker, I move to defer the budget of the PCOO.

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. BONDOC. Mme. Speaker, we second the motion of the Minority. We join them in moving to defer the period of sponsorship and debate on the proposed budget of the Presidential Communications Operations Office, including its attached agencies and corporations. I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved. Majority Leader.

SUSPENSION OF SESSION

REP. BONDOC. Mme. Speaker, we move for a few minutes suspension.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). The session is suspended.

It was 6:37 p.m.

RESUMPTION OF SESSION

At 6:38 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Yu). The session is resumed.

Majority Leader.

SUSPENSION OF CONSIDERATION
OF H.B. NO. 10153

REP. DE VENECIA. Mme. Speaker, we move to suspend the consideration on Second Reading of House Bill No. 10153 as contained in Committee Report No. 1230.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

CONSIDERATION OF H.B. NO. 10213
ON SECOND READING

PERIOD OF SPONSORSHIP AND DEBATE

REP. DE VENECIA. Mme. Speaker, I move that we consider on Second Reading House Bill No. 10213, as contained in Committee Report No. 1221 and direct the Secretary General to read only the title of said measure.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Bill No. 10213, entitled: "AN ACT PROVIDING FOR THE DEVELOPMENT OF THE ELECTRIC VEHICLE INDUSTRY AND ESTABLISHING A REGULATORY FRAMEWORK FOR THE MANUFACTURE AND USE OF THE ELECTRIC VEHICLES."

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, I move that we recognize the distinguished Sponsor, the honorable Deputy Majority Leader, the distinguished Lady from the city of Manila, the Hon. Cristal Bagatsing to sponsor the said measure.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). The Honorable Bagatsing is recognized.

REP. BAGATSING. Mme. Speaker, I move that the Explanatory Note of the measure be considered as the sponsorship speech.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

REP. DE VENECIA. Mme. Speaker, there being no Member who wishes to interpellate the Sponsor or speak against the measure, I move that we terminate the period of sponsorship and debate.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, I now move that we open the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

* Copies of the measure were distributed to the Members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that "[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members."

REP. DE VENECIA. Mme. Speaker, there being no Committee or individual amendments, I move that we terminate the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

VIVA VOCE VOTING

REP. DE VENECIA. Mme. Speaker, I move that we approve on Second Reading House Bill No. 10213, as contained in Committee Report No. 1221.

THE DEPUTY SPEAKER (Rep. Yu). All those in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). Those who are against, say *Nay*. (*Silence*)

APPROVAL OF H.B. NO. 10213 ON SECOND READING

THE DEPUTY SPEAKER (Rep. Yu). The *ayes* have it; House Bill No. 10213 is hereby approved on Second Reading.

CONSIDERATION OF H.B. NO. 10251 ON SECOND READING

PERIOD OF SPONSORSHIP AND DEBATE

REP. DE VENECIA. Mme. Speaker, I now move that we begin consideration on Second Reading House Bill No. 10251, as contained in Committee Report No. 1237, and direct the Secretary General to read only the title of the said measure.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is hereby directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Bill No. 10251, entitled: "AN ACT CONVERTING THE PROVINCIAL SCIENCE AND TECHNOLOGY CENTER INTO THE PROVINCIAL SCIENCE AND TECHNOLOGY OFFICE IN EVERY PROVINCE AND APPROPRIATING FUNDS THEREFOR, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 6959."

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, the parliamentary status of said measure is that it is in the period of sponsorship and debate, I now move that we recognize the distinguished Deputy Majority Leader Cristal Bagatsing from the city of Manila to sponsor the said measure.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). The Honorable Bagatsing is recognized to sponsor the said measure.

REP. BAGATSING. Mme. Speaker, I move that the Explanatory Note of the measure be considered as the sponsorship speech.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, there being no Member who wishes to interpellate the Sponsor or speak against the measure, I move that we terminate the period of sponsorship and debate.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, I now move that we open the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

* Copies of the measure were distributed to the Members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that "[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members."

REP. DE VENECIA. Mme. Speaker, there being no Committee or individual amendments, I move that we close the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

VIVA VOCE VOTING

REP. DE VENECIA. Mme. Speaker, I now move that we approve on Second Reading House Bill No. 10251, as contained in Committee Report No. 1237.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). All those in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). All those who are against, say *Nay*. (*Silence*)

APPROVAL OF H.B. NO. 10251 ON SECOND READING

THE DEPUTY SPEAKER (Rep. Yu). The *ayes* have it; House Bill No. 10251 is hereby approved on Second Reading.

Majority Leader.

CONSIDERATION OF H.B. NO. 10142 ON SECOND READING

PERIOD OF SPONSORSHIP AND DEBATE

REP. DE VENECIA. Mme. Speaker, I now move that we consider on Second Reading House Bill No. 10142, contained in Committee Report No. 1188, and direct that the Secretary General to read only the title of the said measure.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Bill No. 10142, entitled: "AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO GHT NETWORK, INC., PRESENTLY KNOWN AS NOW CABLE, INC., UNDER REPUBLIC ACT NO. 8213, ENTITLED 'AN ACT GRANTING GHT NETWORK, INC., A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES.'"

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, the parliamentary status of the bill is that it is in the period of sponsorship and debate. I move that we recognize the distinguished Deputy Majority Leader, the Hon. Cristal Bagatsing to sponsor the said measure.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; Honorable Bagatsing is recognized to sponsor the said measure.

REP. BAGATSING. Mme. Speaker, I move that the Explanatory Note of the measure be considered as the sponsorship speech.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, there being no Member who wishes to interpellate the Sponsor or speak against the measure, I move that we terminate the period of sponsorship and debate.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; motion is approved.

REP. DE VENECIA. Mme. Speaker, I move that we open the period of amendments.

* Copies of the measure were distributed to the Members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that "[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members."

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, there being no Committee or individual amendments, I move that we close the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

VIVA VOCE VOTING

REP. DE VENECIA. Mme. Speaker, I now move that we approve on Second Reading House Bill No. 10142.

THE DEPUTY SPEAKER (Rep. Yu). Those who are in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). Those who are against, say *Nay*. (*Silence*)

APPROVAL OF H.B. NO. 10142 ON SECOND READING

THE DEPUTY SPEAKER (Rep. Yu). The *ayes* have it; House Bill No. 10142 is hereby approved on Second Reading.
Majority Leader.

CONSIDERATION OF H.B. NO. 10143 ON SECOND READING

PERIOD OF SPONSORSHIP AND DEBATE

REP. DE VENECIA. Mme. Speaker, I move that we consider on Second Reading House Bill No. 10143, contained in Committee Report No. 1189, and direct the Secretary General to read only the title of the said measure.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is

there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Bill No. 10143, entitled: "AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO NEWS AND ENTERTAINMENT NETWORK CORPORATION UNDER REPUBLIC ACT NO. 8197, ENTITLED 'AN ACT GRANTING THE NEWS AND ENTERTAINMENT NETWORK CORPORATION, A FRANCHISE TO ESTABLISH, CONSTRUCT, INSTALL, MAINTAIN, AND OPERATE FOR COMMERCIAL PURPOSES CABLE/COMMUNITY ANTENNAE TELEVISION SYSTEMS IN THE PHILIPPINES.' "

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, the parliamentary status of the measure is that it is in the period of sponsorship and debate. I move that we recognize the distinguished Deputy Majority Leader Cristal Bagatsing to sponsor the said measure.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; Honorable Bagatsing is recognized to sponsor the said measure.

REP. BAGATSING. Mme. Speaker, I move that the Explanatory Note of the measure be considered as the sponsorship speech.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, there being no Member who wishes to interpellate the Sponsor or speak against the measure, I move that we terminate the period of sponsorship and debate.

* Copies of the measure were distributed to the Members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that "[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members."

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, I move that we open the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, there being no Committee or individual amendments, I move that we terminate the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

VIVA VOCE VOTING

REP. DE VENECIA. Mme. Speaker, I now move that we approve on Second Reading House Bill No. 10143, as contained in Committee Report No. 1189.

THE DEPUTY SPEAKER (Rep. Yu). Those who are in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). Those who are against, say *Nay*. (*Silence*)

APPROVAL OF H.B. NO. 10143

ON SECOND READING

THE DEPUTY SPEAKER (Rep. Yu). The *ayes* have it; House Bill No. 10143 is hereby approved on Second Reading.

CONSIDERATION OF H. RES. NO. 2211

REP. DE VENECIA. Mme. Speaker, I now move that we consider House Resolution No. 2211, as contained in Committee Report No. 1217, and direct the Secretary General to read only the title of the said measure.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the Secretary General is directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Resolution No. 2211, entitled: "RESOLUTION URGING ALL LOCAL GOVERNMENT UNITS TO PASS AN ORDINANCE WAIVING THE COLLECTION OF ALL FORMS OF REGULATORY FEES DUE FROM PRIVATE EDUCATIONAL INSTITUTIONS IN BASIC EDUCATION, TECHNICAL AND VOCATIONAL, AND HIGHER EDUCATION FOR CALENDAR YEAR 2021-2022."

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, I now move that we adopt the said resolution, House Resolution No. 2211.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

All those in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). All those against, say *Nay*. (*Silence*)

ADOPTION OF H. RES. NO. 2211

The *ayes* have it; said House Resolution is hereby adopted.

Majority Leader.

CONSIDERATION OF H. RES. NO. 2240

REP. DE VENECIA. Mme. Speaker, I now move for the consideration of House Resolution No. 2240, as contained in Committee Report No. 1245, and direct the Secretary General to read only the title of the said measure.

* Copies of the measure were distributed to the Members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that "[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members."

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the Secretary General is directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Resolution No. 2240, entitled: "RESOLUTION EXPRESSING THE DEEP SENSE OF APPRECIATION OF THE HOUSE OF REPRESENTATIVES FOR THE IMMENSE CONTRIBUTION OF RAMON REVILLA, SR. TO PHILIPPINE ARTS AND CULTURE AND THE DEVELOPMENT OF THE ENTERTAINMENT INDUSTRY, CONVEYING THEREFORE ITS UNANIMITY IN NOMINATING HIM TO BE A RECIPIENT OF THE ORDER OF NATIONAL ARTISTS."

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, I move that we adopt House Resolution No. 2240, as contained in Committee Report No. 1245.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Yu). Those who are in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). Those who are against, say *Nay*. (*Silence*)

ADOPTION OF H. RES. NO. 2240

THE DEPUTY SPEAKER (Rep. Yu). The *ayes* have it; House Resolution No. 2240 is hereby adopted.

Majority Leader.

CONSIDERATION OF H. RES. NO. 2239

REP. DE VENECIA. Mme. Speaker, I move that we consider House Resolution No. 2239, as contained in Committee Report No. 1243, and direct the Secretary General to read only the title of the said measure.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the Secretary General is directed to read only the title of the said measure.*

THE SECRETARY GENERAL. House Resolution No. 2239, entitled: "RESOLUTION URGING THE NATIONAL ELECTRIFICATION ADMINISTRATION BOARD OF ADMINISTRATORS TO STRICTLY ADHERE TO AND COMPLY WITH THE PROVISIONS OF NEA MEMORANDUM NO. 2017-035, ON THE SELECTION OF GENERAL MANAGERS OF ELECTRIC COOPERATIVES, PARTICULARLY ON THE CASE OF THE BENGUET ELECTRIC COOPERATIVE, AND TO TAKE THE APPROPRIATE ACTIONS TO FULFILL THE MANDATE OF THE NATIONAL ELECTRIFICATION ADMINISTRATION AS SPECIFIED IN PRESIDENTIAL DECREE NO. 269, AS AMENDED, AS THE GOVERNMENT AGENCY WITH SUPERVISORY POWERS AND FUNCTIONS OVER ELECTRIC COOPERATIVES."

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, I now move that we adopt House Resolution No. 2239, as contained in Committee Report No. 1243.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Yu). Those who are in favor, say *Aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Yu). Those who are against, say *Nay*. (*Silence*)

ADOPTION OF H. RES. NO. 2239

THE DEPUTY SPEAKER (Rep. Yu). The *ayes* have it; House Resolution No. 2239 is hereby adopted.

Majority Leader.

* Copies of the measure were distributed to the Members earlier. Section 53, Rule X of the Rules of the House of Representatives provides that "[a] bill or joint resolution on Second Reading shall be read in full unless copies thereof have been distributed to the Members."

OMNIBUS CONSIDERATION
OF HOUSE BILLS
ON SECOND READING

REP. DE VENECIA. Mme. Speaker, I now move for the omnibus consideration on Second Reading of the following measures:

1. House Bill No. 10246, as contained in Committee Report No. 1234;
2. House Bill No. 10247, as contained in Committee Report No. 1235;
3. House Bill No. 10248, as contained in Committee Report No. 1236;
4. House Bill No. 10254, as contained in Committee Report No. 1238;
5. House Bill No. 10256, as contained in Committee Report No. 1240;
6. House Bill No. 10262, as contained in Committee Report No. 1242;
7. House Bill No. 10265, as contained in Committee Report No. 1244;
8. House Bill No. 10243, as contained in Committee Report No. 1231;
9. House Bill No. 10244, as contained in Committee Report No. 1232;
10. House Bill No. 10255, as contained in Committee Report No. 1239; and
11. House Bill No. 10259 as contained in Committee Report No. 1241

and direct the Secretary General to read the titles of the said measures.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the Secretary General is directed to read the titles of the said measures.

THE SECRETARY GENERAL. House Bill No. 10246, entitled: "AN ACT ESTABLISHING IN BARANGAY TABLON, CAGAYAN DE ORO CITY, PROVINCE OF MISAMIS ORIENTAL, A SATELLITE DISTRICT HOSPITAL OF THE NORTHERN MINDANAO MEDICAL CENTER, TO BE KNOWN AS THE BARANGAY TABLON-NORTHERN MINDANAO MEDICAL CENTER SATELLITE DISTRICT HOSPITAL, AND APPROPRIATING FUNDS THEREFOR;"

House Bill No. 10247, entitled: "AN ACT INCREASING THE BED CAPACITY OF THE

BALINDONG DISTRICT HOSPITAL IN THE MUNICIPALITY OF WATO-BALINDONG, PROVINCE OF LANA DEL SUR, FROM TEN (10) TO FIFTY (50) BEDS, AND APPROPRIATING FUNDS THEREFOR;"

House Bill No. 10248, entitled: "AN ACT INCREASING THE BED CAPACITY OF THE UNAYAN MUNICIPAL HOSPITAL IN THE MUNICIPALITY OF BINIDAYAN, PROVINCE OF LANA DEL SUR, FROM TEN (10) TO FIFTY (50) BEDS, AND APPROPRIATING FUNDS THEREFOR;"

House Bill No. 10254, entitled: "AN ACT ESTABLISHING IN THE MUNICIPALITY OF LILOAN, PROVINCE OF CEBU, A CHILDREN'S HOSPITAL TO BE KNOWN AS THE LILOAN CHILDREN'S HOSPITAL, AND APPROPRIATING FUNDS THEREFOR;"

House Bill No. 10256, entitled: "AN ACT CREATING A BARANGAY IN THE MUNICIPALITY OF SAN LUIS, PROVINCE OF AGUSAN DEL SUR, TO BE KNOWN AS BARANGAY DOÑA MAXIMA;"

House Bill No. 10262, entitled: "AN ACT RENAMING THE LABUYAO BRIDGE TRAVERSING THE HIBATANG RIVER LOCATED IN BARANGAY LONOY IN THE CITY OF CALBAYOG, PROVINCE OF SAMAR, AS THE MAYOR RONALDO P. AQUINO BRIDGE;"

House Bill No. 10265, entitled: "AN ACT RENAMING THE URDANETA CITY BYPASS ROAD, TRAVERSING BARANGAYS NANCAYASAN, SANTO DOMINGO, SANTA LUCIA, CAMANTILES, AND ANONAS IN THE CITY OF URDANETA, PROVINCE OF PANGASINAN, AS EDUARDO COJUANGCO JR. AVENUE;"

House Bill No. 10243, entitled: "AN ACT ESTABLISHING A SPECIAL ECONOMIC ZONE IN THE CITY OF BACOLOD, PROVINCE OF NEGROS OCCIDENTAL, CREATING FOR THE PURPOSE THE BACOLOD SPECIAL ECONOMIC ZONE AUTHORITY, AND APPROPRIATING FUNDS THEREFOR;"

House Bill No. 10244, entitled: "AN ACT ESTABLISHING THE SPECIAL ECONOMIC ZONE IN THE MUNICIPALITIES OF UDAY, BUENAVISTA, TALIBON, AND GETAFE, PROVINCE OF BOHOL, CREATING

FOR THE PURPOSE THE NORTHERN BOHOL SPECIAL ECONOMIC ZONE AUTHORITY, AND APPROPRIATING FUNDS THEREFOR;"

House Bill No. 10255, entitled: "AN ACT ESTABLISHING A SPECIAL ECONOMIC ZONE IN THE MUNICIPALITY OF PALUAN, PROVINCE OF OCCIDENTAL MINDORO, CREATING FOR THE PURPOSE THE PALUAN SPECIAL ECONOMIC ZONE AUTHORITY, AND APPROPRIATING FUNDS THEREFOR;" and

House Bill No. 10259, entitled: "AN ACT PROVIDING FOR THE IMPROVEMENT, REHABILITATION, AND MODERNIZATION OF THE SANGALI FISH PORT COMPLEX IN ZAMBOANGA CITY."

THE DEPUTY SPEAKER (Rep. Yu). Majority Leader.

REP. DE VENECIA. Mme. Speaker, the parliamentary status of the said measures is that they are in the period of sponsorship and debate.

I move that we recognize the distinguished Deputy Majority Leader Cristal Bagatsing to sponsor the said measures.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; Honorable Bagatsing is recognized to sponsor the said measures.

REP. BAGATSING. Mme. Speaker, I move that the respective Explanatory Notes of the measures be considered as the sponsorship speeches.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Majority Leader.

REP. DE VENECIA. Mme. Speaker, there being no Member who wishes to interpellate the Sponsor or speak against the measures, I move that we close the period of sponsorship and debate.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, I move that we open the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, there being no Committee or individual amendments, I move that we close the period of amendments.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. DE VENECIA. Mme. Speaker, I move that we approve on Second Reading House Bills Nos. 10246, 10247, 10248, 10254, 10256, 10262, 10265, 10243, 10244, 10255, and 10259.

I so move.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Yu). Those who are in favor of the aforementioned bills, say *Aye*.

SEVERAL MEMBERS. *Aye*.

OMNIBUS APPROVAL OF HOUSE BILLS ON SECOND READING

THE DEPUTY SPEAKER (Rep. Yu). Those who are against, say *Nay*. (*Silence*) The *ayes* have it; the aforementioned bills are hereby approved on Second Reading.

Majority Leader.

REP. DE VENECIA. I move that we now proceed with the Additional Reference of Business, and request that the Secretary General be directed to read the titles of bills and resolutions on First Reading, as well as communications and committee reports for referral to the appropriate Committees.

I so move.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the Secretary General is directed to read the Additional Reference of Business.

ADDITIONAL REFERENCE OF BUSINESS

The Secretary General read the titles of the following House Resolutions on First Reading, Communications, and Committee Report, and the Deputy Speaker made the corresponding references:

RESOLUTIONS

House Resolution No. 2236, entitled:

“A RESOLUTION URGING THE DEPARTMENT OF HEALTH AND THE DEPARTMENT OF INFORMATION AND COMMUNICATION TECHNOLOGY TO DEVELOP AND MAINTAIN A CENTRALIZED DATABASE OF COVID-19 VACCINATIONS FOR AN EFFICIENT VERIFICATION OF VACCINATION CARDS AS PROOF OF INOCULATION TO PREVENT FALSIFICATION AND IN LIGHT OF THE RELAXATION OF INTERNATIONAL TRAVEL RESTRICTIONS FOR FULLY VACCINATED INDIVIDUALS”

By Representative Suntay

TO THE COMMITTEE ON HEALTH AND THE COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

House Resolution No. 2237, entitled:

“A RESOLUTION CONFERRING A CONGRESSIONAL MEDAL OF DISTINCTION TO CARLO BIADO FOR PREVAILING IN THE 2021 U.S. OPEN POOL NINE BALL CHAMPIONSHIP TOURNAMENT”

By Representative Olivarez

TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Resolution No. 2238, entitled:

“A RESOLUTION EXPRESSING DEEPEST CONDOLENCES OF THE HOUSE

OF REPRESENTATIVES ON THE DEMISE OF THE HONORABLE DSWD SECRETARY CORAZON VICTORIA ‘DINKY’ NIEVES SOLIMAN”

By Representative Olivarez

TO THE COMMITTEE ON RULES

COMMUNICATIONS

Letter dated July 28, 2021 of Caesar R. Dulay, Commissioner, Bureau of Internal Revenue, submitting to the House of Representatives a copy of their Consolidated Monthly Report of Disbursements (FAR No. 4) for the month of June 2021 and the Statement of Approved Budget, Utilizations, Disbursements and Balances for Trust Receipts (FAR No. 6) for the quarter ending June 30, 2021.
TO THE COMMITTEE ON APPROPRIATIONS

Letter dated August 12, 2021 of Caesar R. Dulay, Commissioner, Bureau of Internal Revenue, submitting to the House of Representatives a copy of their Consolidated Monthly Report of Disbursements (FAR No. 4) for the month of July 2021.
TO THE COMMITTEE ON APPROPRIATIONS

Letter dated September 7, 2021 of Benjamin E. Diokno, Governor, Bangko Sentral ng Pilipinas, transmitting to the House of Representatives a copy of their Report on the Outstanding Philippine External Debt as of June 30, 2021.
TO THE COMMITTEE ON BANKS AND FINANCIAL INTERMEDIARIES

Letter dated September 10, 2021 of Rebecca A. Ynares, Provincial Governor, Province of Rizal, submitting to the House of Representatives a copy of their Report on Fund Utilization and Status of Program/Project/Activity Implementation of the Bayanihan Grant to Provinces as of August 31, 2021, including a copy of certification that the same was posted on their official website www.rizalprovince.ph.

TO THE COMMITTEE ON
APPROPRIATIONS

Email dated September 15, 2021 of Mercedita C. Coca, PEO IV/Division Head, Research, Evaluation and Statistics Division (RES-D), PPDO, Province of Cebu, forwarding to the House of Representatives a copy of their Quarterly Financial Report of Operations of the Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement under the Local Government Support Fund for the quarter ending June 30, 2021.

TO THE COMMITTEE ON
APPROPRIATIONS

Letter dated September 16, 2021 of Janice G. Ayson-Zales, Deputy Director, Office of the General Counsel and Legal Services, Bangko Sentral ng Pilipinas (BSP), transmitting to the House of Representatives duly certified copies of the following BSP issuances:

1. Circular No. 1126 dated 14 September 2021; and
2. Circular Letter No. CL-2021-069 dated 14 September 2021.

TO THE COMMITTEE ON BANKS AND
FINANCIAL INTERMEDIARIES

Email dated September 17, 2021 from the Pampanga PPDO Planners, Province of Pampanga, submitting to the House of Representatives copies of their Quarterly Financial and Physical Reports of Operations for the quarter ending June 30, 2021 of the Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement under the Local Government Support Fund, attested by Dennis G. Pineda, Provincial Governor.

TO THE COMMITTEE ON
APPROPRIATIONS

Email dated September 17, 2021 of Jayvee Tyron L. Uy, MPA, Provincial Governor, Province of Davao de Oro, informing the House of Representatives that their Report on Fund Utilization and Status of Program/Project/Activity Implementation of the Bayanihan Grant to Provinces as of July 31,

2021 was posted on their official website and in three (3) conspicuous public places in their Province.

TO THE COMMITTEE ON
APPROPRIATIONS

Email dated September 20, 2021 from the Provincial Budget Office, Province of Zambales, forwarding to the House of Representatives a copy of their Report on Fund Utilization and Status of Program/Project/Activity Implementation of the Bayanihan Grant to Provinces as of August 31, 2021 (Cumulative), attested by Hermogenes E. Ebdane, Jr., Provincial Governor.

TO THE COMMITTEE ON
APPROPRIATIONS

Letter dated September 20, 2021 of Janice G. Ayson-Zales, Deputy Director, Office of the General Counsel and Legal Services, Bangko Sentral ng Pilipinas, transmitting to the House of Representatives a duly certified copy of Circular No. 1127 dated 17 September 2021.

TO THE COMMITTEE ON BANKS AND
FINANCIAL INTERMEDIARIES

Annual audit reports for the year ending December 31, 2020 on the following water districts:

1. Ipil-Titay Water District;
2. Pagadian City Water District;
3. Kumalarang Water District;
4. Tukuran Water District; and
5. Isabela City Water District.

TO THE COMMITTEE ON
APPROPRIATIONS

COMMITTEE REPORT

Report of the Committee on Justice and the Committee on Appropriations (Committee Report No. 1246), re H.B. No. 10272, entitled:

“AN ACT STANDARDIZING THE RETIREMENT BENEFITS OF JUSTICES, JUDGES, AND JUDICIARY OFFICIALS CONFERRED WITH JUDICIAL RANK, SALARY AND

PRIVILEGES, AND APPROPRIATING FUNDS THEREFOR, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 910, AS AMENDED”

recommending its approval in substitution of House Bills Numbered 8547 and 8671
Sponsors: Representatives Veloso, Yap (E.), Rodriguez and Nuñez-Malanyaon
TO THE COMMITTEE ON RULES

ADDITIONAL REFERENCE OF BUSINESS

The Secretary General read the titles of the following Committee Reports, and the Deputy Speaker made the corresponding references:

COMMITTEE REPORTS

Report of the Committee on Government Enterprises and Privatization, the Committee on Appropriations, and the Committee on Ways and Means (Committee Report No. 1247), re H.B. No. 10276, entitled: “AN ACT STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1467, AS AMENDED, ENTITLED ‘CREATING THE ‘PHILIPPINE CROP INSURANCE CORPORATION’ PRESCRIBING ITS POWERS AND ACTIVITIES, PROVIDING FOR ITS CAPITALIZATION AND FOR THE REQUIRED GOVERNMENT PREMIUM SUBSIDY, AND FOR OTHER PURPOSES’ ”

recommending its approval in substitution of House Bills Numbered 2649, 3858 and 7627

Sponsors: Representatives Olivarez, Yap (E.), Salceda, Canama, Agabas and Garin (S.)

TO THE COMMITTEE ON RULES

Report of the Committee on Public Works and Highways (Committee Report No. 1248), re H.B. No. 10277, entitled:

“AN ACT NAMING THE NATIONAL HIGHWAY, COMMENCING FROM BARANGAY SAN JUAN BAUTISTA IN THE MUNICIPALITY OF GOA,

TRAVERSING THROUGH BARANGAY BINALAY IN THE MUNICIPALITY OF TINAMBAC, ENDING IN BARANGAY POBLACION IN THE MUNICIPALITY OF SIRUMA, ALL IN THE PROVINCE OF CAMARINES SUR, AS SPEAKER ARNULFO ‘NOLI’ FUENTEBELLA HIGHWAY”

recommending its approval in substitution of House Bill No. 8119

Sponsors: Representatives Madrona and Bordado

TO THE COMMITTEE ON RULES

Report of the Committee on Basic Education and Culture and the Committee on Appropriations (Committee Report No. 1249), re H.B. No. 10278, entitled:

“AN ACT SEPARATING THE MALINAO HIGH SCHOOL - PINAMULAAN ANNEX IN BARANGAY PINAMULAAN, MUNICIPALITY OF BANISILAN, PROVINCE OF COTABATO FROM THE MALINAO HIGH SCHOOL, CONVERTING IT INTO AN INDEPENDENT NATIONAL HIGH SCHOOL TO BE KNOWN AS PINAMULAAN NATIONAL HIGH SCHOOL, AND APPROPRIATING FUNDS THEREFOR”

recommending its approval in substitution of House Bill No. 3195

Sponsors: Representatives Romulo and Yap (E.)

TO THE COMMITTEE ON RULES

Report of the Committee on Basic Education and Culture and the Committee on Appropriations (Committee Report No. 1250), re H.B. No. 10279, entitled:

“AN ACT CONVERTING THE SAN LORENZO ELEMENTARY SCHOOL IN BARANGAY BIBINCAHAN, SORSOGON CITY, PROVINCE OF SORSOGON INTO AN INTEGRATED SCHOOL TO BE KNOWN AS THE SAN LORENZO INTEGRATED NATIONAL SCHOOL, AND APPROPRIATING FUNDS THEREFOR”

recommending its approval in substitution of House Bill No. 9031

Sponsors: Representatives Romulo and Yap (E.)
TO THE COMMITTEE ON RULES

ADDITIONAL REFERENCE OF BUSINESS

The Secretary General read the titles of the following Committee Reports, and the Deputy Speaker made the corresponding references:

COMMITTEE REPORTS

Report of the Committee on Public Works and Highways (Committee Report No. 1251), re H.B. No. 10280, entitled:

“AN ACT RENAMING THE TAMBACAN BRIDGE TRAVERSING THE ILIGAN RIVER LOCATED IN BARANGAY TAMBACAN IN THE CITY OF ILIGAN IN THE NORTHERN MINDANAO REGION, AS THE MARIANO LLUCH BADELLES SR. BRIDGE”

recommending its approval in substitution of House Bill No. 7999

Sponsors: Representatives Madrona and Siao

TO THE COMMITTEE ON RULES

Report of the Committee on Justice (Committee Report No. 1252), re H.B. No. 10281, entitled:

“AN ACT GRANTING PHILIPPINE CITIZENSHIP TO ZIBIN LIANG”

recommending its approval in substitution of House Bill No. 10115

Sponsors: Representatives Veloso and Romualdo

TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Yu).
Majority Leader.

SUSPENSION OF SESSION

REP. SANGCOPAN. Mme. Speaker, I move to suspend the session until 9:00 a.m., tomorrow.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Yu). Is there any objection? (*Silence*) The Chair hears none; the session is suspended until September 24, 9:00 a.m.

It was 7:05 p.m.