



Congressional Record

PLENARY PROCEEDINGS OF THE 18th CONGRESS, FIRST REGULAR SESSION

House of Representatives

Vol. 2

Thursday, September 19, 2019

No. 18g

RESUMPTION OF SESSION

At 1:00 p.m., the session was resumed with Deputy Speaker Prospero A. Pichay Jr. presiding.

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

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 4228

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. BOLILIA. Mr. Speaker, I move that we resume the consideration of House Bill No. 4228.

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

The Majority Leader is recognized.

REP. BOLILIA. May we request that the Secretary General be requested to read the title of the Bill.

THE DEPUTY SPEAKER (Rep. Pichay). The Secretary General is directed to read the title of the Bill.

THE SECRETARY GENERAL. House Bill No. 4228, 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, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Pichay). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Rep. Manuel Jose “Mannix” M. Dalipe from the Second District of Zamboanga City, Vice Chairman of the Committee on Appropriations, to deliver his sponsorship speech.

THE DEPUTY SPEAKER (Rep. Pichay). Congressman Dalipe is recognized.

SUSPENSION OF SESSION

REP. DELOS SANTOS. Mr. Speaker, I move that we suspend the session.

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

It was 1:01 p.m.

RESUMPTION OF SESSION

At 1:01 p.m., the session was resumed.

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

The Majority Leader is recognized.

REP. BOLILIA. Mr. Speaker, I move that we proceed with the Additional Reference of Business, and may we request that the Secretary General be directed to read the same.

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

The Secretary General is directed to read the Additional Reference of Business.

ADDITIONAL REFERENCE OF BUSINESS

The Secretary General read the following House Bills and Resolutions on First Reading, Message from the President and Committee Report, and the Deputy Speaker made the corresponding references:

BILLS ON FIRST READING

House Bill No. 4628, entitled:

“AN ACT RATIONALIZING THE GRANT OF GOOD CONDUCT ALLOWANCES,

AMENDING FOR THE PURPOSE ARTICLES 29, 97 AND 99 OF ACT NO. 3815, AS AMENDED, OTHERWISE KNOWN AS THE REVISED PENAL CODE”

By Representative Veloso
TO THE COMMITTEE ON JUSTICE

House Bill No. 4629, entitled:

“AN ACT PROMOTING INCLUSIVE EDUCATION THROUGH INNOVATION AND RESPONSIVE 21ST CENTURY EDUCATION PROGRAM FOR ALL FILIPINO LEARNERS”

By Representatives Dimaporo (Abdullah) and Dimaporo (Khalid)
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4630, entitled:

“AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY CASIKLAN IN THE MUNICIPALITY OF LAS NIEVES, PROVINCE OF AGUSAN DEL NORTE”

By Representatives Fortun and Amante-Matba
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4631, entitled:

“AN ACT CREATING AN EXTENSION OFFICE OF THE DEPARTMENT OF FOREIGN AFFAIRS IN VIGAN CITY, ILOCOS SUR AND APPROPRIATING FUNDS THEREFOR”

By Representative Savellano
TO THE COMMITTEE ON FOREIGN AFFAIRS

House Bill No. 4632, entitled:

“FALLEN HEROES SCHOLARSHIP FOR THE YOUTH ACT ‘THE CARING ACT OF 2019’ ”

By Representative Cari
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4633, entitled:

“AN ACT MAKING THE HANGING OF RELIGIOUS MEMENTOS, SUCH AS CRUCIFIXES, IN HOSPITAL SUITES OPTIONAL”

By Representative Marcoleta
TO THE COMMITTEE ON HEALTH

House Bill No. 4634, entitled:

“AN ACT CRIMINALIZING NEGLIGENCE OF CONTRACTORS AND SUBCONTRACTORS

OF GOVERNMENT PROJECTS WHOSE QUALITY OF WORK IS BELOW PRESCRIBED STANDARDS”

By Representative Marcoleta
TO THE COMMITTEE ON JUSTICE

House Bill No. 4635, entitled:

“AN ACT BRIDGING THE GAP IN CIVIL SERVICE DURING TRANSITIONS FROM ONE CONGRESS TO ANOTHER”

By Representative Marcoleta
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4636, entitled:

“AN ACT MANDATING A SPECIALLY-DESIGNATED LANE OR OFFICE SPACE LOCATED AT THE GROUND FLOOR OF EVERY GOVERNMENT OR PRIVATE EDIFICE FOR PERSONS WITH DISABILITIES (PWDs) AND SENIOR CITIZENS TO TRANSACT THEIR OFFICIAL BUSINESSES”

By Representative Marcoleta
TO THE COMMITTEE ON SOCIAL SERVICES AND THE SPECIAL COMMITTEE ON SENIOR CITIZENS

House Bill No. 4637, entitled:

“AN ACT ESTABLISHING THE PANQUI TARLAC ECO-FARM AND APPROPRIATING FUNDS THEREFOR”

By Representative Marcoleta
TO THE COMMITTEE ON AGRICULTURE AND FOOD

House Bill No. 4638, entitled:

“AN ACT MANDATING FIRE SAFETY AWARENESS AMONG ELEMENTARY AND HIGH SCHOOL STUDENTS AND APPROPRIATING FUNDS THEREFOR”

By Representative Marcoleta
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4639, entitled:

“AN ACT CALIBRATING ASYLUMS AND PSYCHIATRIC INSTITUTIONS IN THE COUNTRY IN SUCH MANNER AS TO SIMULATE NATURAL ENVIRONMENT AND APPROPRIATING FUNDS THEREFOR”

By Representative Marcoleta
TO THE COMMITTEE ON HEALTH

House Bill No. 4640, entitled:

“AN ACT PROVIDING COMPENSATION TO

VICTIMS OF COLLATERAL DAMAGE
DURING LAW ENFORCEMENT
AND MILITARY OPERATIONS AND
APPROPRIATING FUNDS THEREFOR”

By Representative Marcoleta

TO THE COMMITTEE ON PUBLIC ORDER
AND SAFETY AND THE COMMITTEE ON
NATIONAL DEFENSE AND SECURITY

House Bill No. 4641, entitled:

“AN ACT ESTABLISHING THE PANQUI
TARLAC TECHNICAL EDUCATION AND
SKILLS DEVELOPMENT AUTHORITY
(TESDA) TRAINING CENTER AND
APPROPRIATING FUNDS THEREFOR”

By Representative Marcoleta

TO THE COMMITTEE ON HIGHER AND
TECHNICAL EDUCATION

House Bill No. 4642, entitled:

“AN ACT GRANTING FREE NATIONAL
BUREAU OF INVESTIGATION (NBI)
CLEARANCE AND HEALTH INSURANCE
TO SUCCESSFUL JOB APPLICANTS IN
COMPANIES REQUIRING THE SAME AND
PROVIDING FUNDS THEREFOR”

By Representative Marcoleta

TO THE COMMITTEE ON LABOR AND
EMPLOYMENT

House Bill No. 4643, entitled:

“AN ACT PROVIDING FOR THE CONDUCT
OF HYBRID NATIONAL, LOCAL AND
ARMM ELECTIONS, THROUGH MANUAL
VOTING AND COUNTING AT THE
PRECINCT LEVEL, AND AUTOMATED
TRANSMISSION AND CANVASSING, AND
FOR OTHER PURPOSES”

By Representative Sarmiento

TO THE COMMITTEE ON SUFFRAGE AND
ELECTORAL REFORMS

House Bill No. 4644, entitled:

“AN ACT REGULATING THE USE,
MANUFACTURE, IMPORTATION AND
DISPOSAL OF SINGLE-USE PLASTICS,
AND PROVIDING PENALTIES,
INCENTIVES AND LEVIES THEREFOR”

By Representatives Fariñas (Ria) and Fariñas
(Rudys Caesar)

TO THE COMMITTEE ON ECOLOGY

House Bill No. 4645, entitled:

“AN ACT TRANSFERRING TO THE BUREAU
OF JAIL MANAGEMENT AND PENOLOGY
THE AUTHORITY TO EXERCISE

SUPERVISION AND CONTROL OVER
PROVINCIAL JAILS AND APPROPRIATING
FUNDS THEREFOR”

By Representative Villafuerte

TO THE COMMITTEE ON JUSTICE

House Bill No. 4646, entitled:

“AN ACT EXPANDING THE MANDATE
OF COTABATO SANITARIUM IN THE
MUNICIPALITY OF SULTAN KUDARAT,
1ST CONGRESSIONAL DISTRICT,
PROVINCE OF MAGUINDANAO IN
THE BANGSAMORO AUTONOMOUS
REGION IN MUSLIM MINDANAO AND
INCREASING ITS BED CAPACITY TO
AT LEAST TWO HUNDRED FIFTY (250)
AND TO BE KNOWN AS THE SULTAN
KUDARAT MEMORIAL MEDICAL CENTER
(SKMMC) AND APPROPRIATING FUNDS
THEREFORE”

By Representative Sinsuat

TO THE COMMITTEE ON HEALTH

House Bill No. 4647, entitled:

“AN ACT PROHIBITING DISCRIMINATION
ON THE BASIS OF ETHNICITY,
RACE, RELIGION OR BELIEF, SEX,
LANGUAGE, DISABILITY, EDUCATIONAL
ATTAINMENT AND OTHER FORMS OF
DISCRIMINATION AND PROVIDING
PENALTIES FOR THE PURPOSE”

By Representative Villafuerte

TO THE COMMITTEE ON HUMAN RIGHTS

House Bill No. 4648, entitled:

“AN ACT INCORPORATING THE VALUE OF
RESPONSIBLE, FAIR AND TRUTHFUL
USAGE AND ENJOYMENT OF SOCIAL
MEDIA IN SCHOOLS AND UNIVERSITIES,
AND FOR OTHER PURPOSES”

By Representative Villafuerte

TO THE COMMITTEE ON BASIC EDUCATION
AND CULTURE AND THE COMMITTEE ON
HIGHER AND TECHNICAL EDUCATION

House Bill No. 4649, entitled:

“AN ACT PROVIDING A FRAMEWORK FOR
THE RIGHT TO ADEQUATE FOOD”

By Representative Villafuerte

TO THE COMMITTEE ON HUMAN RIGHTS

House Bill No. 4650, entitled:

“AN ACT PROVIDING FOR A UNIVERSAL
SOCIAL PENSION FOR SENIOR CITIZENS,
FURTHER AMENDING FOR THE PURPOSE
R.A. NO 7432, AS AMENDED BY R.A.

NO. 9994, OTHERWISE KNOWN AS THE
'EXPANDED SENIOR CITIZENS ACT OF
2010' "

By Representative Villafuerte
TO THE SPECIAL COMMITTEE ON SENIOR
CITIZENS

House Bill No. 4651, entitled:

"AN ACT AUTHORIZING THE DEPARTMENT
OF HEALTH (DOH) TO SET AND APPROVE
THE BED CAPACITY OF ALL DOH
HOSPITALS"

By Representative Villafuerte
TO THE COMMITTEE ON HEALTH

House Bill No. 4652, entitled:

"AN ACT ALLOWING AND REGULATING
THE USE OF MOTORCYCLES AS PUBLIC
UTILITY VEHICLES, AMENDING FOR
THE PURPOSE REPUBLIC ACT NO. 4136,
OTHERWISE KNOWN AS THE 'LAND
TRANSPORTATION AND TRAFFIC CODE,
AND FOR OTHER PURPOSES' "

By Representative Villafuerte
TO THE COMMITTEE ON
TRANSPORTATION

House Bill No. 4653, entitled:

"AN ACT PROVIDING FOR A MAGNA
CARTA FOR TRICYCLE DRIVERS AND
OPERATORS, INSTITUTIONALIZING
MECHANISMS FOR ITS IMPLEMENTATION
AND FOR OTHER PURPOSES"

By Representative Villafuerte
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4654, entitled:

"AN ACT CREATING THE DEPARTMENT
OF WATER, IRRIGATION, SEWAGE AND
SANITATION RESOURCE MANAGEMENT,
DEFINING ITS POWERS AND FUNCTIONS,
APPROPRIATING FUNDS THEREFOR,
AND FOR OTHER PURPOSES"

By Representative Villafuerte
TO THE COMMITTEE ON GOVERNMENT
REORGANIZATION AND THE COMMITTEE
ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4655, entitled:

"AN ACT ESTABLISHING A DETENTION
PROGRAM AND FACILITY FOR HIGH-
LEVEL DRUG OFFENDERS WITHIN THE
NATIONAL PENITENTIARY SYSTEM
UNDER THE BUREAU OF CORRECTIONS,
APPROPRIATING FUNDS THEREFOR
AND FOR OTHER PURPOSES"

By Representative Villafuerte
TO THE COMMITTEE ON JUSTICE

House Bill No. 4656, entitled:

"AN ACT PROVIDING FOR A NATIONAL
EMPLOYMENT ASSISTANCE PROGRAM
AND APPROPRIATING FUNDS
THEREFOR"

By Representative Villafuerte
TO THE COMMITTEE ON LABOR AND
EMPLOYMENT

House Bill No. 4657, entitled:

"AN ACT UPGRADING THE MINIMUM
SALARY GRADE LEVEL OF TEACHERS
FROM SALARY GRADE 11 TO 19"

By Representative Villafuerte
TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4658, entitled:

"AN ACT PROVIDING FOR THE
CONSTRUCTION OF MULTIPURPOSE
GYM IN ALL MUNICIPALITIES AND
CITIES TO SERVE AS EVACUATION
CENTER DURING TIMES OF CALAMITY
OR DISASTER AND APPROPRIATING
FUNDS THEREFOR"

By Representative Villafuerte
TO THE COMMITTEE ON DISASTER
MANAGEMENT

House Bill No. 4659, entitled:

"AN ACT PROVIDING MEDICAL
SCHOLARSHIPS IN STATE UNIVERSITIES
AND COLLEGES TO QUALIFIED
STUDENTS AND FOR OTHER
PURPOSES"

By Representative Villafuerte
TO THE COMMITTEE ON HIGHER AND
TECHNICAL EDUCATION

House Bill No. 4660, entitled:

"AN ACT INCREASING THE MAXIMUM
AMOUNT OF CLAIMS THAT MAY BE
APPROVED AND GRANTED BY THE
BOARD OF CLAIMS, AMENDING
FOR THE PURPOSE REPUBLIC ACT
NO. 7309, AN ACT CREATING THE
BOARD OF CLAIMS UNDER THE
DEPARTMENT OF JUSTICE FOR
VICTIMS OF UNJUST IMPRISONMENT
OR DETENTION AND VICTIMS OF
VIOLENT CRIMES AND FOR OTHER
PURPOSES"

By Representative Campos
TO THE COMMITTEE ON JUSTICE

House Bill No. 4661, entitled:

“AN ACT DECLARING A NATIONAL ENVIRONMENT DAY”

By Representative Olivarez
TO THE COMMITTEE ON ECOLOGY

PROVIDING FOR STANDARDS AND GUIDELINES, AND APPROPRIATING FUNDS THEREFOR”

By Representative Dy (Faustino Inno)
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4662, entitled:

“AN ACT PROVIDING FOR THE MANDATORY INSTALLATION OF DASHBOARD CAMERAS OR ‘DASHCAM’ SYSTEMS IN VEHICLES OPERATED FOR PUBLIC UTILITY”

By Representative Olivarez
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4668, entitled:

“AN ACT GRANTING DISCOUNTS ON BASIC AND EDUCATION SERVICES TO UNDERPRIVILEGED STUDENTS IN ALL LEVELS, INCLUDING THOSE ENROLLED IN TECHNICAL-VOCATIONAL (TECH-VOC) INSTITUTIONS”

By Representative Dy (Faustino Inno)
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4663, entitled:

“AN ACT CREATING THE DEPARTMENT OF MIGRATION AND OVERSEAS FILIPINOS, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, RATIONALIZING THE ORGANIZATION AND FUNCTIONS OF GOVERNMENT AGENCIES RELATED TO MIGRATION, AND FOR OTHER PURPOSES”

By Representative Espino
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON OVERSEAS WORKERS AFFAIRS

House Bill No. 4669, entitled:

“AN ACT INCREASING THE MONTHLY SOCIAL PENSION OF SENIOR CITIZENS AND EXPANDING THE COVERAGE THEREOF”

By Representative Dy (Faustino Inno)
TO THE SPECIAL COMMITTEE ON SENIOR CITIZENS

House Bill No. 4665, entitled:

“AN ACT MANDATING ALL UTILITY AND TELECOMMUNICATIONS COMPANIES TO COMPLY WITH THE REGULATIONS ON THE USE OF UTILITY POLES AND FOR OTHER PURPOSES”

By Representative Crisologo
TO THE COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

House Bill No. 4670, entitled:

“AN ACT STRENGTHENING THE PROTECTION AND SAFETY OF PEDESTRIANS, FURTHER AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 4136, AS AMENDED, OTHERWISE KNOWN AS THE LAND TRANSPORTATION AND TRAFFIC CODE, AND FOR OTHER PURPOSES”

By Representative Garcia (Jose Enrique)
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4666, entitled:

“AN ACT ENSURING THE AVAILABILITY, ADEQUACY, ACCESSIBILITY AND SAFETY OF FOOD TO EVERY FILIPINO”

By Representative Dy (Faustino Inno)
TO THE SPECIAL COMMITTEE ON FOOD SECURITY

House Bill No. 4671, entitled:

“AN ACT DECLARING FEBRUARY 1 OF EVERY YEAR A SPECIAL NONWORKING HOLIDAY IN THE PROVINCE OF CAMARINES NORTE REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9090 ENTITLED ‘AN ACT DECLARING FEBRUARY FIRST OF EVERY YEAR AS “JOSE MARIA C. PANGANIBAN DAY” AND A SPECIAL WORKING PUBLIC HOLIDAY IN THE PROVINCE OF CAMARINES NORTE’ ”

By Representative Tallado
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4667, entitled:

“AN ACT INSTITUTING INCLUSIVE EDUCATION AND THE ESTABLISHMENT OF INCLUSIVE EDUCATION LEARNING RESOURCE CENTERS FOR CHILDREN AND YOUTH WITH SPECIAL NEEDS IN ALL PUBLIC SCHOOLS DIVISIONS,

House Bill No. 4672, entitled:

“AN ACT LIMITING THE OWNERSHIP AND OPERATION OF THE NATIONAL GRID CORPORATION OF THE PHILIPPINES (NGCP) EXCLUSIVELY TO FILIPINOS”

By Representative Suarez (Aleta)
TO THE COMMITTEE ON ENERGY

House Bill No. 4673, entitled:

“AN ACT STRENGTHENING THE RIGHT OF CITIZENS TO INFORMATION HELD BY THE GOVERNMENT”

By Representative Nieto
TO THE COMMITTEE ON PUBLIC INFORMATION

House Bill No. 4674, entitled:

“AN ACT CREATING THE OFFICE OF COMMUTER AFFAIRS IN THE DEPARTMENT OF TRANSPORTATION, DEFINING ITS FUNCTIONS AND RESPONSIBILITIES, AND PROVIDING FUNDS THEREFOR”

By Representative Nieto
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON TRANSPORTATION

House Bill No. 4675, entitled:

“AN ACT AMENDING SECTION 24 OF REPUBLIC ACT NO. 8491, OTHERWISE KNOWN AS THE FLAG AND HERALDIC CODE OF THE PHILIPPINES”

By Representative Nieto
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4676, entitled:

“AN ACT STRENGTHENING EARLY CHILDHOOD CARE AND DEVELOPMENT SYSTEM, REVISING FOR THE PURPOSE REPUBLIC ACT NO. 10410, OTHERWISE KNOWN AS THE ‘EARLY YEARS ACT OF 2013’, AND PROVIDING FUNDS THEREFOR”

By Representative Nieto
TO THE COMMITTEE ON WELFARE OF CHILDREN

House Bill No. 4677, entitled:

“AN ACT PROHIBITING THE IMPOSITION OF INTEREST AND/OR PENALTY CHARGES ON UNPAID HOSPITAL BILLS AND MEDICAL EXPENSES OF PATIENTS WHO EARN AN INCOME OF THE MINIMUM WAGE OR LESS”

By Representative Nieto

TO THE COMMITTEE ON HEALTH

House Bill No. 4678, entitled:

“AN ACT PROVIDING FOR A BILL OF RIGHTS OF AIR PASSENGERS”

By Representative Mariño
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4679, entitled:

“AN ACT PROVIDING FOR THE RIGHTS OF PASSENGERS AND OBLIGATIONS OF DOMESTIC SHIPOWNERS/OPERATORS IN CASE OF CANCELLED, DELAYED AND UNFINISHED/UNCOMPLETED VOYAGES”

By Representative Mariño
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4680, entitled:

“AN ACT DIRECTING THE ELECTRONIC RECORDING OF CUSTODIAL INTERROGATIONS TO PROTECT THE CONSTITUTIONAL RIGHTS OF THE ACCUSED DURING CUSTODIAL INVESTIGATIONS”

By Representative Mariño
TO THE COMMITTEE ON JUSTICE

House Bill No. 4681, entitled:

“AN ACT MAKING A SEPARATE COURSE ON ETHICS COMPULSORY AT ALL LEVELS OF ELEMENTARY AND SECONDARY EDUCATION, AND IN EVERY DEGREE COURSE IN ALL COLLEGES AND UNIVERSITIES”

By Representative Mariño
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4682, entitled:

“AN ACT POSTPONING THE MAY 2020 BARANGAY AND SANGGUNIANG KABATAAN ELECTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9164, AS AMENDED BY REPUBLIC ACT NO. 9340, REPUBLIC ACT NO. 10632, REPUBLIC ACT NO. 10656, REPUBLIC ACT NO. 10923, AND REPUBLIC ACT NO. 10952, AND FOR OTHER PURPOSES”

By Representatives Romualdez (Yedda) and Romualdez (Ferdinand)
TO THE COMMITTEE ON SUFFRAGE AND ELECTORAL REFORMS

House Bill No. 4683, entitled:

“AN ACT ESTABLISHING A SEPARATE FACILITY FOR PRISONERS CONVICTED OF HEINOUS CRIMES”

By Representative Romualdez (Ferdinand)
TO THE COMMITTEE ON JUSTICE

House Bill No. 4684, entitled:

“AN ACT DECLARING UNLAWFUL, ACTS AND CONDUCT OF DISCRIMINATION BASED ON SEX, GENDER IDENTITY, SEXUAL ORIENTATION, RACE, COLOR, DESCENT, NATIONAL OR ETHNIC ORIGIN, RELIGIOUS AFFILIATION OR BELIEFS, AND HEALTH STATUS AND PENALIZING THE SAME”

By Representative Romualdez (Ferdinand)
TO THE COMMITTEE ON HUMAN RIGHTS

RESOLUTIONS

House Resolution No. 340, entitled:

“RESOLUTION EXPRESSING THE SUPPORT OF THE HOUSE OF REPRESENTATIVES TO THE FILIPINO YOUTHS’ PARTICIPATION IN THE INTERGENERATIONAL CLIMATE STRIKE ON 20-24 SEPTEMBER 2019 AND ENCOURAGING THE DEPARTMENT OF EDUCATION, THE COMMISSION ON HIGHER EDUCATION, THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, THE LOCAL GOVERNMENTS AND CIVIL SOCIETY TO PARTICIPATE AS WELL AS TO ACTIVELY ENGAGE IN FURTHER ACTIVITIES THAT WILL RAISE AWARENESS AND EMBOLDEN ACTION TOWARDS CLIMATE CHANGE MITIGATION AND CARE FOR THE ENVIRONMENT”

By Representative Chatto
TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Resolution No. 341, entitled:

“RESOLUTION URGING THE CIVIL SERVICE COMMISSION TO REVOLUTIONIZE CIVIL SERVICE IN THE PHILIPPINES BY DEVISING A MEANINGFUL REWARD SYSTEM TO PROMOTE EFFICIENCY, INTEGRITY, RESPONSIVENESS, AND COURTESY AMONG CIVIL SERVANTS AND ESTABLISHING AN EFFICIENT DETERRENT TO CURB THE BANE HOUNDING THE CIVIL SERVICE,

WHICH COMMONLY, TAKES THE FORM OF GRAFT AND CORRUPTION”

By Representative Marcoleta
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Resolution No. 342, entitled:

“A RESOLUTION DIRECTING THE HOUSE COMMITTEE ON WELFARE OF CHILDREN TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ADVERSE EFFECTS OF CHARACTER-BASED VIDEO GAMES ON CHILDREN AND PRESCRIBE COUNTERMEASURES TO CURB, IF NOT DISCOURAGE YOUNGSTERS FROM ENGAGING IN SUCH CHARACTER-BASED VIDEO GAMES”

By Representative Marcoleta
TO THE COMMITTEE ON RULES

House Resolution No. 343, entitled:

“A RESOLUTION URGING THE DEPARTMENT OF HEALTH (DOH) TO CONDUCT AN AGGRESSIVE AND MASSIVE INFORMATION DRIVE ON THE ILLEFFECTS OF HIGH-FRUCTOSE CORN SYRUP (HFCS) ON HEALTH IN ORDER TO KEEP IN CHECK INCIDENTS OF METABOLIC SYNDROME THAT RENDERS PEOPLE PRONE TO HEART DISEASES, STROKE, DIABETES, OBESITY, HIGH BLOOD PRESSURE, HIGH BLOOD TRIGLYCERIDES, LOW LEVELS OF HDL CHOLESTEROL, AND INSULIN RESISTANCE”

By Representative Marcoleta
TO THE COMMITTEE ON HEALTH

House Resolution No. 344, entitled:

“RESOLUTION DIRECTING THE HOUSE COMMITTEES ON METRO MANILA DEVELOPMENT, PUBLIC WORKS AND HIGHWAYS, HOUSING AND URBAN DEVELOPMENT, ECOLOGY, POPULATION AND FAMILY RELATIONS, AND SCIENCE AND TECHNOLOGY TO FORMULATE AN INTEGRATED MASTER PLAN FOR A FLOOD CONTROL PROGRAM IN METRO MANILA”

By Representative Marcoleta
TO THE COMMITTEE ON RULES

House Resolution No. 345, entitled:

“RESOLUTION ENCOURAGING YOUNG FILIPINO INVENTORS TO CONTINUE BRINGING INTO BEING INNOVATIVE PRODUCTS AND IDEAS IN ORDER

TO HELP BOOST THE NATIONAL ECONOMY BY PROVIDING THEM WITH MEANINGFUL AND REWARDING INCENTIVES INCLUDING BUT NOT LIMITED TO ACADEMIC CITATIONS, FINANCIAL AID, SCHOLARSHIPS AND GUARANTEED GOVERNMENT POSTS”

By Representative Marcoleta

TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Resolution No. 346, entitled:

“RESOLUTION CALLING ON MULTI-SECTORAL COUNTER MEASURES TO EFFICIENTLY CURB THE RISE OF DENGUE CASES IN THE PHILIPPINES”

By Representative Marcoleta

TO THE COMMITTEE ON HEALTH

House Joint Resolution No. 17, entitled:

“JOINT RESOLUTION IMMEDIATELY CONSTRUCTING ADDITIONAL DETENTION FACILITIES IN AREAS TO BE DESIGNATED BY THE GOVERNMENT IN ORDER TO ADDRESS THE CURRENT ABJECT OVERCROWDING IN THE PHILIPPINE JAIL SYSTEM”

By Representative Marcoleta

TO THE COMMITTEE ON JUSTICE

MESSAGE FROM THE PRESIDENT

MALACAÑAN PALACE
MANILA

September 17, 2019

SPEAKER ALAN PETER S. CAYETANO

Speaker of the House

House of Representatives

Batasan Hills, Quezon City

Mr. Speaker:

Pursuant to the provisions of Article VI, Section 26 (2) of the 1987 Constitution, I hereby certify to the necessity of the immediate enactment of House Bill No. 4228, 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, AND FOR OTHER PURPOSES,”

in order to address the need to maintain continuous government operations following the end of the current fiscal year (FY), to expedite the funding of various programs, projects, and activities for FY 2020, and to ensure budgetary preparedness that will enable the government to effectively perform its Constitutional mandate.

Best regards.

Very truly yours,

(Sgd.) RODRIGO ROA DUTERTE

Copy furnished:

Sen. Vicente C. Sotto III

Senate President

The Philippine Senate

Pasay City

Sec. Adelina B. Sitoy

Head

Presidential Legislative Liaison Office

2/F New Executive Bldg.

Malacañang, Manila

TO THE COMMITTEE ON RULES

COMMITTEE REPORT

Report of the Committee on Higher and Technical Education (Committee Report No. 22), re H.B. No. 4696, entitled:

“AN ACT MANDATING THE INTEGRATION OF THE NATIONAL BUILDING CODE OF THE PHILIPPINES UNDER REPUBLIC ACT NO. 6541 ENTITLED ‘AN ACT TO ORDAIN AND INSTITUTE A NATIONAL BUILDING CODE OF THE PHILIPPINES’ AS A MAJOR SUBJECT IN THE CURRICULUM OF THE BACHELOR OF SCIENCE DEGREE PROGRAMS IN CIVIL ENGINEERING, MECHANICAL ENGINEERING, ELECTRICAL ENGINEERING, SANITARY ENGINEERING, ELECTRONICS ENGINEERING, AND ARCHITECTURE, AND ITS INCLUSION AS A TOPIC IN THE LICENSURE EXAMINATIONS FOR THESE PROFESSIONS”

recommending its approval in substitution of House Bill No. 823

Sponsors: Representatives Go (Mark) and Gonzales (Aurelio)

TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Pichay). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we welcome and acknowledge the presence of the Department of Energy family. We have here Sec. Alfonso Cusi, Usec. Jesus Posadas, Usec. Raul Aguilos, Usec. Donato Marcos, Asst. Sec. Roberto Uy, Asst. Sec. Leonido Pulido III, Adm. Edgardo Masongsong, Pres. and CEO Pio Benavidez, CEO Reuben Lista, CEO Pedro Aquino Jr., CEO Melvin Matibag and CEO Irene Joy Besido-Garcia.

THE DEPUTY SPEAKER (Rep. Pichay). The presence of the Department of Energy family, headed by Secretary Cusi, is hereby acknowledged. Welcome to the House of Representatives.

The Majority Leader is recognized.

DEPARTMENT OF ENERGY

REP. DELOS SANTOS. Mr. Speaker, I move that we proceed with the period of interpellation and debate on the proposed budgets of the Department of Energy and its attached agencies.

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

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Manuel Jose “Mannix” M. Dalipe from the Second District of Zamboanga City.

THE DEPUTY SPEAKER (Rep. Pichay). Honorable Dalipe from Zamboanga City is recognized. Please proceed.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Rep. Sergio C. Dagooc of Party-List APEC for his interpellation.

THE DEPUTY SPEAKER (Rep. Pichay). Congressman Dagooc, you are recognized for your interpellation.

REP. DALIPE. Wait, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pichay). Congressman Dalipe, what is your pleasure?

SPONSORSHIP REMARKS OF REP. DALIPE

REP. DALIPE. Thank you, Mr. Speaker.

It is an honor to sponsor the proposed budget for Fiscal Year 2020 of the following Department and its attached agencies: to start with the Department

of Energy and to include the National Electrification Administration, the National Power Corporation, the Philippine National Oil Company, the PNOC Exploration Corporation, the PNOC Renewables Corporation, the Power Sector Assets and Liabilities Management Corporation, and the National Transmission Corporation.

For Fiscal Year 2020, the proposed budget of the Department of Energy is P2.3 billion; for the National Electrification Administration, the proposed budget is P14.1 billion; for the Philippine National Oil Company, the proposed budget is P1.02 billion; and for the National Power Corporation, the proposed budget is P33.4 billion.

Mr. Speaker, this Representation is now ready to answer any questions from our colleagues.

THE DEPUTY SPEAKER (Rep. Pichay). Congressman Dagooc, you are recognized.

REP. DAGOOC. Thank you, Mr. Speaker. Thank you, distinguished Sponsor. Good afternoon to my colleagues and all our guests.

For the record, Mr. Speaker, distinguished Sponsor, I would like to manifest that I have no interpellation on the budget of the Department of Energy, but I have concerns about its attached agencies like the National Electrification Administration, the Napocor, and the Power Sector Assets and Liabilities Management Corporation.

Would the distinguished Sponsor allow me to ask some clarificatory questions?

REP. DALIPE. Yes, Mr. Speaker.

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

Do you agree, distinguished Sponsor, Mr. Speaker, that in modern times, the three basic needs of man have already changed?

REP. DALIPE. Yes, Mr. Speaker.

REP. DAGOOC. Thank you, distinguished Sponsor.

Mr. Speaker, Mr. Sponsor, do you know what the additional basic need is? In my own position and understanding, it is the fourth but now it becomes the first basic need and that is electricity. It is no longer now just food, shelter and clothing because you cannot produce food without electricity because at present, you need to produce fertilizers and insecticides in order to produce food. In order to produce construction materials for the Build, Build, Build Program of our government, you need to produce construction materials, again, using electricity, much more in producing clothing.

So, do you agree, Mr. Speaker, honorable Sponsor, that I am correct? Do you agree with me?

REP. DALIPE. I agree, Mr. Speaker.

REP. DAGOOC. With that, Mr. Speaker, honorable Sponsor, are you convinced now that electricity is just as important as the other basic necessities?

REP. DALIPE. Definitely, Mr. Speaker, I agree.

REP. DAGOOC. Generally, I would like to convey to and ask this of the Members of this august Chamber, can you imagine living without electricity? I am wearing black because I want to convey to my colleagues in this honorable Chamber and this thought to the leadership of the House, who happens to be very considerate relative to the budget of rural electrification—he is the only Speaker who understands the needs of those who are living in darkness, thousands of us living in far-flung communities, millions of households, communities, and Filipino people living in darkness because they have no access to electricity. So with that, we are appreciative of the pronouncement of the leadership of the House that he will look into the budget for rural electrification.

May I ask, Mr. Sponsor, Mr. Speaker, whose program is the total electrification who is mandated under our existing laws to carry out the mandate of total electrification?

REP. DALIPE. Well, Mr. Speaker, if your question is whose program is the total electrification, definitely it is the national government's. The government is the front runner in this program, considering that we have the EPIRA, Republic Act No. 9136, Mr. Speaker.

REP. DAGOOC. Are you referring, Mr. Sponsor, Mr. Speaker, to Section 2 of Republic Act No. 9136, wherein it is hereby declared the policy of the State to ensure and accelerate the total electrification of the country?

REP. DALIPE. Mr. Speaker, for a while as I have not memorized the entire EPIRA, I will just refer to Section 2 of Republic Act No. 9136. I agree that it is Section 2 of Republic Act No. 9136, Mr. Speaker.

REP. DAGOOC. Thank you, distinguished Sponsor.

So, it is very clear that under Republic Act No. 9136, it is a government program, it is a government policy to ensure this—the law used

the term “ensure”—*sisiguraduhin ng pamahalaan*. Then, the law used the term “accelerate”—*pabilisan po, hindi pabagalan, o hindi lang iyong ano ang regular*. The law ensures and accelerates the total electrification program of the country, meaning, the Philippine archipelago.

Again, Mr. Speaker, honorable Sponsor, as provided for in Presidential Decree No. 269 of the law creating the National Electrification Administration, electrification of the country is one of the primary concerns of the government in order to bring the desired changes and reforms. Have you encountered, honorable Sponsor, Mr. Speaker, that provision of the law in the NEA Charter?

REP. DALIPE. Yes, Mr. Speaker.

REP. DAGOOC. Therefore, honorable Sponsor, Mr. Speaker, if the program of total electrification is the program of the government and the policy of the State, who must finance the total electrification program of the country? Is it the electric cooperatives which are only used as vehicles to implement the programs or is it the government itself who will finance its own policy and program?

REP. DALIPE. Mr. Speaker, if you are referring to the law, it is the government, Mr. Speaker, as it is one of its top policies, through the Department of Energy, to help achieve this program, Mr. Speaker.

REP. DAGOOC. Thank you for that answer, honorable Sponsor. Moreover, honorable Sponsor, Mr. Speaker, there is a provision in Section 32-A of Presidential Decree No. 269, as amended by Republic Act No. 10531 about the incentives of electric cooperatives. That provision states in toto that consistent with the declared policy of this Act, electric cooperatives which comply with the financial and operational standards set by the National Electrification Administration, shall enjoy the following incentives: in letter (a) of that, honorable Sponsor, Mr. Speaker, it is stated, “To be entitled to congressional allocations”; I repeat, “entitled to congressional allocations, grants, subsidies and other financial assistance for rural electrification.” I would just like to emphasize that the honorable Sponsor is correct that it is really the government which should finance this in order to accelerate and ensure that the total electrification of the countryside will be carried out.

REP. DALIPE. Mr. Speaker, I agree with the honorable Gentleman, and the Department of Energy is one with him in the goal of 100 percent electrification.

REP. DAGOOC. Honorable Sponsor, are you aware of the 5-Point Electrification Agenda of President Rodrigo Roa Duterte? Are you aware of that?

REP. DALIPE. Yes, Mr. Speaker. There is the 5-Point Electrification Agenda of His Excellency, President Rodrigo Roa Duterte.

REP. DAGOOC. Can you state for the record, distinguished Sponsor, Mr. Speaker, what are those 5-Point Agenda of the President?

REP. DALIPE. Well, Mr. Speaker, the 5-Point Agenda of the President includes: 1. access to electricity for all; 2. power availability at all times; 3. power reliability; 4. system efficiency; and 5. cheap electricity rate.

REP. DAGOOC. Thank you, Mr. Sponsor, that is correct. Those are the 5-Point Electrification Agenda of the President and the first is “access to electricity for all”—“for all.” I am giving emphasis to “for all,” para po sa lahat. Again, honorable Sponsor, Mr. Speaker, are you also aware of the 9-Point Energy Agenda of the Department of Energy?

REP. DALIPE. For a while, Mr. Speaker.

Mr. Speaker, the Department of Energy’s 9-Point Energy Agenda are as follows: 1. access to basic electricity for all Filipinos by 2020; 2. adopting a technology neutral approach for an optimal energy mix; 3. improving the supply of power that is reliable, to meet the demand by 2040; 4. developing the LNG needs for the future in anticipation of the Malampaya depletion; 5. facilitating the completion of transmission projects by 2020; 6. pro-consumer distribution framework for affordability, choice and transparency; 7. streamlining domestic policy to cut red tape; 8. DOE to deliver on PSALM privatization; and lastly, 9. promoting the efficient use of power among consumers through an IEC.

REP. DAGOOC. So, you are telling this Representation, honorable Sponsor, that in line with the President’s agenda, the first agenda also of the Department of Energy is access to electricity for all.

REP. DALIPE. Yes, Mr. Speaker, it is the access energy to all.

REP. DAGOOC. Finally, are you aware of the 7-Point Agenda of the National Electrification Administration? If you are aware of that...

REP. DALIPE. Mr. Speaker, the National Electrification Administration or NEA’s 7-Point

Agenda are to: 1. complete the National Rural Electrification Program; 2. intensify the Capacity-Building Program for the Electric Cooperatives; 3. prioritize the Empowerment Program for the electric consumers; 4. carry out the Rural Development Program through Rural Electrification Program; 5. carry on the current Corporate Governance Program of the NEA; 6. strengthen the networking and linkage building with policy-makers to ensure that the legislative agenda beneficial to NEA, electric cooperatives and electric consumers are given attention; 7. introduce the paradigm shift from a central NEA to a Federal State Electrification Administration or carry out a transition period towards the creation of the National Center of ECCs (Electric Cooperative Consumers) to self-govern the Rural Electrification Movement,” Mr. Speaker.

REP. DAGOOC. That is correct, Mr. Sponsor.

So, with that, you can notice that what is common is all about access to electricity for all Filipinos, and for the Department of Energy, it should be achieved by 2022.

Mr. Speaker, distinguished Sponsor, being one of the supporters of rural electrification in your district in Zamboanga City, I am sure that you are familiar with the Rural Electrification Program.

Would you consider that the Rural Electrification Program is a successful program of the government?

REP. DALIPE. Of course, Mr. Speaker.

REP. DAGOOC. Thank you for that appreciation that the Rural Electrification Program is a successful program because the government, through the NEA and the ECCs, has actually just recently installed 13 million consumer connections on the grid which have benefited nearly 61 million Filipinos. Is that correct, distinguished Sponsor, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker. As of June 20, 2019, that is correct, Mr. Speaker.

REP. DAGOOC. Now, with that, are you also aware, Mr. Speaker, distinguished Sponsor, how much is still needed for the next three years to achieve the target of total electrification which is now in the last mile, three years from now or before the end of the term of the President?

REP. DALIPE. The total, Mr. Speaker?

REP. DAGOOC. Yes, Your Honor.

REP. DALIPE. Well, Mr. Speaker, approximately, the total electrification program would be needing about P22 billion.

REP. DAGOOC. For the next three years.

REP. DALIPE. Yes, for the next three years, the total, Mr. Speaker.

REP. DAGOOC. So, since this is about Fiscal Year 2020, are you aware or did you know, Mr. Speaker, Mr. Sponsor, how much is the proposed budget for rural electrification for 2020?

REP. DALIPE. Mr. Speaker, for Fiscal Year 2020, the NEA budget has the amount of P1.162 billion in the 2020 NEP. This is to energize 775 sitios.

REP. DAGOOC. So, there is a big problem as far as the budget of the program is concerned despite that repeatedly, the policy of the State, the policy of the President is that there should be access to electricity for all. Pardon me, Mr. Speaker, honorable Sponsor, but what I do not understand is that, if the National Electrification Administration needs P22 billion to achieve the target of our President and its agencies by 2022, why are we only allocating P1 billion plus for next fiscal year? Are you telling this Representation and the Filipino people who are now living in darkness, Mr. Speaker, Mr. Sponsor, that we will provide the remaining P20.5 billion for Fiscal Years 2021 and 2022? Can you assure us of that, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Mr. Speaker, if I am correct, yesterday, I think there was a pronouncement from the House Speaker in the national news of his commitment to support such and as we discuss the Fiscal Year 2020 proposal. I believe there would be something good that will come out, especially coming from the Members of this House who have the heart for the different sitios and rural areas of this country, starting with the leadership of House Speaker Alan Peter Cayetano.

REP. DAGOOC. Thank you for that, honorable Sponsor, Mr. Speaker. This Representation and the family handling the Rural Electrification Program are very grateful to the leadership of this House because of their understanding of the program. With that, I would like to manifest, distinguished Sponsor, Mr. Speaker, that the family handling the Rural Electrification Program is really grateful to the leadership of the House, but for the record, Mr. Sponsor, Mr. Speaker, I would just like to emphasize that the President is correct in saying that one of his agenda is about access to electricity for all. Genesis 1:3 is very clear, "God said, 'Let there be light,' " when God noticed that the world He created is empty without light. God commanded the late Senator Emmanuel Pelaez in 1969 when he sponsored a bill in the Senate that marked the beginning of the Rural Electrification Program with

the passage of Republic Act No. 6038 in 1969. God also commanded the late President, Ferdinand Edralin Marcos, when during martial law time, he issued Presidential Decree No. 269 in 1973 to accelerate the total electrification program of the countryside, and the same thing, Mr. Speaker, honorable Sponsor, the only President, after the Marcos era, who appreciated the total electrification program was the former President Gloria Macapagal Arroyo because she is the only President who appointed a Presidential Adviser on rural electrification in the person of Fr. Francisco Silva because former President Arroyo understood how important electricity is especially in the rural areas.

Mr. Speaker, honorable Sponsor, I would just like to convey to this honorable Chamber that the rural electrification program implemented by the Philippine government through the electric cooperatives and the National Electrification Administration is not just about lighting homes. Its primary objective really is to attain sustainable rural development. If we can electrify the countryside, we can use the infrastructure in the Build, Build, Build Program like farm-to-market roads, by empowering our citizenry to maximize the utilization of the electricity in the area.

I hope, Mr. Speaker, Mr. Sponsor, that like Senator Pelaez, like President Marcos, like President Arroyo, we listen to God's commandment by ensuring that in 2022, there will be light and economic development in the households and communities targeted to be energized next year.

Can I have your assurance of support on that, Mr. Sponsor, Mr. Speaker, even with the pronouncement of the leadership of the House?

REP. DALIPE. Yes, Mr. Speaker.

REP. DAGOOC. Thank you, Mr. Sponsor.

REP. DALIPE. Amen to that, Mr. Speaker.

REP. DAGOOC. Thank you, Mr. Speaker. Thank you, my colleagues for your indulgence and patience.

THE DEPUTY SPEAKER (Rep. Pichay). Thank you for that enlightening interpellation, Congressman Dagoo.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, may we recognize Hon. Wilton "Tonton" T. Kho of the Third District of Masbate for his interpellation.

REP. KHO (W.). Thank you, Mr. Speaker.

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

REP. KHO (W.). Thank you, Mr. Speaker. First of all, good afternoon to everyone. Sa aking kababayan na taga-Zamboanga rin, buenas dias.

Mr. Speaker, gusto ko lang muna pong sagutin ang ating Sponsor kung tama ho ba na ang Sitio Electrification Program ang isa sa mga prayoridad ng National Electrification Administration?

REP. DALIPE. Yes, Mr. Speaker.

REP. KHO (W.). Thank you, Mr. Speaker. Follow-up question ko po, noong tinitingnan ko po sa ating NEP, nakalagay po ang Sitio Electrification Program ngunit noong inaaral ko po siya, walang pong pang-Barangay Electrification Program. Mr. Speaker, hindi ho ba mas logical na unahin po natin ang mga barangay kaysa ho sa mga sitio dahil mas marami hong households pag sa ating barangay mauna itong electrification program?

REP. DALIPE. Mr. Speaker, under the NEA, our data showed that 99 percent of the barangays had been electrified already. So, for the others, the National Electrification Administration now concentrates on the different sitios except probably for some other barangays which are not part of the 99 percent.

REP. KHO (W.). Thank you, Mr. Speaker. Hindi na po tayo lalayo. Sa distrito ko lang ho sa Masbate, Third District of Masbate, out of 225 barangays, 53 barangays are underserved or hindi po talaga naaabutan ng kuryente. Sabihin na nating mayroong kaunting kuryente because of Pamatec, iyong first project, out of these 53 barangays, 41 po ang kasali sa Pamatec. Ang Pamatec na ito ay four hours lang ho kada araw or four to six hours per day ang naiseserbisyo ho nito sa aming mga kababayan. So, siguro ho, Mr. Speaker, puwede ho nating ma-reconsider ho na mapuntahan ulit, na makita ulit itong mga problema ng ating mga barangay dahil 41 po out of 53, sila po iyong nakararanas ng four to six hours lang and iyong remaining po, wala po talagang kuryente na dumarating po sa kanila.

So, Mr. Speaker, my distinguished colleague, sana po ay ma-consider po natin ito na kung puwede ho next year, 2020, ay maisabay po natin ang programa para po dito sa mga barangay pong ito.

REP. DALIPE. We will take note of that, Mr. Speaker. We will look into it.

REP. KHO (W.). Further, Mr. Speaker, the NEA is given a herculean task of providing electricity to all households nationwide, but how can it fully implement its noble mandate of providing total electrification to the reported remaining 14,876 sitios when its proposed budget amounting to P6.14 billion was slashed to P1.5

billion and only about P1.16 billion is allocated for the Sitio Electrification Program. According to the data of the NEA, that amount can only provide electricity to 775 sitios for the year 2020. Paano na lang ho ang natitirang 4,101 na mga sitio?

That being said, Mr. Speaker, I would like to manifest that there is a need to increase the budget of the National Electrification Administration in order to fully achieve its mandate of providing full electrification to all the households in our country. Hence, I appeal to my colleagues in this august Chamber to support the increase in the budget of the National Electrification Administration.

Thank you and that would be all, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pichay). Thank you, Congressman Kho (W.).

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, may we recognize Hon. Godofredo N. Guya of the RECOBODA Party-List.

THE DEPUTY SPEAKER (Rep. Pichay). Your Honor, you are recognized. Please proceed.

REP. GUYA. Thank you, Mr. Speaker, Mr. Sponsor, and magandang hapon po sa Department of Energy family.

Mr. Speaker, Mr. Sponsor, would you know what makes the Rural Electrification Program unique? As previously pointed out, it is a very successful program of the government, but I wish to highlight why this program is especially different. Would you be familiar with this, Mr. Speaker, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker, of course, it is unique.

REP. GUYA. Exactly, Mr. Speaker, Mr. Sponsor, it is the participation of our electric cooperatives that makes rural electrification so unique and successful. Would you know why this mode then that prioritizes granting franchises to electric cooperatives was pursued in PD 269, the EPIRA, and subsequent laws?

REP. DALIPE. Yes, Mr. Speaker, the electric cooperatives are community-owned. They are non-stock, non-profit.

REP. GUYA. Yes, Mr. Speaker, Mr. Sponsor, a cooperative being community-owned is owned by the coops' member-consumer-owner, and more importantly, it is a non-stock, non-profit and managed business organization that is operated by and for the benefit of its members who use electricity. The cooperatives are

also non-stock and non-profit entities, which is reflected in the rates that they use.

As to the number, as compared to other distribution utilities, there are actually 121 electric cooperatives in the entire country. They make up almost 87 percent of all distribution utilities and electric distribution franchises in the Philippines—16 private investor-owned utilities and three municipal systems. Would you agree that this is a correct statement, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker, that is correct.

REP. GUYA. Now, if electric cooperatives are non-stock, non-profit, would the distinguished Sponsor be familiar with how an electric cooperative gets capital to spend on construction and even maintenance expenses?

REP. DALIPE. Mr. Speaker, they apply for a loan with the National Electrification Administration for capital expenditures and even for maintenance expenses, Mr. Speaker.

REP. GUYA. That is correct, Mr. Speaker, Mr. Sponsor.

The electric cooperative uses a cash flow formula which does not allow profit margins, which keeps the rates of electricity low. Now, on these loans that the NEA provides to the electric cooperatives, does the government charge interest on these loans?

REP. DALIPE. Yes, Mr. Speaker.

REP. GUYA. Would the honorable Sponsor know how much the interest rate is?

REP. DALIPE. Six percent, Mr. Speaker.

REP. GUYA. So, the NEA supports our electric cooperatives through the extension of loans for large capital expenditures and operational expenses on a regular basis. Would the Speaker know if the ECCs are good creditors? Do they pay on time?

REP. DALIPE. Mr. Speaker, generally, yes.

REP. GUYA. To put it simply, can you verify to me the loan repayment rate and bad debts of the electric cooperatives?

REP. DALIPE. Well, the collection efficiency, Mr. Speaker, is 98 percent. So, in other words, 100 minus 98 is 2 percent. So, bad debt is about 2 percent, Mr. Speaker.

REP. GUYA. Thank you, Mr. Speaker. So, to confirm, our electric cooperatives are not let off by the

government. They actually end up paying the loans and the government earns interest and makes money from these loans. They are not just an expense of the government.

REP. DALIPE. Correct, Mr. Speaker, I agree.

REP. GUYA. It is my understanding, Mr. Sponsor, Mr. Speaker, that there is revision in the NEP and in the GAB, specifically item number 6 on Augmentation Beyond the Approved Corporate Operating Budget of the NEA, as compared to the 2019 GAA. What is this change, Mr. Speaker?

REP. DALIPE. Mr. Speaker, in the authorization to source from the unutilized balances of previous years, the subsidy was removed. Item number 6 now just limits funds from new funding sources as certified—yes. In item number 6, Augmentation Beyond the Approved Corporate Operating Budget, the NEA Board of Administrators is authorized to augment and disburse funds beyond the total amount approved in this Act under the conditions read below. So, item number 6 now just limits the funds from new funding sources as certified by the Chief Accountant and Administrator of the NEA.

REP. GUYA. Specifically, for calendar year or Fiscal Year 2019, the GAA provides for the following:

The NEA Board of Administrators is authorized to augment and disburse funds beyond the total amount approved in this Act for the continuous implementation of the Sitio Electrification and Barangay Line Enhancement Projects, and the rehabilitation, repair or reconstruction of distribution facilities damaged by natural and human-induced calamities.

The fund shall be sourced from the unutilized balances of previous year's subsidy by the national government or from new funding sources as certified by the Chief Accountant and Administrator of NEA.

Is this correct, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker.

REP. GUYA. What was the reason for this change, if any, Mr. Sponsor?

REP. DALIPE. Well, Mr. Speaker, we will take note of the concerns raised by the honorable Representative. We will consider your manifestation and discuss this at the proper time, Mr. Speaker.

REP. GUYA. Mr. Sponsor, Mr. Speaker, I respectfully manifest that we should not penalize the NEA and the

electric cooperatives that are performing their roles. The electric cooperatives, as earlier established, are productive entities and they continue to contribute to the development of our goals and of our government. We should not limit the funding sources for these entities that are and have been our partners from day one.

Mr. Speaker, we should not repay their good deeds with prohibitions on our part. I propose that we revise and amend item number 6 to reflect the same provision as stated in the 2019 GAA. Let us not change the rules in the middle of the game when we are so close to total electrification by 2022.

I hope, I have your support, Mr. Sponsor, Mr. Speaker.

REP. DALIPE. We will take note of that, Mr. Speaker.

REP. GUYA. On a different issue, Mr. Speaker, this is about a potential national security issue, Mr. Speaker, Mr. Sponsor, about the National Grid Corporation of the Philippines.

All the equipment for system operation and control of our National Grid Corporation or the transmission system of the country, Mr. Speaker, Mr. Sponsor, are all Chinese products which are made, of course, in China and manned by Chinese engineers. Our own Filipino engineers do not have the technical knowledge and capability to operate, troubleshoot or repair these systems in case of any emergency or if these systems break down.

This is of special concern, Mr. Speaker, because of how advanced these controls are. The operator may, at any time and with a click of a single button, remotely shut down the whole transmission system of the country. It also leaves us vulnerable if there is a malicious attack against the State. Our transmission system cannot be dependent on our relations with other states. If the transmission system is shut down, it will result in mass panic, stoppage of economic activities and other emergency scenarios, the effects of which we cannot even predict at this point. What I know, Mr. Speaker, is that we will be crippled if ever this does happen.

This is something that the TransCo should look into, and they must make sure that they supervise the concessionaire. There should be properly trained TransCo engineers who have access to all the automated transmission systems controlling the country. Further manifestation is that the control and transmission system should be turned over to the government subject, of course, to proper amendment of the EPIRA.

Thank you, Mr. Speaker. I hope we find a solution to this very troubling issue. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pichay). Thank you, Your Honor.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Adriano A. Ebcas of the AKO PADAYON Party-List.

THE DEPUTY SPEAKER (Rep. Pichay). Please proceed, Your Honor.

REP. EBCAS. Thank you, Mr. Speaker.

I stand to support the manifestations of Congressman Dagooc and Congressman Guya. It is true that our Rural Electrification Program has been successful, but there is still a long way to go before we achieve our dream of total electrification. A lot of work and funding are required to attain our goal of giving access to electricity to all Filipinos.

That being said, Mr. Sponsor, Mr. Speaker, my first question is whether the honorable Sponsor is familiar with the Qualified Third Party of the Department of Energy.

REP. DALIPE. Yes, Mr. Speaker, QTP, Qualified Third Party.

REP. EBCAS. Thank you, Mr. Sponsor.

My first question is whether the Qualified Third Party is designed to attract alternative service providers and private investment in rural electrification in line with the DOE's thrust to achieve 100-percent household electrification target by 2022. Is this correct, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker, that is correct.

REP. EBCAS. In fact, Mr. Sponsor, Mr. Speaker, interested firms must pass the accreditation process. Qualified Third Party firms must have the power-generation and distribution facilities to service remote areas where the distribution lines of power cooperatives cannot be immediately extended. Once accredited, this QTP or Qualified Third Party firm can select areas for development and implement its plan upon approval from the DOE. Is this correct, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker, that is correct.

REP. EBCAS. To your knowledge, Mr. Sponsor, regarding the areas that are selected by the QTP firms, do QTP firms have the discretion in selecting these areas or the areas have to be first waived by the electric cooperatives?

REP. DALIPE. Yes, Mr. Speaker, it has to be waived by the electric cooperative.

REP. EBCAS. Would the honorable Sponsor, Mr. Speaker, know, so far, how many areas have been waived by electric cooperatives?

Mr. Speaker, honorable Sponsor, to my knowledge, there are 995 areas waived by electric cooperatives but only 11 have takers for QTP, and only six of these areas are operational. Is this a correct statement, Mr. Sponsor?

REP. DALIPE. Yes, it is, Mr. Speaker. Based on the data, 19 out of 121 electric cooperatives have identified unserved areas, plus 107 out of 342 waived areas by the electric cooperatives have board resolutions waiving their service obligation over the areas.

REP. EBCAS. Thus, Mr. Speaker, honorable Sponsor, I therefore manifest that maybe it is high time that we revisit the Qualified Third Party program of the DOE. If there are only 11 areas out of 995 areas that have takers for QTP, and only six of which are operational, Mr. Speaker, Mr. Sponsor, I think that it is fair to say that this program is failing. We should review this program to see there can be any improvements, maybe even through a law, if need be, to make sure that we achieve total electrification by 2022, honorable Sponsor.

REP. DALIPE. Yes, I agree.

REP. EBCAS. Regarding the privatization of assets, it is my understanding that the Power Sector Assets and Liabilities Management or PSALM Corporation is the entity tasked to privatize Napocor assets. Is this correct, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker.

REP. EBCAS. If so, Mr. Speaker, Mr. Sponsor, to your knowledge, what percentage of the Napocor assets have already been privatized?

REP. DALIPE. Mr. Speaker, 71.7 percent, Mr. Speaker.

REP. EBCAS. Out of that 71 percent, how many, in terms of megawatt?

REP. DALIPE. In terms of megawatt, Mr. Speaker, that is 11,179 megawatts.

REP. EBCAS. Is that as of June 30, 2019...

REP. DALIPE. Yes, Mr. Speaker.

REP. EBCAS. ...or the present time?

REP. DALIPE. June 30, 2019, Mr. Speaker.

REP. EBCAS. Granting that the owned generating

plants that you mentioned a while ago—considering that the privatization level of assets is already quite substantial, Mr. Speaker, honorable Sponsor, based on your recent data, how much proceeds has the PSALM collected so far from the privatization of these Napocor assets?

REP. DALIPE. Mr. Speaker, the total generated is P908.78 billion, and the collected is P579.97 billion.

REP. EBCAS. Mr. Speaker, honorable Sponsor, the PSALM has collected a total of P579.97 billion as of June 30. May I know how these proceeds were utilized?

REP. DALIPE. Well, Mr. Speaker, as always, they were used for payment of obligations.

REP. EBCAS. Mr. Speaker, Mr. Sponsor, based on your data on hand, may we know how many electric cooperatives have availed of the PSALM's loan condonation? Also, Mr. Sponsor, how much of these loans were already settled by PSALM and how much in payments does the PSALM still have left to collect?

REP. DALIPE. Well, Mr. Speaker, a total of 118 out of 119 electric cooperatives availed of the loan condonation. The total payment by PSALM is P16.268 billion.

REP. EBCAS. Mr. Speaker, Mr. Sponsor, first, we would like to clarify that, in contrast to the PSALM data, there are 121 and not 119 electric cooperatives in the country.

This Representation would also like to commend the PSALM for their 90-percent payment of the loans of electric cooperatives. This assumption of the PSALM of the loans of ECCs has been of great help in our goal of providing affordable electricity. Sana po ay maipagpatuloy na po natin ito. We must also keep in mind that it is likewise the duty of the ERC and the electric cooperatives to do their best in attaining and maintaining low electricity rates. The best interest of the consumers is always our top priority. Every Filipino family deserves to live comfortably and having access to reliable and affordable electricity goes a long way in their pursuit to a better life and brighter future.

Thank you very much, Mr. Speaker and honorable Sponsor. I hope we continue to support our energy sector and give them what they need in order to energize all households in the Philippines, such that nobody gets left behind. Thank you.

THE DEPUTY SPEAKER (Rep. Pichay). Thank you, Honorable Ebcas.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Rep. Gabriel H. Bordado Jr. of the Third District of Camarines Sur.

THE DEPUTY SPEAKER (Rep. Pichay). The Gentleman from Camarines Sur is recognized. Congressman Bordado, please proceed.

REP. BORDADO. Thank you, Mr. Speaker.

Mr. Sponsor, we have listened to the messages of the top advocates of rural electrification. Let me just come up with some clarificatory questions. Mr. Speaker, Mr. Sponsor, in terms of budget utilization by major program, the Household Electrification Development Program incurred the lowest disbursement in 2018, with only 4.1 percent or equivalent to P17.8 million out of the total appropriated amount of P746.8 million. Is this correct, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker.

REP. BORDADO. Could you explain why it happened?

REP. DALIPE. Mr. Speaker, this is due to the refocusing of the Household Electrification Program or HEP to the Total Electrification Program and procurement constraints due to the highly technical requirements of the ISSP—or the National Energy Data Repository, Mr. Speaker.

REP. BORDADO. So, in other words, is the DOE doing certain steps to address this concern?

REP. DALIPE. Mr. Speaker, the Department of Energy is doing early procurement and constant monitoring of its budget execution.

REP. BORDADO. Mr. Speaker, Mr. Sponsor, on the other hand, according to this note, the DOE only obligated P136.3 million for the Renewable Energy Development Program vis-à-vis a total appropriation of P433.7 million. Again, what is the reason for this?

REP. DALIPE. Well, Mr. Speaker, it is the Household Electrification Program, which is now the Total Electrification Program.

REP. BORDADO. How is that again, Mr. Sponsor?

REP. DALIPE. The Total Electrification Program, it is due to the refocusing, Mr. Speaker.

REP. BORDADO. Due to what, Mr. Speaker?

REP. DALIPE. Due to the refocusing of the Household Electrification Program to the Total Electrification Program.

REP. BORDADO. When you say refocusing, what do you mean by it, Mr. Sponsor?

REP. DALIPE. Well, Mr. Speaker, before it was a stand-alone system, now, it is on a microgrid system.

REP. BORDADO. From what, Mr. Sponsor?

REP. DALIPE. From a stand-alone household system to a microgrid system.

REP. BORDADO. So, this was the reason why the DOE failed to obligate P433.7 million?

REP. DALIPE. Well, at that time, the Department of Energy, Mr. Speaker, was not allowed to shift to another system, so it took them some time, Mr. Speaker.

REP. BORDADO. I cannot understand, Mr. Speaker, Mr. Sponsor, why the DOE would suffer from unobligated allocations just because it shifted to another style of management, Mr. Sponsor.

REP. DALIPE. Before, Mr. Speaker, it was for the MOOE.

REP. BORDADO. Okay.

REP. DALIPE. Then after that, the Department of Energy requested that such obligation, the item for MOOE, would be converted into Capital Outlays, Mr. Speaker. This is for the microgrid system, Mr. Speaker.

REP. BORDADO. Mr. Speaker, Mr. Sponsor, the Commission on Audit itself stated that there was an ineffective implementation of the Household Electrification Program. What happened, Mr. Sponsor?

THE DEPUTY SPEAKER (Rep. Pichay). Mr. Sponsor, if the intention of the GAA was for MOOE, then it cannot be converted to Capital Outlays unless you have the approval of the House.

REP. DALIPE. I agree, Mr. Speaker.

REP. BORDADO. Thank you, Mr. Speaker. So, can the Sponsor answer the question as to why the DOE failed to come up with that approach?

REP. DALIPE. Well, Mr. Speaker, it was not included in the original PAP of the Department, Mr. Speaker.

REP. BORDADO. How is that again, Mr. Sponsor?

REP. DALIPE. It is not included.

REP. BORDADO. It was not included in the original?

REP. DALIPE. Yes, Mr. Speaker, Projects, Activities and Programs or PAP, Mr. Speaker.

REP. BORDADO. But still the COA came up with the report that the DOE had been ineffective in its implementation. So, what was the reason?

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Pichay). The session is suspended for one minute.

It was 2:26 p.m.

RESUMPTION OF SESSION

At 2:27 p.m., the session was resumed.

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

The Sponsor is recognized.

REP. DALIPE. Mr. Speaker, the reason for such Unobligated Funds is that the Department terminated the HEP and shifted to TEP. That is the reason, Mr. Speaker.

REP. BORDADO. Okay. Thank you, Mr. Sponsor, Mr. Speaker. I do hope that the Department of Energy is doing something to rectify the situation.

Mr. Speaker, Mr. Sponsor, I will just propound one question regarding the so-called energy-efficient electric vehicles or the E-Trike Project. Mr. Speaker, Mr. Sponsor, the COA again came up with a report that there were delays in the distribution of the e-trikes. What happened, Mr. Sponsor?

REP. DALIPE. Well, Mr. Speaker, due to the lack of interest and concerns on the project's design, the market transformation through the introduction of energy efficient electric vehicles or the E-Trike Project was limited to 3,000 units.

REP. BORDADO. Yes, according to the report, Mr. Speaker, Mr. Sponsor, only 3,000 units were distributed.

REP. DALIPE. Yes, Mr. Speaker.

REP. BORDADO. So, is the DOE, Mr. Sponsor, planning to further increase this number?

REP. DALIPE. Well, Mr. Speaker, the original NEDA approval was for US\$400 million in 2012. The revised NEDA approval in 2017 was scaled down to US\$40.24 million. Since the project started, it attracted 15 firms engaged in the electric vehicle industry, and the total investment is US\$74 million. So, the original approved is only US\$400 million.

REP. BORDADO. Okay.

Thank you, Mr. Sponsor. Thank you, Mr. Speaker. Thank you to the Department of Energy.

THE DEPUTY SPEAKER (Rep. Pichay). Thank you, Congressman Bordado.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, may we recognize Hon. Presley C. De Jesus of PHILRECA Party-List.

THE DEPUTY SPEAKER (Rep. Pichay). Congressman De Jesus is recognized.

REP. DE JESUS. Thank you, Mr. Speaker and to our honorable Sponsor.

First, I lend my support to the different manifestations of Congressman Dagooc, Congressman Guya and Congressman Ebcas.

Truly, the mandate of attaining total electrification is not an easy task for the NEA and the electric cooperatives as well. There will always be some problems on the ground that we, here in the perch of this august Chamber, will not realize until the program is implemented. I hope that we can maximize the funding sources to hasten our efforts. It is not only the NEA and the electric cooperatives which are working, but it will take our whole nation working hand in hand with them to make sure that we will be able to grant access to electricity to the last mile, the last sitio, and the last household.

With that, Mr. Speaker, will the honorable Sponsor yield to a few questions from this Representative?

REP. DALIPE. Yes, Mr. Speaker.

REP. DE JESUS. Okay. Thank you, Mr. Speaker.

Mr. Sponsor, first, not only is our goal for total electrification, it is also making sure that the power supply is available and reliable. Is this correct, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker.

REP. DE JESUS. If so, Mr. Speaker, what are the programs of the DOE or the Department of Energy that will assure an available and reliable power supply to the whole country?

REP. DALIPE. Well, Mr. Speaker, one is the Energy Virtual One-Stop Shop and Executive Order No. 30, series of 2017, on energy projects of national significance streamlines the permitting process for power generation, transmission, and distribution projects using an online platform with strict timelines to be observed. If an agency fails to act on the application within the specified period, it will be deemed approved, Mr. Speaker.

REP. DE JESUS. Okay.

Can you tell us as far as the Luzon Grid is concerned, what are these projects?

REP. DALIPE. In 2017, 835 megawatts were commissioned: 630 megawatts for coal, 77 megawatts for oil, and 1 megawatt for hydropower, among others. In 2018, 933 megawatts were commissioned as follows: 720 megawatts for coal, 87 megawatts for oil, 12 megawatts for geothermal, 80 megawatts for hydropower, and 34 megawatts for biomass.

REP. DE JESUS. Okay, thank you, Mr. Speaker.

In fact, there had been numerous times in this year alone when the National Grid Corporation placed Luzon on either a yellow or a red alert that would signify insufficient generation capacity. Is that correct, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker, I agree.

REP. DE JESUS. If there is an insufficient generation capacity, Mr. Speaker, can the Sponsor enumerate specific power plants that were commissioned during the time of Secretary Cusi in Luzon?

REP. DALIPE. We are getting the list, Mr. Speaker.

As I mentioned, Mr. Speaker, in 2017, 835 megawatts, I have a long list here, Mr. Speaker—would you like that I would give it to you? In general, Mr. Speaker, the total in 2017, under the current Secretary, is 835 megawatts, and in 2018, it is 933 megawatts. Mr. Speaker, we can furnish you the different lists of commissioned power plants under the present Secretary of Energy.

REP. DE JESUS. Thank you, Mr. Speaker. Another question, can the honorable Sponsor provide a list to this Representation of the different service contracts that had been awarded but until now have not been developed?

REP. DALIPE. Certainly, Mr. Speaker, we will do it.

REP. DE JESUS. Okay. Thank you. Mr. Sponsor, why do we have service contracts awarded to private entities when they are not even starting development?

We have an urgent need for generation capacity. What is the policy for such entities, Mr. Sponsor?

REP. DALIPE. Mr. Speaker, permitting is the main reason for the delay in the development of service contracts. It is for this reason that EVOSS and EO 30 are being enforced to ensure timely action on all the permits from all concerned, Mr. Speaker.

REP. DE JESUS. Okay. Mr. Speaker, maybe we are approaching this problem from the wrong angle. Why are the electric cooperatives not given the right of first refusal to develop potential energy resources within their coverage area? The electric cooperatives should at least be given the opportunity to challenge these awarded service contracts. Will the honorable Sponsor agree with me that it would be cheaper for the end consumers if the electric cooperatives own the generation facility as it would redound to lower costs of electricity since there will be no provision for profit, as the ECs or the electric cooperatives are non-stock and non-profit. Do you agree with that, Mr. Sponsor?

REP. DALIPE. Yes, I agree with that, Mr. Speaker.

REP. DE JESUS. Thank you. Therefore, it is the plain and simple truth, Mr. Speaker—my concern is that we have been experiencing yellow and red alerts. The people are blaming our distribution utilities, the electric cooperatives, when it is beyond their control since there is insufficient generation capacity, which is a possible policy problem from the DOE.

I urge this honorable Chamber, as the primary policy-determining body in the Philippines, to come up with clearer policies to ensure sufficient and reliable power supply. I also urge the Body to consider giving the electric cooperatives the right of first refusal to develop potential energy resources within their franchise areas and give them the chance to challenge these service contracts already awarded to ensure a cheaper, if not a more reliable, power supply.

With that, thank you, Mr. Speaker. Thank you, Mr. Sponsor.

THE DEPUTY SPEAKER (Rep. Pichay). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we acknowledge the presence of the guests of the Majority Leader, Hon. Ferdinand Martin G. Romualdez; TINGOG SINIRANGAN Party-List Representative, Hon. Yedda Marie K. Romualdez; and Lone District of Biliran Representative, Hon. Gerardo “Gerryboy” J. Espina Jr. They are Mayor Rhodessa D. Revita, Vice Mayor Linda V. Baleyos, Councilor Marlyn Joboco,

Councilor Marlou Villasin, Councilor Reynaldo Geruacio, Councilor Emmanuel Colantro, Councilor Romel Berdal, and SB Secretary Malyn Almen, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pichay). Kindly stand up so that your presence will be acknowledged. (*Applause*) Welcome to the House of Representatives. The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Carlos Isagani T. Zarate of BAYAN MUNA Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Pichay). Rep. Caloy Zarate is recognized. Kindly proceed.

REP. ZARATE. Thank you, Mr. Speaker. Good afternoon to the Department of Energy family and to our esteemed Sponsor. Will the good Sponsor yield to some clarificatory questions regarding the budget of the Department of Energy?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. My interpellation, Mr. Sponsor, Mr. Speaker, will focus on two issues: on the energy side, the issue on the power supply agreements, and later, on the unbundling of the prices of oil.

Mr. Sponsor, Mr. Speaker, there is the PSA issue of the distribution utilities engaging in these very non-transparent contracts in the past because they control and dictate the terms of their supply agreements which came to be, as in the past years, the concern of many, especially our consumers, because of its overpriced supply especially during the time when the Malampaya gas field was shut down in 2013.

This is the reason why the Department of Energy—ultimately, the issue went all the way to the Supreme Court which mandated that there must be a competitive selection process or the bidding of supply contracts and this must be made mandatory.

Will you agree with that statement, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor.

By virtue of that, the Department of Energy issued Department Circular No. 2015-06-008 regulating the bidding of supply contracts by distribution utilities. The said Department Circular required a third party recognized by the DOE and the Energy Regulatory Commission to supervise and ensure that the bidding

process and its terms of references are not totally controlled by the distribution utility.

Is that correct, Mr. Sponsor, Mr. Speaker?

Again, my question is only on whether the DOE issued Department Circular No. 2015-06-008, mandating the creation of a third party.

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor.

After the issuance of that Department Circular, however, the Department of Energy issued last year Department Circular No. 2018-02-0003 which, instead of giving the power or the authority to an independent third party to conduct the process of bidding, under this new Department Circular, it now allows the distribution utility to appoint the supposed third party.

Is that correct, Mr. Sponsor, Mr. Speaker, under this new circular?

REP. DALIPE. Yes, Mr. Speaker.

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

Now, my question is: Has there been an official complaint from distribution utilities or any distribution utility regarding the provisions of the first Department Circular No. 2015-06-008? After all, in that Department Circular issued in 2015, it allowed or mandate the creation of an independent third party to supervise the CSP process or the bidding. So, my question is, was there any complaint from any distribution utility regarding any issue or provision of the Department Circular, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. There is none that I am aware of, Mr. Speaker.

REP. ZARATE. There is none or there was none. Thank you for that answer, Mr. Sponsor, Mr. Speaker.

So, my follow-up question now is, if there was no complaint at all, bakit po pinalitan natin in 2018 ng bagong panuntunan o ng bagong circular? Sino po ang nagtakda na palitan natin iyong so-called “rules of the game?” As I have said, the first circular mandated the creation of an independent third party to supervise the bidding. Then, in 2018, naglabas ho kayo ng bagong circular and in this circular, hindi na ho magko-conduct ng process of bidding at ito ay appointed na the distribution utility. Again, Mr. Sponsor, Mr. Speaker, who drafted the new Department Circular 2018-02-003? That is my first question.

REP. DALIPE. Well, Mr. Speaker, this is the result of a focus group discussion and public consultation, Mr. Speaker.

REP. ZARATE. Thank you for that answer.

If there was no complaint, why was there a need to conduct a focus group discussion or consultation, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Well, the primary intent, Mr. Speaker, is to fast-track and make it better.

REP. ZARATE. Thank you.

If I may ask, how many consultations with consumer groups have you conducted, and when and where did you conduct these consultations?

REP. DALIPE. Well, Mr. Speaker, we have a list, but I can assure you, Mr. Speaker, that there was one for Luzon, one for Visayas, and one for Mindanao, Mr. Speaker.

REP. ZARATE. Thank you. For purposes of and to abbreviate my questioning, just kindly submit those so-called “focus group discussions,” or consultations ...

REP. DALIPE. Yes, we will.

REP. ZARATE. ... on when, where, how many, and who did you consult with? I raised these questions, Mr. Sponsor, Mr. Speaker, dahil ibabalik ko iyong tanong ko kanina na, if the first circular was working and there was no complaint at all, then, why the sudden change, and the change was not just procedural? Ang change ho ay very substantial. In the first circular, as I have mentioned, ang mayroon pong poder sa pagpili noong independent third party ay ang DOE and the ERC, but in this new circular, ang pipili po ng third party, and I have to emphasize this, ang pipili ng third party ay ang distribution utility. Ang kalalabasan po nito, ang DOE and the ERC ay parang observer na lamang sila. Ang magpapakabo sa competitive selection process ay ang distribution utilities. So, ito po ang ating pinangangambahan, Mr. Sponsor, Mr. Speaker.

Just a disclosure, this Representation was the author of that investigation that we conducted during the Seventeenth Congress and we questioned the power supply agreements that did not pass through the CSP, dahil alam po natin, sabi nga natin, maanomalya iyon. After the CSP guidelines were issued, there were power supply agreements na hindi dumaan sa CSP at nanging sa ERC, and among those seven power supply agreements, the biggest distribution utility ay ang Meralco.

This case also went all the way to the Supreme Court at ang sabi ng Supreme Court, kailangang mag-bidding dahil kapag walang bidding at walang CSP process, we will never know if itong mga kuryente natin ay talagang the least cost para sa ating mga consumers.

Now, after the decision of the Supreme Court, ano ang mangyayari ngayon? Parang ibinalik mo lang

din at parang magkakaroon lang ng moro-moro dito na nagkaroon ng bidding pero ang may kontrol ng bidding ay iyong distribution utilities pa rin. Is that a fair analysis, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Well, Mr. Speaker, it is not the distribution utility, but the Bids and Awards of the third party.

REP. ZARATE. Exactly, but ang mag-a-appoint po sa third party Bids and Awards Committee ay ang distribution utility dahil po doon sa komposisyon. Nandoon ho sa guidelines iyan, sa komposisyon ng Bids and Awards Committee, ang tatlo ay magmumula sa distribution utility. Tatlo iyon, so ibig sabihin, doon sa lima, lamang na kaagad ang distribution utility dahil tatlo iyong kanyang representante doon. Iyong dalawa ay ia-appoint din ang distribution utility from the so-called consumers’ group or third independent group.

So, iyon po iyong ating pinangangambahan diyan dahil nga previously, hindi ganoon iyong arrangement o provision sa first circular at mayroong poder ang DOE doon at ang ERC sa pagpili ng tunay na independent third party, Mr. Sponsor, Mr. Speaker.

REP. DALIPE. Yes, we will look into that, we will look for improvements and we will take note of that, Mr. Speaker.

REP. ZARATE. I hope soon because the distribution utilities, especially Meralco, are now conducting the so-called CSP process. In fact, just last month or this month, tatlong CSP process na ang ginawa nila.

By the way, who drafted this new circular, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. The Department of Energy, Mr. Speaker.

REP. ZARATE. In particular, who from the Department of Energy?

At any rate, you can just include that in your report later.

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. I will go to a particular example na sa ganoong klase ng CSP process na controlled ng distribution utility, magkakaproblema talaga. I will give you an example. Meralco recently published in its website the opening of bids for its 1,200-megawatt greenfield projects with the following schedules: Expression of Interest deadline-July 29, 2019, okay, that is the first deadline; Meralco Pre-Bid Conference-August 9, 2019, halos walang isang buwan, okay; Meralco deadline for submission of bids-September

10, 2019, so tatlong deadlines—July 29, August 9, September 10, and then Meralco announced the following general terms of references for the said project: first, there must be maximum of four units only, because a unit must have a required minimum of 300 megawatts; second, the bidders' fuel source shall be HELET or high-efficiency low-emission technology; third, no capacity and electrical output of the Plant shall be contracted under an agreement separate from the PSA; fourth, reduction and contract capacity, where the contract capacity and associated energy may be reduced equivalent to the reduction in the demand of the captive market of Meralco by reason of the implementation of our RCOA or the Retail Competition and Open Access Law under the Renewable Energy Law; and finally, capital recovery fee component of the tariff should be fixed for the whole required contract period and in Philippine currency.

Now, kindly guide me if you have this kind of parameters or Terms of Reference. Question: Can you conduct a thorough study of the Terms of Reference?

REP. DALIPE. Yes, Mr. Speaker, we can.

REP. ZARATE. That is correct.

Now, second, an ordinary bidder will, of course, have to look for possible location of its plants required by the TOR. Correct?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. If you want to bid, ano, hahanap ka ng magandang lugar.

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. That is correct.

Third, again, an ordinary bidder has to purchase or procure, or at least lease the land in which the plant will be put up. Is that correct?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. Yes. So, ang gagawin ng bidder, kung sasali siya doon, because iyon ang nakalagay sa kanilang Terms of Reference sa CSP, the bidder has to secure the right of way. After all, it is very risky, kung wala ka namang right of way. The bidder also has to facilitate permits and relevant deeds of sale or conveyances, as well as conduct the design of the plant compliant with the Terms of Reference. Is that correct, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. Aside from that, the bidder also

has to search for contractors to do the necessary requirements in the putting up of these greenfield projects. Is that correct, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. Now, with all these limitations, sa tingin ninyo ba, kung ang Expression of Interest deadline is July 29, then the Pre-Bid Conference is August 9, then the deadline for submission of bids is September 10, can you actually believe that an ordinary bidder can meet these deadlines, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Well, Mr. Speaker, under such circumstances, it will be very difficult.

REP. ZARATE. Very difficult indeed and in fact impossible, if I may say so, Mr. Sponsor, Mr. Speaker.

So ito po iyong problema doon, ang pag-control ng distribution utility and the CSP process, because under this particular greenfield project, isa lang talaga ang papasá, and you know what company this is? It is the Atimonan One Energy, Inc. na ready nang mag-supply sa Meralco, and Atimonan One is 100-percent owned or a subsidiary of Meralco.

Do you see, Mr. Sponsor, Mr. Speaker? Ito po iyong problema ng inilabas ninyo na bagong guidelines sa CSP. Ang mangyayari ho niyan, iyong ginawang desisyon ng Korte Suprema mandating the conduct of competitive selection process ay mawawalan ho ng saysay and at the end of the day, ang matatalo rito ay ang mga consumers. Do you agree, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. Yes, Mr. Speaker.

Actually, the Department of Energy is reviewing that circular because as manifested by the honorable Gentleman, it appears that way, Mr. Speaker.

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

Ang sinasabi po nila, again by way of disclosure ay, "Itong si Congressman Zarate, gusto niyang mag-CSP kami. Ngayon na nag-CSP kami, kinu-question naman niya." Ang kinu-question ho natin dito, Mr. Sponsor, Mr. Speaker, para malinaw po, on the record, ay ang bagong Department Circular na naiikutan ang CSP, na sa tingin ng Kinatawang ito at ng aming Partido ng BAYAN MUNA, dahil binabantayan namin ito, naiikutan ito ng mga distribution utilities, just like how Meralco is going around the provision of that CSP process.

Totoo naman po nitong nakaraan na nagkaroon ng bidding sila for another 1,200 megawatts at ang nanalo doon ay hindi mga subsidiary ng Meralco, but in this particular case, itong greenfield project nila, the CSP

and the Terms of Reference were made to suit only one bidder.

Again, if the DOE will review this Department Circular, I hope they will do it very soon, dahil po at the end of the day, mawawalan ng silbing naipanalò ng consumers sa Korte Suprema na magkaroon ng bidding sa power supply agreements.

I will now go to my other issue, Mr. Sponsor, the unbundling. Again, this is one issue na matagal nating itinutulak sa House Committee on Energy, for the oil companies to unbundle their price. For my first question, Mr. Sponsor, Mr. Speaker, as we speak now, what is the total volume of diesel sold, for example, by Shell, Caltex or Petron? Do you have a figure?

REP. DALIPE. Wait, they are looking the figure for diesel.

REP. ZARATE. If you have the figure now, please share it.

REP. DALIPE. For diesel, the total volume is 3.856 billion liters per day, Mr. Speaker.

REP. ZARATE. For Shell alone or this is already the total of the oil companies? Among company ito, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. This is the total, Mr. Speaker.

At this juncture, Deputy Speaker Pichay relinquished the Chair to Deputy Speaker Roberto V. Puno.

REP. ZARATE. This is for how many oil companies?

REP. DALIPE. I will give you the breakdown, Mr. Speaker: for Petron, 2.297.45 million liters; for Shell, 2.451 million liters—that is for crude; for gasoline, we have Chevron, 223 million liters; Petron, 361 million liters; Shell, 48 million liters; and for diesel, Mr. Speaker, Chevron, 379 million liters; Petron, 830 million liters; and Shell, 393 million liters, Mr. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor, just kindly provide this Representation with the data.

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. There has been an allegation, Mr. Sponsor, Mr. Speaker, that while the Department of Energy knows the international price of fuel and its landed cost, in truth and in fact, the Department of Energy does not know the actual cost incurred by the oil companies once it has landed up to its distribution.

My question now related to this is: What is the total cost incurred by the oil companies, for example,

Petron or Shell, in transporting their diesel and gasoline products in 2018. Do you have a total figure, again, of the total cost of transportation or transporting their products, diesel and gasoline, in 2018? Do we have a figure on how much for 2018?

REP. DALIPE. Mr. Speaker, inasmuch as we would like to give you the information, there is an ongoing case in court, but we will just furnish to the Gentleman, the list, but not in public, Mr. Speaker.

REP. ZARATE. At any rate, do you have, in your figure, the total transportation cost? What about their advertisement cost, do you know also?

REP. DALIPE. We will just furnish, Mr. Speaker, the Gentleman the cost for advertising.

REP. ZARATE. At any rate, you are supposed to be prepared with all these data, especially na pinag-uusapan natin ang budget ninyo, an issue which, you know, will be asked because this is very important. In fact, mainit na issue ito ngayon especially on what happened now in the world market after that drone attack in Saudi Arabia.

You will admit, Mr. Sponsor, Mr. Speaker, that the data are available to you, all these data related to the pricing from transportation, advertisement, the rate of return, et cetera. If that is the case, I will not be ready to accept the budget of the DOE.

REP. DALIPE. What we can furnish, Mr. Speaker, is for the advertisement. The other one is subject to a court injunction, Mr. Speaker.

REP. ZARATE. Okay. At any rate, during the Seventeenth Congress, one of the issues that we investigated is predatory pricing, if the good Sponsor will remember. In the Committee on Energy, pinag-uusapan po natin itong predatory pricing, that is why I am asking this question: How can the DOE decide now whether there is a predatory pricing if the Department does not even know all the figures, even the variable cost?

REP. DALIPE. Mr. Speaker, the figures are in my phone, I can show them to you. I will give an example: for Manila, diesel's actual price is P41.24; international content, CNF, the amount is P25; excise tax is P4.50; value-added tax is P4.42; and industry take, P7.30. I have here a list of the different areas, Mr. Speaker.

REP. ZARATE. Thank you. Just furnish this Representation a copy.

REP. DALIPE. We will do that, Mr. Speaker.

REP. ZARATE. Again, I asked that because that is in reference to our previous investigation on the issue of predatory pricing. If the good Sponsor remembers, nagkaroon din tayo ng ilang pagdinig tungkol dito.

Now, the DOE has drafted a Department Circular entitled: “Revised Guidelines for the Monitoring of Prices in the Sale of Petroleum Products by the Downstream Oil Industry in the Philippines.” Article III, Section 3 of that Department Circular requires oil companies to inform the DOE of the following cost items:

- A. International Price Movement, which include free on-board price of the product, freight, insurance, ocean laws, exchange rate, port charges, taxes, and other charges including brokerages, bank charge, arrastre, wharfage, import processing fee, customs, documentary stamps;
- B. Biofuel’s cost; and
- C. Capital or operational cost recovery;

Article IV, Section 1 of the same Circular requires all companies to provide the DOE with the following data: “product cost, refining cost, import terminal depot operation cost, transshipment cost, taxes, biofuels cost, haulers fees, unbundled other fixed cost, unbundled other variable cost, and oil company bulk suppliers’ profit.”

My question now is, Mr. Sponsor, Mr. Speaker, do the oil companies submit these costs to the DOE?

REP. DALIPE. No, Mr. Speaker, they do not submit. They submit them in total, as the whole amount, and are subject to any adjustment, Mr. Speaker.

REP. ZARATE. Only the total, not the unbundled amounts?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. If that is the case, if our issue is predatory pricing, how can the DOE find out if a particular company is engaged in predatory pricing or overpricing when the Department does not know the costs incurred by these oil companies as stated in your draft Circular?

REP. DALIPE. Mr. Speaker, the Department of Energy has, indeed, drafted Department Circular 2019-05-008 to be able to look and get the details of the prices. This is due to the three cases in court with the Philippine Institute of Petroleum, Incorporated; Pilipinas Shell Corporation; and Petron Corporation.

REP. ZARATE. Yes, I understand.

REP. DALIPE. There is an injunction, Mr. Speaker. The Department is really trying its best by issuing that Circular. Unfortunately, Mr. Speaker, there is that court injunction.

REP. ZARATE. I understand, Mr. Sponsor, Mr. Speaker. Again, BAYAN MUNA contends that these unbundled data such as that found also in our Meralco bill, sa ating mga billing sa kuryente, should be also made available to our consumers, must be made available to the public. Kaya po ipinaglalaban natin iyong unbundling dahil as it is now, habang nag-uusap tayo, bulag na bulag tayo kung tama ba ang presyohan dito sa Metro Manila na ang diesel ay P41 per liter; sa Baguio, P60 per liter; at sa Malaybalay, Bukidnon, P38 per liter lang. Iyon po ang gusto nating malaman dito, and I presume even the Department of Energy agrees with this considering that it is only but fair for our paying consumers that they will know kung ano ba iyong binabayaran nila, especially now, which started last year, na tumaas na ang presyo ng ating diesel, for example, because of the TRAIN Law dahil nadagdagan ito ng excise tax, na dagdag na pahirap sa ating mga consumers. I hope ang DOE will continue to push for the implementation of this Circular that unbundles the price of oil.

Incidentally, last July 9, 2019, kaya kailangang malaman din natin ito, Petron, for example, may inilabas na exposé saying that there are fuels that are now being smuggled. Ang sinabi ng Petron sa news: “Our business is becoming bad due to inventory loss and the growing presence of white stations resulting in cheaper fuel prices for no reason.” Then it added, “How can they be P10 cheaper than us? Where are they sourcing their fuel?”

Will the good Sponsor inform this Representation and this Body, Mr. Speaker, who are these white stations that Petron is referring to when it said that may mga fuel na ini-smuggle.

REP. DALIPE. Mr. Speaker, the Department of Energy is trying its best, but some of these issues can be addressed by the Department of Finance because it starts with the ports, and that is with the Bureau of Customs, Mr. Speaker.

REP. ZARATE. Thank you, but being the Department of Energy, dapat alam din po ninyo. When we say “white stations,” ano ba ang ibig sabihin nito, Mr. Speaker, Mr. Sponsor?

REP. DALIPE. Mr. Speaker, if you go by the description of the Department, these are unregistered stations, Mr. Speaker.

REP. ZARATE. Unregistered—these are the stations na nagbebenta ng murang fuel, and because of

that, nawawalan ang gobyerno ng tax. Is that correct, Mr. Speaker, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. Again, that is another point I want to drive at. Do you not think that unbundling the price of oil would even help curb smuggling, kasi kapag alam natin kung magkano talaga ang presyohan ng gasolina or noong diesel—kasi madaling sabihin ng malalaking kumpanya na ito talaga ang presyo, at iyong sa white stations ay smuggled iyan? How will we know? Again, that is my point, Mr. Speaker, Mr. Sponsor.

May I propose that at least in this budget hearing, now that the DOE has expressed its commitment to really promulgate the drafted unbundling Circular I referred earlier, considering that it is now asking for the approval of its budget, can we get that commitment, Mr. Speaker, Mr. Sponsor?

REP. DALIPE. Yes, Mr. Speaker.

Actually, that Department Circular was already issued, but unfortunately, naging subject sa isang kaso, Mr. Speaker.

REP. ZARATE. After the expiration of the temporary restraining order, will you commit to promulgate the Circular I discussed earlier?

REP. DALIPE. Yes, Mr. Speaker.

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

Incidentally, may I just go back a little to that issue of CSP kanina, the competitive selection process. I just want to hammer a point sa greenfield project because of the difficulty for other bidders to join the bidding through the CSP process because of the Terms of Reference. Will the Sponsor agree with me that if that is the kind of Terms of Reference issued by the third party sa Bids and Awards Committee, ang talagang mananalito dito ay iyong pinapaboran lang na kumpanya. Will you agree with that statement, Mr. Sponsor, Mr. Speaker?

REP. DALIPE. No, Mr. Speaker, it is still competitive.

REP. ZARATE. Come again?

REP. DALIPE. No, Mr. Speaker, it is still competitive.

REP. ZARATE. Even if the Terms of Reference, as I have mentioned earlier—balikan ko lang iyong example ko, ano, na napakaipit noong dates.

REP. DALIPE. Yes.

REP. ZARATE. In fact, during that bidding, isa lang talaga ang nanalo and, by the way, are you familiar with that CSP process conducted last September? Were there other bidders as far as your knowledge, Mr. Sponsor, is concerned?

REP. DALIPE. Well, it failed, Mr. Speaker. There was only one participant.

REP. ZARATE. Yes, there was only one participant.

REP. DALIPE. That is why it failed, Mr. Speaker.

REP. ZARATE. So, it is a failed bidding?

REP. DALIPE. Yes, Mr. Speaker.

REP. ZARATE. So, again, just to hammer the point, kailangang you have to revisit these guidelines because instead of, you know, facilitating the competitive selection process, it will only make more problems, especially for the consumers. So, with that, Mr. Sponsor, Mr. Speaker, I thank the Sponsor for the candid answers. I will have to terminate my interpellation now.

Thank you, Mr. Speaker. Thank you, Mr. Sponsor.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, may we acknowledge the presence of some of the guests of Hon. Alfel M. Bascug and Hon. Eddiebong G. Plaza from the First and Second Districts of Agusan del Sur. They are Jedah Ross Simugan, Josephine Ambongan, Vilma Maquilan, Razel Montemor, and Linda M. Buquir.

THE DEPUTY SPEAKER (Rep. Puno). The guests will please rise. Welcome to the House of Representatives.

REP. DELOS SANTOS. Mr. Speaker, I move to recognize Rep. Rufus B. Rodriguez from the Second District of Cagayan de Oro for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). Hon. Rufus Rodriguez is recognized for his interpellation.

REP. RODRIGUEZ. Thank you, Mr. Speaker, and we thank also the honorable distinguished Sponsor.

I would like to know, Mr. Speaker, the progress of the possible China-Philippines Joint Exploration Project in our West Philippine Sea.

REP. DALIPE. Well, Mr. Speaker, the Department of Energy will just take direction from the Department of Foreign Affairs.

REP. RODRIGUEZ. That cannot be a correct answer because this is about energy, and we should know what is now the present status. In fact, the Department of Energy has been tasked to be part of the task force. We cannot have renvoi to spring it to the Department of Foreign Affairs because this is energy exploration. So, may we know what is now the status of this energy exploration which will fall under the Department of Energy because we are talking about exploration for oil and gas in our West Philippine Sea.

REP. DALIPE. Mr. Speaker, the Department is implementing the Philippine Conventional Energy Contracting Program. This is to develop the possible replacement of Malampaya. The Department of Energy is already implementing the Philippine Conventional Energy Contracting Program, Mr. Speaker.

REP. RODRIGUEZ. May we know what is that contract energy program especially dealing with the China and the Philippines in its Joint Exploration Project?

REP. DALIPE. Mr. Speaker, there are 6 companies which participated in the PCECP—composed of 5 Filipino companies, 1 Israeli company. Out of the 14 predetermined areas, 4 areas received bids, namely: Area 1 Eastern Palawan—Ratio Petroleum Limited; Area 2, Sulu Sea—Sulu Sea Resources Development Corporation and ESMaulana Global Ventures, Inc.; Area 3, Philodrill Corporation and PXP Energy Corporation—joint venture; and Area 4, ESMaulana Global Ventures, Co. Inc.

REP. RODRIGUEZ. Thank you, Mr. Speaker. I would like to ask what is the present plan of the government in relation to the exploration in the West Philippine Sea? For the Reed Bank, for example, we read in the papers that the President went to China and there was that exploration agreement. We would like to know who will be or what is the process of having this particular agreement with China finalized?

REP. DALIPE. Well, Mr. Speaker, right now, there are five service contracts under moratorium, Mr. Speaker.

REP. RODRIGUEZ. Under what service contracts? Let us have a complete answer, because we are focusing

on the West Philippine Sea—the area wherein there will be a big joint exploration.

REP. DALIPE. Yes, Mr. Speaker.

REP. RODRIGUEZ. I have read about the 60-40, I have also read about the task force. May we know where is this area and what is the role of the Department of Energy in this particular agreement with China?

REP. DALIPE. The five service contracts are—54A, 58, 59, 72, and 75, Mr. Speaker.

REP. RODRIGUEZ. These are service contractors in the West Philippine Sea, is that correct?

REP. DALIPE. Yes, Mr. Speaker.

REP. RODRIGUEZ. Now, since we have read that there will be a possible China-Philippine joint exploration agreement and an MOU, so, may we know the status of that now, how it is going, because the President was in China, and what is the role of the Department of Energy in this agreement?

REP. DALIPE. Well, the Department of Energy, Mr. Speaker, is the Vice Chair.

REP. RODRIGUEZ. The Vice Chair—yes, precisely. Is there a task force for this? May we know for the information of this Body.

REP. DALIPE. Well, there is a task force headed by the Department of Foreign Affairs.

REP. RODRIGUEZ. Yes, and what is the task of this task force?

REP. DALIPE. Well, the task force is tasked to draft the code of conduct, Mr. Speaker.

REP. RODRIGUEZ. That is a different matter. The Code of Conduct is something that is between the ASEAN countries and China. I am talking of the “exploration contract,” that agreement that is about to be finished as we have read in the papers.

REP. DALIPE. Well, the task is also to identify the different areas and the possible commercial arrangements, Mr. Speaker.

REP. RODRIGUEZ. May we know what is the stage of that particular proposed agreement? How does

it stand today? Has there been a meeting between the Chinese group and our Philippine task force?

REP. DALIPE. There is still none, Mr. Speaker, as of the moment.

REP. RODRIGUEZ. So, what we have read about that was that there will be this particular contract. Let us get a definitive answer on the status of this agreement with China on the exploration of our resources in the West Philippine Sea.

REP. DALIPE. Well, Mr. Speaker, as of the moment, on the Philippines' side, we are still forming it.

REP. RODRIGUEZ. What are you forming?

REP. DALIPE. The Steering Committee, Mr. Speaker.

REP. RODRIGUEZ. In this agreement, because I understand Secretary Alfonso Cusi was also in China, may we know what was agreed upon between the Philippines and China in relation to the possible exploration of the West Philippine Sea for oil and gas?

REP. DALIPE. Well, Mr. Speaker, what transpired there was only for a joint venture.

REP. RODRIGUEZ. Joint venture.

REP. DALIPE. Nothing has been finalized yet and there are still ongoing talks for that, Mr. Speaker.

REP. RODRIGUEZ. When will be the next meeting of the joint venture bicameral group between China and the Philippines?

REP. DALIPE. Well, as of now, Mr. Speaker, there is still no schedule. We are still awaiting from the Department of Foreign Affairs information as to when the next meeting will be.

REP. RODRIGUEZ. So, there is now a Joint venture committee or bilateral group that will finalize—that will prepare the agreement, the Joint Venture Agreement.

REP. DALIPE. Yes, Mr. Speaker.

REP. RODRIGUEZ. May we know what are the steps the Department of Energy is taking to assure that the sovereign rights of our country are protected in that joint venture agreement.

REP. DALIPE. Well, since it is with DFA and DOE, this Department, Mr. Speaker, is on the commercial side. As to the protection, Mr. Speaker, it can be answered by the Department of Foreign Affairs. On the commercial side, Mr. Speaker, it is with the Department of Energy.

REP. RODRIGUEZ. Okay. On the commercial side, how will the Philippines receive benefits from this joint venture commercially?

REP. DALIPE. Well, as of now, the sharing is still being discussed and, Mr. Speaker, the intent of the Department of Energy is for the Filipino people to make use of it. So, right now, if you ask about the sharing, we cannot give it to you at the moment because it is still under discussion, Mr. Speaker.

REP. RODRIGUEZ. Would the Department of Energy confirm that the possible sharing, as we have read in the papers is 60-40—60 percent for the Philippine government and 40 percent to China?

REP. DALIPE. Well, Mr. Speaker, that 60-40 is the minimum, but there can be other variations. So, if you take into account what you read on the papers, you consider it as the minimum, but there will be other variations.

REP. RODRIGUEZ. So, it will be possible that it will go up to 70 or 80 percent.

REP. DALIPE. We hope so, Mr. Speaker, because 60-40 is just the minimum.

REP. RODRIGUEZ. Is the Secretary and the DOE aware of the decision of the South China Sea arbitration award of July 12, 2016?

REP. DALIPE. Yes, Mr. Speaker, we are aware of that.

REP. RODRIGUEZ. Yes, and it is very clear here that in this decision, the Arbitral Tribunal decided and declared that, between the Philippines and China, China's claims to historic rights or other sovereign rights or jurisdiction, with respect to the maritime areas of the South China Sea encompassed by the relevant part of the nine-dash line, are contrary to the Convention and without lawful effect to the extent that they exceed the geographic and substantial limits of China's maritime entitlements under the Convention. Is the DOE aware of that?

REP. DALIPE. Yes, Mr. Speaker.

REP. RODRIGUEZ. How can the DOE, therefore, protect our mineral resources when we are talking of the Reed Bank and the areas which are within the exclusive economic zone of our country? Why will we even share them with China at even 40 percent or 30 percent when these are all the resources of the Philippines in accordance with the arbitration award of the UNCLOS, the United Nations Convention on the Law of the Sea or Arbitral Tribunal?

REP. DALIPE. Mr. Speaker, the Department of Energy assures the good Gentleman from the Second District of Cagayan de Oro City that the law and the Constitution will be followed.

REP. RODRIGUEZ. In other words, while it may be true that we can have an agreement with China on some sharing on the exploration and exploitation of those resources, is it not that China should recognize the sovereign rights of the Philippines in these areas which will be the subject of the joint venture agreement and exploration?

REP. DALIPE. Yes, Mr. Speaker. We will also be discussing that, Mr. Speaker.

REP. RODRIGUEZ. In the same Tribunal award, the Arbitral Tribunal award states that the Arbitral Tribunal finds, with respect to the status of the other features in the South China Sea, that there is no entitlement to an exclusive economic zone or continental shelf generated by any feature claimed by China that would overlap the entitlements of the Philippines in the area of the Mischief Reef in the Second Thomas Shoal.

In other words, China completely lost in the UNCLOS and therefore, the areas where there might be an agreement to develop are clearly within... Would the Department of Energy agree that these are really within the exclusive economic zone of the Philippines?

REP. DALIPE. Mr. Speaker, we recognize that.

REP. RODRIGUEZ. You agree with that, and that also, in the same decision, the Tribunal declared that China has, through the operation of its maritime surveillance, vessels that breached its obligation, under Article 77 of the Convention on the Law of the Sea, with respect to the Philippines' sovereign rights over the non-living resources of its continental shelf in the area of the Reed Bank.

In other words, on all the oil and gas there, we have sovereign rights. Would the distinguished Sponsor agree that in this particular case, the Department of Energy should make sure that in that agreement, the Chinese government should recognize these sovereign rights over

which there may be a joint venture of the Philippines and China? Would that be a correct statement? Will that be committed by the DOE that we are going to insist that in this particular agreement, these sovereign rights of the Philippines will be recognized in this joint venture to develop the oil and gas in the Reed Bank?

REP. DALIPE. Yes, Mr. Speaker.

REP. RODRIGUEZ. Now, in that case, Mr. Speaker, the DOE will not sign an agreement, together with the DFA, with China if there is no statement in that particular contract of the joint venture that China recognizes the sovereign rights of the Philippines over the West Philippine Sea where it has exclusive economic zone in its continental shelf. Can we get that commitment?

REP. DALIPE. Yes, Mr. Speaker. In fact, if there will be any contract that will be signed, the Department of Energy will show it to the House of Representatives, will show it to Congress—to the House and to the Senate, Mr. Speaker.

REP. RODRIGUEZ. Mr. Speaker, we thank you for that commitment of the DOE because if we do not put in that agreement that particular statement that China recognizes the sovereign rights of the Philippines over the mineral resources in the West Philippine Sea covered by its exclusive economic zone, we might give up these rights as clearly given by the United Nations Convention on the Law of the Sea and decided in the South China Sea arbitration award of July 12, 2016. We can talk about 60-40, 70-30 agreement, but it should be clear in that particular agreement that China accepts these sovereign rights of the Philippines over the resources in those seas.

I will go to my next point, Mr. Speaker, distinguished colleague. Our Intended Nationally Determined Contributions to the United Nations Framework Convention on Climate Change in October of 2015 clearly states that “the Philippines recognizes its responsibility to contribute its fair share in global climate action, particularly in the effort to realize the ultimate aim of the Convention to avoid dangerous anthropogenic interference with the climate system.” On page 3 of this particular submission of the Philippine Government to the United Nations Framework Convention, it was a stated mitigation:

The Philippines intends to undertake greenhouse gas emissions reduction of about 70% by 2030 relative to its business-as-usual scenario of 2000 to 2030. Reduction of the CO₂ emissions will come from energy, transport, waste, forestry, industrial sectors.

It mentions the first one as “energy.” Now, what is the plan of our Department of Energy in relation to our commitment to the United Nations Framework Convention on Climate Change to reduce greenhouse gas emission by about 70 percent by 2030 which is just 11 years away? So, may we know what are these particular programs to comply with our Intended Nationally Determined Contributions to fight global warming?

REP. DALIPE. Well, Mr. Speaker, the Department of Energy is implementing the renewable portfolio standards or RPS for both on- and off-grid, the renewable energy market, the green energy option, net metering and the green energy rate, Mr. Speaker.

REP. RODRIGUEZ. So, we are happy to note that the Department of Energy is now really having these programs to assure that there will be a reduction in our greenhouse gas emission, especially from our different energy sources.

May we know what is the policy of the Department of Energy on coal plants to be able to have energy?

REP. DALIPE. Well, as of now, Mr. Speaker, the policy of the Department of Energy is that coal will remain as baseload.

REP. RODRIGUEZ. Yes, please. Distinguished Sponsor, what is your plan for coal because coal production is one of the energies that will really emit greenhouse gas emission.

REP. DALIPE. Well, Mr. Speaker, to repeat, the Department of Energy still treats coal as its source for baseload.

REP. RODRIGUEZ. Will?

REP. DALIPE. Baseload energy.

REP. RODRIGUEZ. Yes, but is there a policy that you have a moratorium on coal plants?

REP. DALIPE. Well, Mr. Speaker, as of now, it might be very difficult because there might be some implications on the Philippine economy. So, the Department is cautiously studying that, but we will take that into consideration, Mr. Speaker.

REP. RODRIGUEZ. Well, in pushing for renewable energies under the Renewable Energy Act, then we are able to precisely have clean energy, increasing clean energy, and reducing those energies that will have greenhouse gas emission.

Is it the commitment of the Department of Energy that it will push for more clean energy through

renewable energies and be able to limit at a future time these energies that provide pollution or that will give pollution to our environment?

REP. DALIPE. Yes, Mr. Speaker, that is our commitment.

REP. RODRIGUEZ. Thank you very much.

With that, Mr. Speaker, distinguished colleague, I would like to end my interpellation with the following observations:

(1) It is clear that the Philippines will not sign any agreement with China on the development of the West Philippine Sea where we have our exclusive economic zone, unless China recognizes the sovereign rights of the Philippines over this area, so that they will continue to uphold the arbitral award of the United Nations Convention on the Law of the Sea and we will not be estopped, there will be no estoppel on our victory, on our insistence on this Arbitral Award; and

(2) The Department of Energy is committed to support our renewable energy sector which includes solar, wind, wave energy, run-of-river, and then biogas—the five ones as enumerated in the Renewable Energy Act—that they will push with these programs to increase the percentage of the share of these renewable energies and that those energy sources which provide pollution and greenhouse gas emission will be lowered in the near future.

I, therefore, thank you, Mr. Speaker, and distinguished colleague, and also Secretary Cusi who is doing a very good job in the Department of Energy. We should, therefore, not only approve the budget of the Department of Energy but increase the said budget.

Thank you very much, Mr. Speaker. *(Applause)*

REP. DALIPE. Amen, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Benny Abante of the Sixth District of Manila, our Minority Leader.

THE DEPUTY SPEAKER (Rep. Puno). The distinguished Minority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Janette L. Garin, MD, our Sr. Minority Leader.

THE DEPUTY SPEAKER (Rep. Puno). Hon. Janette Garin is recognized.

REP. GARIN (J.). Mr. Speaker, there being no other member of the Minority who wishes to interpellate the Sponsor of ...

SUSPENSION OF SESSION

REP. DELOS SANTOS. Mr. Speaker, I move to suspend the session for a few minutes.

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

It was 3:50 p.m.

RESUMPTION OF SESSION

At 3:51 p.m., the session was resumed.

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

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Honorable Dagooc of APEC Party-List for a very brief manifestation.

THE DEPUTY SPEAKER (Rep. Puno). Honorable Dagooc is recognized for his manifestation.

REP. DAGOOC. Thank you, Mr. Speaker. Do not worry, DOE, because I will be immediately terminating the interpellation, but I would just like to briefly ask for the following documents, Mr. Sponsor, Mr. Speaker, from the PSALM:

- a) the total amount of expenses incurred by the PSALM from the time of their operation until 2018;
- b) the total amount of privatization proceeds of all the assets being privatized;
- c) the total amount used to pay the liabilities of the Napocor;
- d) an explanation as to why they subsidized the amount of P79.1 billion for the construction of new transmission lines and substation upgrading without recovering it through the ERC filing of Capex;
- e) the total collection from the payment of universal charge on missionary electrification;
- f) the total amount remitted by electric cooperatives on the universal charge;
- g) rectification of the publication of the 11 electric cooperatives that are not remitting by providing data on the 120 electric cooperatives that remitted; and
- h) how much are they remitting, so that we cannot consider that as maliciously published.

With that, Mr. Speaker, Mr. Sponsor, there being no other Member of the Minority who wishes to interpellate, I therefore move to terminate the period of interpellation and debate on the budget

proposal of the Department of Energy and its attached agencies.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, on the part of the Majority, we join the Minority in the motion to terminate the period of interpellation and debate on the proposed budget of the Department of Energy.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). There is a joint motion to terminate the period of interpellation and debate on the proposed budgets of the Department of Energy and its attached agencies.

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

The period of interpellation and debate on the proposed budgets of the Department of Energy and its attached agencies is hereby terminated.

SUSPENSION OF SESSION

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

It was 3:53 p.m.

RESUMPTION OF SESSION

At 3:55 p.m. the session was resumed with Deputy Speaker Michael L. Romero, PhD, presiding.

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

The Majority Leader is recognized.

ENERGY REGULATORY COMMISSION

REP. LACSON-NOEL. Mr. Speaker, I move that we proceed with the period of interpellation and debate on the proposed budget of the Energy Regulatory Commission.

I so move, Mr. Speaker.

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

The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I would like to first acknowledge the presence of the Energy Regulatory Commission family, led by the Chairperson and CEO, Agnes Devanadera, Commissioner Josefina

Patricia M. Asirit, Commissioner Catherine P. Maceda, Commissioner Alexis M. Lumbatan, and Commissioner Paul Christian M. Cervantes, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Romero). Will the following ERC Commissioners headed by former DOJ Secretary and now ERC Chair Agnes Devanadera, Commissioner Catherine Maceda, Commissioner Alexis Lumbatan, Commissioner Josefina Asirit, and Commissioner Paul Cervantes please rise so that the House of Representatives will acknowledge their presence? (*Applause*) Welcome to the House of Representatives.

The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I move that we recognize Hon. Juan Miguel Arroyo of the Second District of Pampanga to answer questions on the proposed budget of the Energy Regulatory Commission.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Romero). The good-looking Hon. Juan Miguel Arroyo is now recognized.

REP. MACAPAGAL ARROYO. Thank you, Mr. Speaker. This Representation is honored to defend the budget of the ERC.

THE DEPUTY SPEAKER (Rep. Romero). The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I move that we recognize Hon. Sergio Dagooc of APEC Party-List to interpellate the Sponsor of the proposed budget of the ERC.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Romero). Hon. Sergio Dagooc of APEC Party-List is now recognized to interpellate the Sponsor.

At this juncture, Deputy Speaker Romero relinquished the Chair to Deputy Speaker Roberto V. Puno.

REP. DAGOOC. Am I already recognized, Mr. Speaker? I apologize, Mr. Speaker. Thank you, Mr. Speaker, distinguished Sponsor.

Considering that it happens that the Sponsor of the ERC is the son of the former President which point I manifested in the DOE budget, I just would like to reiterate the appreciation of the rural electric cooperatives during the presidency of President Gloria Macapagal Arroyo for appointing a Presidential Adviser specifically on rural electrification.

With that, Mr. Speaker, Mr. Sponsor, would the honorable Sponsor yield to some questions from this Representation?

REP. MACAPAGAL ARROYO. Yes, Your Honor, Mr. Speaker.

REP. DAGOOC. Thank you, Mr. Speaker, Mr. Sponsor. Under Rule 3, Section 4(g) of the Implementing Rules and Regulations of EPIRA or the Electric Power Industry Reform Act, it is, if I am not mistaken, the responsibility of the Energy Regulatory Commission to promulgate the Grid Code and Distribution Code. Can you confirm that, Mr. Speaker, honorable Sponsor?

REP. MACAPAGAL ARROYO. Mr. Speaker, yes, I confirm that. As a matter of fact, to be more specific, Your Honor, Mr. Speaker, in Chapter II, Section 9, and Chapter IV, Section 43(b), to be exact, it directed the ERC to promulgate and enforce a National Grid Code and Distribution Code. Actually, Your Honor, Mr. Speaker, ERC adopted the Grid Code on March 2002 in accordance with the law, Mr. Speaker.

REP. DAGOOC. Mr. Speaker, Mr. Sponsor, I am amazed that the distinguished Sponsor seems very knowledgeable on this issue.

Would the honorable Sponsor know then who has authority over the issuance of the Grid Code pertinent to its rules and regulations?

REP. MACAPAGAL ARROYO. Mr. Speaker, Your Honor, I believe that the authority falls exclusively with the ERC, if I am not mistaken, Your Honor, Mr. Speaker.

REP. DAGOOC. That is correct, honorable Sponsor.

Considering then that the ERC has exclusive authority over the Grid Code, if there are any violations of the Grid Code, who then would be authorized to make or to impose fines and penalties, Mr. Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Well, Your Honor, Mr. Speaker, following the theory that the ERC has exclusive jurisdiction or, shall we say, if they are the regulator, then the responsibility should fall on the shoulders of the ERC, Your Honor, Mr. Speaker. If there are any mistakes, then it is for them to make sure that these mistakes are penalized. Of course, everything should be in accordance with the law, and after due diligence and due investigation using the due process of law, Your Honor, Mr. Speaker.

REP. DAGOOC. Thank you for that answer, Mr. Sponsor.

The reason I asked this is that there are numerous reports and instances. As a general manager of an

electric cooperative, two electric cooperatives, there are really circumstances happening where the voltage magnitude in the grid are outside their allowable range of variation and flicker outside the allowable severity limits as provided for in the Grid Code. This continues, up the present, being unpenalized even with the existing Grid Code implemented by the Energy Regulatory Commission.

As such, I would like to manifest that these events must be looked into by the Energy Regulatory Commission. They must revisit the Grid Code and put provisions penalizing fines and penalties, if necessary, to some grid operators. Are you amenable to that, Mr. Sponsor?

REP. MACAPAGAL ARROYO. Your Honor, Mr. Speaker, I completely agree with the manifestation of my esteemed colleague, Congressman Dagooc. Yes, the ERC should and will commit to act on these complaints and impose sanctions, if warranted. The PGC is under review, Your Honor, Mr. Speaker. And, Your Honor, if I may add, I am sure that here, in Congress, we have oversight functions over this and if you are not satisfied with the way ERC is checking or implementing their duties, I am sure we can always ask them to explain to the Committee on Energy, Your Honor, Mr. Speaker.

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

That penalty, actually, is not found under our existing Open Access Transmission Service Rules or Open Access Rules. That is why, I would like to convey my manifestation to the Energy Regulatory Commission for the review of that OATS Rules providing penalty thereon, specifically to the grid operator, which is the National Grid Corporation of the Philippines, because it seems that with all the power sector participants under that OATS Rules, only the National Grid Corporation has no penalty. They are always the cause of why electric cooperatives are blamed for low voltage. Why are the electric cooperatives blamed for fluctuating voltage? Because in the case of Surigao del Norte, where I manage an electric cooperative in Siargao, Surigao del Norte, the Surneco, we are always the victim of low voltage because they are still upgrading their lines. However, there is no penalty on the part of the grid operator. It is always the distribution utilities that are penalized or being put in a bad light by the damage in the appliances, electrical equipment and apparatus of our customers.

So, it is unfair that the electric cooperatives are blamed when this is not the responsibility of the electric cooperatives; it is the responsibility of the NGCP to provide ancillary services or regulating reserves. For the information of this honorable Chamber, regulating reserves are power plants contracted by the grid

operator. In this case, it is the NGCP which we are paying; all of us are paying for those ancillary services. In Mindanao, for example, they have no sufficient power plants contracted under the Ancillary Services Procurement Agreement. They always use the alibi that they are still in the process of bidding out the ASPA. That is why it results in flickering, it results in voltage variation.

So, can I get an assurance, Mr. Sponsor, Mr. Speaker, from the Energy Regulatory Commission to insist, to order the NGCP to immediately contract out ancillary services for power plants and review the Open Access Transmission Service Rules, putting a provision that penalize the grid operators if they violate and if they do not comply with the Grid Code, Mr. Sponsor, Mr. Speaker.

REP. MACAPAGAL ARROYO. Your Honor, Mr. Speaker, I have two matters to point out to Honorable Dagooc. First of all, Your Honor, Mr. Speaker, the OATS, the Open Access Transmission Service Rules, first of all, is also under review. Penalties will be there. Impositions will be considered in consultation with stakeholders such as us, Your Honor, Mr. Speaker. As a matter of fact, the last time we did a pre-plenary, this was part of the discussion and then they committed that in formulating their rules or their formula, they will consult the stakeholders, namely, your Party-List, Your Honor, Mr. Speaker.

On the second point, Your Honor, the ERC says that the ancillary service procurement by the NGCP may be considered in reviewing its performance, and rate reset, Your Honor, Mr. Speaker.

REP. DAGOOC. Thank you for that assurance, Mr. Speaker, Mr. Sponsor.

Finally, this Representation would like to manifest the restoration of the budget of the Energy Regulatory Commission because many of us do not understand that every time we cut the budget of the Energy Regulatory Commission, they could not practically hire the necessary experts in order to carry out their functions and mandate under the EPIRA, particularly in the evaluation and approval of our capital expenditures needed to ensure power reliability and service efficiency. This means every delay would result in the inefficiency of the distribution utility. Most importantly, if that capital expenditure project is intended for the reduction of your systems losses, that would result in the increase in systems loss of that particular distribution utility. At the end of the day, the consumers are the ones being penalized because every increase in the systems loss of a distribution utility will be recovered through a systems loss charge, which means, systems loss charge will also increase in amount per kilowatt-hour.

So if possible, Mr. Sponsor, Mr. Speaker, we should

put a special provision in our General Appropriations Act that would allow the Energy Regulatory Commission to use their internally generated funds because, as a matter of fact, for all intents and purposes, this honorable Chamber should know that the amount of budget being requested by the Energy Regulatory Commission for Fiscal Year 2020 is only 26 percent of the amount they have remitted to the National Treasury coming from the internally generated funds out of the fees and service charges that they have collected from the generating companies and distribution utilities.

With that, Mr. Speaker, Mr. Sponsor, I hope that your Representation, under the leadership of the House, will allow the ERC to use their internally generated income and restore the budget that they are asking so that the electricity end-users will not become a victim of the inefficiency of the ERC. Kasi po, ang nangyayari, binabari natin ang budget ng ERC pero ang tinatamaan, ang mga tao. Why? Kasi pagtaas ng systems loss, the manufacturers, the service providers, ipapasa lang nila iyong cost of electricity sa kanilang mga customers, sa kanilang cost of products. Tayo na bumibili ay wala nang mapasahan. We are at the receiving end. So, iyong bala na binari natin sa budget ng ERC ay doon tumama sa ordinary electricity consumers.

I hope all of us in this honorable Chamber will take cognizance of that.

Thank you, Mr. Speaker. Thank you, Mr. Sponsor.

REP. MACAPAGAL ARROYO. Thank you very much, Honorable Dagooc. This Representation supports his views, and the ERC family has been whispering to me that all of the views of Honorable Dagooc are actually advantageous, not only to the ERC, but to the industry as well.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I move that we recognize Hon. Adriano A. Ebcas of the AKO PADAYON Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Puno). Honorable Ebcas is recognized for his interpellation.

REP. EBCAS. Mr. Speaker, honorable Sponsor, good afternoon. Thank you for your indulgence.

Mr. Speaker, honorable Sponsor, based on the Philippine Energy Plan, the government aims 100-percent electrification of targeted and identified households by year 2022. For off-grid areas, the 100-percent household connection is expected by 2040.

The power sector is a capital-intensive industry. Infrastructure need to be in place in a timely manner. A growing economy needs a reliable and dependable supply of electricity.

Mr. Speaker, honorable Sponsor, we, the three party-list Representatives, namely, PHILRECA, APEC, RECOBODA, are representing the member-consumer-owners of the 121 electric cooperatives all over the Philippines. I would like to take this opportunity to bring forth the pressing and urgent requests of these 121 electric cooperatives seeking the indulgence of the Energy Regulatory Commission to fast-track their respective applications, which have long been pending with the ERC. Topping the list is the pending application for capital expenditure projects involving the application for distribution lines and rehabilitation of distribution system. This will provide safe and reliable electric power supply to our member-consumer-owners throughout the country.

It should be emphasized that the delay in rendering decisions or rulings on the pending cases has economic impact, not only on the operations of the electric cooperatives, but also on the economy of the country. In the interest of time, Mr. Speaker, Mr. Sponsor, I will no longer prolong the process. However, I would like to request ERC for an inventory of pending cases involving electric cooperatives, categorized according to the nature of cases, for example, Mr. Speaker, Mr. Sponsor, CapEx, rate cases, application for approval of loans, power supply agreements, sale of sub-transmission assets, over and under recovery, and other miscellaneous cases not falling under the categories as I mentioned a while ago.

Mr. Speaker, dear Sponsor, I suggest the details to be provided will disclose the following: 1.) case number; 2.) case title; 3.) applicant or applicants; 4.) date filed; 5.) status as of today, September 19, 2019; 6.) age of the case from the time of filing up to this day; 7.) reasons or reason for the delay; 8.) last action taken by the ERC; and 9.) there will also be committed timelines to include the target date of the final decision to be rendered by the ERC.

Mr. Speaker, honorable Sponsor, this manifestation is being made in order to ensure that the electric cooperatives will deliver their part in the attainment of the country's Energy Policy Framework, as embodied in AmBisyon Natin 2040. This is also in support of the attainment of the DOE's Nine-Point Energy Agenda, particularly the Access to Basic Electricity for All Filipinos by 2022. And lastly, Mr. Speaker, honorable Sponsor, this is in support to the administration's Build, Build, Build Program.

Thank you, Mr. Speaker, honorable Sponsor, for giving me this opportunity to be heard.

Maayong hapon ka ninyong tanan pag-usab.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Thank you, Mr. Speaker.

REP. LACSON-NOEL. Mr. Speaker, before I ask for the recognition of the next interpellator, please allow me to first greet the guests of Hon. Jose “Bong” Teves Jr. His guests are from the municipality of Mansalay, Oriental Mindoro. They are Mayor Ferdinand Maliwanag, Councilor Gerald Paul Cristalino, Councilor Leo Macaraeg, Councilor Chris Delos Reyes, Councilor Noel Sandoval, Councilor Marlon Galos and Tourism Officer Eusebio Generoso, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). Our guests from Oriental Mindoro will please rise. Welcome to the House of Representatives. We appreciate your visit. Thank you. *(Applause)*

The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I move that we recognize the honorable Rep. Jose L. Atienza Jr. of BUHAY Party-List for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). Hon. Jose L. Atienza Jr. is recognized for his interpellation.

REP. ATIENZA. Thank you, Mr. Speaker.

Salamat po, Mme. Majority Leader, and the Gentleman defending the budget of the ERC.

I only have one concern and one question, respecting the capabilities of the Gentleman and the Commission’s efficient handling of the energy requirements of the country. Now that there is a growing problem in the Middle East on fuel production, which is happening in Saudi Arabia, the concern of all Filipinos should be, are we preparing for the eventuality that prices of gasoline, diesel and other fuels could get out of hand? We will suffer, unless we have a plan, the Department of Energy, primarily, and of course, the ERC.

REP. MACAPAGAL ARROYO. Mr. Speaker, Your Honor, the DOE is actually preparing for that, and the ERC is doing the same, Mr. Speaker, Your Honor, with regard to the aspect concerning electricity. As to the industry as whole, it is more on the DOE, Mr. Speaker, Your Honor.

REP. ATIENZA. Thank you for that assurance, and I assure you in return that the Congress of the Philippines will be one with you in addressing that problem, if it occurs. Huwag namang mangyari na ang

fuel ay magkaroon ng problema at krisis sa mundo, subalit kailangang paghandaan natin ito, and with the able leadership of the ERC today, we have no reason whatsoever to doubt that we can cope.

Thank you, Mr. Speaker. Thank you, Gentleman Sponsor.

Salamat po.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I now move that we recognize Hon. Carlos Isagani T. Zarate of BAYAN MUNA Party-List for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). The Gentleman from the BAYAN MUNA Party-List, Hon. Carlos Isagani T. Zarate, is recognized for his interpellation.

REP. ZARATE. Thank you, Mr. Speaker.

Good afternoon to our good Sponsor.

REP. MACAPAGAL ARROYO. Good afternoon.

REP. ZARATE. Will the good Sponsor yield to some clarificatory questions regarding the budget of the ERC?

REP. MACAPAGAL ARROYO. Yes, of course, we yield to the questions from the Honorable Zarate.

REP. ZARATE. Thank you, Mr. Sponsor.

I know that the good Sponsor is already aware of the decision by the Supreme Court last May 3, 2019 regarding the power supply agreements submitted by distribution utilities including Meralco that did not comply with the CSP process. The Supreme Court nullified this because of that failure to comply with the CSP process and said that it is unconstitutional.

So, my first question, Mr. Speaker, Mr. Sponsor, may we know now the status of these power supply agreements pending before the ERC? Were these, the applications for approval, already dismissed or still pending before the ERC?

REP. MACAPAGAL ARROYO. Mr. Speaker, Your Honor, I admit that I only know about the decision of the Supreme Court but I have not read it in toto, but basically, to answer the questions and queries of the Honorable Zarate, the status of the seven Meralco PSAs, is that what the Honorable Zarate is referring to?

REP. ZARATE. Plus the others.

REP. MACAPAGAL ARROYO. Plus the others—five out of the seven have already been withdrawn by the applicants, jointly with the Meralco and the GenCos. The withdrawal was already granted, Mr. Speaker, Your Honor. And as to the rest, the ERC has already issued the order requiring all applicants affected by the Supreme Court ruling to comply with such a ruling, Your Honor, Mr. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor, Mr. Speaker. In fact, Mr. Sponsor, Mr. Speaker, in compliance with the decision of the Supreme Court, the ERC issued guidelines for the conduct of the CSP. Is that correct, Mr. Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Yes, Your Honor.

REP. ZARATE. Just for confirmation, the CSP guideline was approved last July 4, 2019. Was that correct?

REP. MACAPAGAL ARROYO. Your Honor, yes, it has been done since before, but let me remind the Body that in accordance with the Supreme Court decision, the jurisdiction now or the power to promulgate rules on the CSP is now lodged with the DOE, Your Honor, Mr. Speaker.

REP. ZARATE. So, it is with the DOE?

REP. MACAPAGAL ARROYO. Yes, Your Honor, Mr. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor, Mr. Speaker, but just a clarification, what is the status of the CSP guidelines issued by the ERC? Are they no longer in effect?

REP. MACAPAGAL ARROYO. For clarity, Your Honor, Mr. Speaker, the Honorable Zarate is ...

REP. ZARATE. What is this that you admitted earlier?

REP. MACAPAGAL ARROYO. Yes, because they are now with the DOE, Your Honor.

REP. ZARATE. But earlier, you admitted that the ERC issued and also approved the CSP guidelines last July 4, 2019. So, what is the status now of these CSP guidelines?

REP. MACAPAGAL ARROYO. Yes, Your Honor. To clarify, it was the draft which was created, but it was never implemented because it was overtaken by events,

specifically, by the decision of the Supreme Court, Your Honor, Mr. Speaker.

REP. ZARATE. Okay. So, it means that the Commission withdrew the approval of these CSP guidelines?

REP. MACAPAGAL ARROYO. They were ...

REP. ZARATE. They were no longer in effect?

REP. MACAPAGAL ARROYO. Your Honor, there was nothing to withdraw because they were not promulgated, Your Honor, Mr. Speaker.

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

So, considering that the issuance of CSP guidelines is now lodged with the Department of Energy, what then will be the role now of the ERC in this process, Mr. Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Your Honor, the ERC team prepared for the policy questions of the Honorable Zarate. *(Laughter)* So, if it is okay with the Honorable Zarate, I will just read it out verbatim, so at least there will be no confusion.

The role of the ERC in power supply contracts: When the applications are received by the ERC, it will undergo due process hearings to provide consumers the opportunity to be heard, as mandated by the EPIRA. The ERC will evaluate the submissions thoroughly and scrutinize each and every component thereof, and if the contracts underwent Competitive Selection Process (CSP) to determine the responsible and reasonable rate.

REP. ZARATE. Thank you, Mr. Sponsor, for that answer. So, it means that even if the guidelines now of the CSP are lodged with the DOE, the Commission still has the power to review, for example, whether or not there was an abuse of discretion in the setting of the Terms of Reference, or there was a failure to follow the guidelines issued or laid down in the CSP guidelines issued by the DOE. Is that a fair assumption, Mr. Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Yes, Your Honor. That is a necessity in order for the ERC to perform their mandate, which is to provide a better tomorrow for the people and ensuring that there is unreasonably priced power in the Philippines, Your Honor, Mr. Speaker.

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

Speaker. Now, just a theoretical query, in 2015, the DOE issued guidelines for the CSP that basically mandate an independent third party. Then, last year in 2018, they amended such guidelines that now allows not an independent third party, but a bids and awards committee constituted by the distribution utility, whose members—three will be coming from the distribution utility and two to be appointed by the distribution utility from the consuming public.

To this Representation, those guidelines, basically, are to the disadvantage of the consumers because, basically, five members of the bids and awards committee were chosen by the distribution utility. So, my question now, Mr. Sponsor, Mr. Speaker, can the ERC also review such issuances or guidelines issued by the DOE? Is it within the powers or the ambit of the jurisdiction of the ERC, Mr. Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Your Honor, Mr. Speaker, the policy, I believe, is beyond their control but the PSAs are the ones that fall under their jurisdiction wherein they should review, Your Honor, Mr. Speaker.

REP. ZARATE. I see. So, even if it appears that the Power Supply Agreement that supposedly went through a Competitive Selection Process is to the disadvantage of the consumers, the ERC will no longer dwell on that issue, Mr. Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Your Honor, Mr. Speaker, let me go back to the basic core of the ERC, which is to ensure the welfare of the consumers specifically in this case of power rates. So, if ultimately, Your Honor, Mr. Speaker, the result of this issue is to the disadvantage of the consumers, then, of course, the ERC has to fulfill its mandate and perform its review, but other than that, Your Honor, Mr. Speaker, it is perhaps something to be discussed.

REP. ZARATE. Thank you for that answer, Mr. Sponsor, Mr. Speaker. I am hammering that point because, indeed, the ERC has a big role in our search for the least cost—pinakamurang kuryente para sa ating mga consumers—being the regulator, because it has been observed in the past that it appears that our regulators are already being captured by the market, and lahat noong mga Power Supply Agreements or lahat ng mga petition for rate increase, not only with ERC but with other regulators, ay parang napakadaling maipaaprubang ito. I hope the ERC will live up to its mandate to look into the best interest especially of our consumers.

Lastly, also in relation to that decision of the Supreme Court, will the good Sponsor just update this Representation and the Members of this Plenary, what

happened to the recommendations made by the ERC to the Office of the President in anticipation of the impact of the decision of the Supreme Court related to this CSP process? I am referring to the memorandum issued by the Chair of the ERC dated 16 August 2019. Has this been responded to already by the Office of the President?

REP. MACAPAGAL ARROYO. Mr. Speaker, Your Honor, upon consultation with the ERC family, it is apparent that the DOE and the ERC discussed this issue together and it was agreed upon that the DOE would submit their stance, Your Honor, Mr. Speaker.

If you will permit me, perhaps, we will ask the DOE and the ERC to furnish us whatever paper they have submitted because, I must admit, I have not read it yet. So, I do not want to belabor you with listening to this Representation wherein I have not read that piece of paper yet, Your Honor, Mr. Speaker. I suggest that we ask them to submit to us, this Body, that piece of document, Your Honor, Mr. Speaker.

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

Basically, in that memorandum, there are only two main recommendations. I hope the Commission, either in consultation with the DOE or *motu proprio*, will submit a report to this Plenary, to the committee as well as to this Representation, because it is already more than a month when these recommendations were forwarded by the Commission to the Office of the President.

I find some wisdom in those recommendations. Again, our primordial interest here is to protect the interest of our consumers especially our poor consumers who will be affected or benefited by the decision of the Supreme Court.

REP. MACAPAGAL ARROYO. Your Honor, Mr. Speaker, we will ask them to submit to us their report. As a matter of fact, if you are not satisfied, I suggest that the Honorable Zarate visit the Committee on Energy and we will ask them questions there, if that is fine with the Honorable Zarate, Your Honor.

REP. ZARATE. So, with that commitment from the Commission, Mr. Sponsor, Mr. Speaker, I will now end my interpellation.

Thank you very much.

REP. MACAPAGAL ARROYO. Thank you very much.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I move that

we recognize Hon. Presley C. De Jesus of PHILRECA Party-List for his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). Hon. Presley C. De Jesus is recognized for his interpellation.

REP. DE JESUS. Thank you, Mr. Speaker. Good day, distinguished Sponsor.

Will the honorable Sponsor accommodate a few questions from this Representation, Mr. Speaker?

REP. MACAPAGAL ARROYO. Yes, of course, Your Honor, from my distinguished Cabalen.

REP. DE JESUS. Mr. Speaker, honorable Sponsor, are you aware of any timeline that the Energy Regulatory Commission, or the ERC, should follow in approving the CapEx, or the capital expenditure applications of distribution utilities?

REP. MACAPAGAL ARROYO. Your Honor, under the rules, they have 90 days to do it, Mr. Speaker, Your Honor.

REP. DE JESUS. Okay. Thank you.

Mr. Speaker, as a Representative of the electric cooperatives, one of the main concerns usually raised to me is the length of time being consumed by the Energy Regulatory Commission in approving the cooperative's CapEx applications. Does the distinguished Sponsor agree that the ERC encounters delays in the processing of CapEx applications of the distribution utilities, Mr. Speaker?

REP. MACAPAGAL ARROYO. Yes, Mr. Speaker, honorable Gentleman from PHILRECA Party-List. Due to the numerous applications, among others, received by the Commission and its limited manpower, indeed, it takes time to process the applications of DU's CapEx. Note, Mr. Speaker, honorable Congressman, it is not only the CapEx applications that are being processed by the ERC, Your Honor, Mr. Speaker. They are doing so many things there in the ERC and there are so many factors which prevent them from, sometimes more often than not, meeting the 90-day deadline.

I am sure the Gentleman from PHILRECA is very much aware of their situation, Your Honor, Mr. Speaker.

REP. DE JESUS. Thank you.

Yes, Mr. Speaker, distinguished Sponsor, it is indeed true that it was not only in the case of CapEx applications. In fact, the same concern in the processing time is perennially raised by our electric cooperatives in the case of rate applications, petition for rulemaking,

and approval of power supply agreements. Would you agree, distinguished Sponsor, Mr. Speaker?

REP. MACAPAGAL ARROYO. Yes, that is very true, Mr. Speaker. The same is indeed true but, Mr. Speaker, with the indulgence of my colleague, in a recent hearing with the ERC, they gave us their word that they will prioritize and will continue to prioritize those cases or instances that are urgent or emergency in nature, Your Honor, Mr. Speaker.

REP. DE JESUS. Thank you for hearing that, Mr. Speaker, distinguished Sponsor. Do we have their assurance then that all applications especially those emergency or urgent in nature will be acted upon with due swiftness, Mr. Speaker, as these applications have a great impact in the operation and delivery of quality service by the distribution utilities?

REP. MACAPAGAL ARROYO. Mr. Speaker, Your Honor, let us go back to the very core existence of the ERC. They should provide welfare and a better place to live for the Filipino people and, of course, that is part of that, Mr. Speaker, Your Honor, they should provide that atmosphere for us.

As a matter of fact, Your Honor, Mr. Speaker, for emergency CapEx cases, the distribution utility can immediately implement their CapEx projects without prior approval of the ERC, provided that after 60 days of implementation, the DU must file the same with the ERC, Your Honor, Mr. Speaker.

REP. DE JESUS. Thank you, Mr. Speaker, honorable distinguished Sponsor. My concern in this is that because the reason that distribution utilities are filing applications for CapEx, for example, they need such CapEx either to address an existing problem or to upgrade their facilities for better services, among others. If the approval of such kind of application is delayed, it is not exactly the electric cooperative that suffers but—the end users or our member-consumer-owners. Any delay prevent us from implementing necessary projects or maintenance operations, thereby affecting the efficient delivery of services. The same is true with delayed approvals of power supply agreements which cause the “perceived efficiency” of distribution utilities. In some cases, by the time we receive the approvals on CapEx or PSA, the circumstances requiring the need for CapEx and PSAs have already changed.

Mr. Speaker, honorable and distinguished Sponsor, can we not enforce the said deadline of 60 or 90 days for the Commission to act on CapEx applications, over and under-recovery applications, and all other applications filed at the ERC? Otherwise, Mr. Speaker, the application will be considered or deemed approved, Mr. Speaker, honorable Sponsor?

REP. MACAPAGAL ARROYO. Mr. Speaker, my distinguished colleague, we are on the same page naturally as far as hoping for the fastest delivery of services from a government agency like the ERC. We are on the same page as far as ensuring that the end users receive the best possible service as a result of government efficiency, but automatic approval or deemed approval may be a bit of a stretch, Your Honor, Mr. Speaker. Maybe, Mr. Speaker, if we can impose timelines in certain government transactions like business registration, payment of taxes, maybe it is indeed possible to expect higher and stricter standards to government offices' provision of services to their clientele.

Mr. Speaker, this Representation will personally look into the possibility of adopting the previously cited resolution into a law that will instill strict adherence to timelines as far as the delivery of services to stakeholders is concerned, Mr. Speaker. This has been our discussion, formally and informally, with our friends in the sector, specifically our friends in the Party-List namely the group of Hon. Presley C. De Jesus.

REP. DE JESUS. Thank you, and that personal assurance, Mr. Speaker, is all this Representation can ask for. Mr. Speaker, that will be my last question, but with your indulgence, Mr. Speaker, distinguished Sponsor, I would like to make a final manifestation if I will be allowed to do so.

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

REP. DE JESUS. Thank you. Thank you, Mr. Speaker. The Rural Electrification Project of the government has started 50 years ago, but it was during 2002 when Executive Order No. 119 was signed by no other than former President Gloria Macapagal Arroyo. Your mother made perhaps one of the boldest statements of government support to the Rural Electrification Program. E.O. No. 119, on the Restructuring Program for Electric Cooperatives, all the outstanding financial obligations of electric cooperatives incurred for the purpose of financing Rural Electrification Program were condoned, Mr. Speaker, honorable Sponsor. The direct effect of this condonation has been felt in the electricity bills of our consumers.

Furthermore, the Rural Electrification Program, being one of the flagship projects of former President Gloria Macapagal Arroyo, and recognizing the vital role of the government in electrifying the whole country, it was only then that the office of the Presidential Adviser for Rural Electrification was created and Secretary Francisco G. Silva was appointed to hold the said position.

Lastly, Mr. Speaker, honorable Sponsor, I join

PHILRECA, the 121 strong electric cooperatives in honoring the great support, contribution and dedication of former President Gloria Macapagal Arroyo in the Rural Electrification Program. Our salute to the former President when she said in her speech during the 25th PHILRECA Annual General Membership Meeting and Silver Anniversary that she delivered at the Philippine Trade Training Center, Pasay City on August 6, 2004, which I quote "one of the 10 points of my legacy will bring power to the entire country."

We likewise commend House Speaker Alan Peter "Compañero" S. Cayetano when he said in an interview, and let me quote the Honorable Speaker on that, "I do not think na may dahilan in this modern age na may lugar pa sa Pilipinas na walang kuryente. Dapat walang municipality or barangay na hindi energized. We are asking magkano ang kailangan to complete it in two or three years, kung hindi man one year." You know, there are still 30 million people na wala pang kuryente.

My point is, Mr. Speaker, we should join former President Gloria Macapagal Arroyo, now President Rodrigo Roa Duterte and House Speaker Alan Peter "Compañero" Cayetano in realizing the total electrification of the country. Thus, we solicit the support of this honorable Chamber and all government regulatory agencies of the power sector to strongly support our electric cooperatives, the staunch partner of the government in implementing the Rural Electrification Program in the countryside, in whatever way we can, and we look forward to the increase in the 2020 budget for electrification.

This Representation supports whatever the Commission needs in order for it to deliver the best and the fastest service to its clients, the distribution utilities, electric cooperatives, being one of them.

Thank you, Mr. Speaker. Thank you, honorable Sponsor, for giving me the opportunity to be heard.

Good day. God bless the Philippines.

REP. MACAPAGAL ARROYO. Mr. Speaker, to answer the manifestation of our esteemed colleague, the ERC supports any initiative that will lower the rate of electricity, especially the ones proposed by our partner electric cooperatives which are directly serving the needs of electricity consumers in the countryside, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, I now move that we recognize the honorable Rep. Godofredo N. Guya of RECOBODA Party-List.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno). The Gentleman from the Party-List RECOBODA, Hon. Godofredo N. Guya, is recognized for his interpellation.

REP. GUYA. Thank you, Mr. Speaker.

Good afternoon, Mr. Sponsor, Mr. Speaker, our colleagues.

REP. MACAPAGAL ARROYO. Good afternoon.

REP. GUYA. Would the distinguished Sponsor yield to questions from this Representation as regards the wholesale electricity spot market?

REP. MACAPAGAL ARROYO. Certainly, Your Honor.

REP. GUYA. Thank you, Mr. Speaker, honorable Sponsor.

There were previous instances when the current determination of market-clearing price proved to be inefficient in safeguarding the market prices from price volatility. How do we plan to address this, Mr. Speaker, Mr. Sponsor?

REP. MACAPAGAL ARROYO. Actually, Mr. Speaker, Your Honor, as we speak, the PEMC and the IEMOP have already taken action and adjusted the market-ceiling price from P62/kWh to P32/kWh. This is a pre-emptive measure to limit the occurrence of high market prices, Your Honor, Mr. Speaker.

REP. GUYA. Are you aware, Mr. Speaker, Mr. Sponsor, that even with the lowering of price caps, P32/kWh is still significantly high considering the frequency of price hikes during the summer?

REP. MACAPAGAL ARROYO. Yes, Your Honor. I am very much aware of that. As a matter of fact, a secondary price cap has been established to mitigate the sustained high prices in the WESM. The secondary price cap, Your Honor, Mr. Speaker, is pegged at P6.245/kWh. It will be imposed upon their breach on the cumulative threshold of P9/kWh when it is breached within the 120-hour period, Your Honor, Mr. Speaker.

REP. GUYA. If that is the case, how do you explain, Mr. Speaker, Mr. Sponsor, the recurring price hikes the consumers often experience? Do you agree that the occurrence of unreasonably high-spot price points to an apparent problem with the WESM rules and characterizes non-competitive market behavior as susceptible to market collusion that needs to be addressed?

REP. MACAPAGAL ARROYO. Well, Your Honor, Mr. Speaker, the ERC is currently reviewing the secondary price cap. We will coordinate with our stakeholder and partners such as the electric cooperatives to further improve this rule, Your Honor, Mr. Speaker.

REP. GUYA. I hope, Mr. Speaker, Mr. Sponsor, that I can have your assurance of support on this matter and that we can safeguard the consumers from sudden electricity price hikes, especially during pricing errors caused by line constraints and forced plant outages.

Mr. Speaker, honorable distinguished Sponsor, I join the 121 strong electric cooperatives operating across the nation, together with my colleagues, honorable Representative De Jesus of PHILRECA, Representative Dagooc of APEC, Representative Ebcas of AKO PADAYON, in honoring the support, contribution and dedication of former President Gloria Macapagal Arroyo in the Rural Electrification Program. We salute the former President when she considered power and electrification as one of her greatest legacies in her presidency.

Good afternoon and thank you for giving me the opportunity to be heard. There being no more questions, Mr. Chairman, Mr. Speaker, honorable Sponsor, from the Minority group, I, therefore, move, Mr. Speaker, to terminate the period of interpellation and debate on the budget of the Energy Regulatory Commission.

Thank you, Your Honor.

THE DEPUTY SPEAKER (Rep. Puno.). The Majority Leader is recognized.

REP. LACSON-NOEL. Mr. Speaker, on the part of the Majority, we join the Minority in their motion to terminate the period of interpellation and debate on the proposed budget of the Energy Regulatory Commission.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno.). There is a joint motion to terminate the period of interpellation and debate on the proposed budget of the Energy Regulatory Commission.

Is there any objection? (*Silence*) The Chair hears none; the motion to terminate the period of interpellation and debate on the proposed budget of the Energy Regulatory Commission is hereby approved.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we acknowledge the presence of the guests from Los Angeles U.S.A., of Hon. Evelina "Evie" G. Escudero of the First District of Sorsogon. They are Darna Umayan, Dr. Robert Ang, Elma Kamari-Fonacier, Petronilla Montilla, and Pureza Umayam.

THE DEPUTY SPEAKER (Rep. Puno.). The guests of the Honorable Escudero will please rise so that your presence will be acknowledged. Thank you for your visit. Welcome to the House of Representatives.

REP. CASTRO (F.L.). Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno.). The Majority Leader is recognized.

REP. CASTRO (F.L.). Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Puno.). What is the pleasure of the ...

REP. CASTRO (F.L.). I have a parliamentary inquiry, Mr. Speaker. This Representation heard that the President certified House Bill No. 4228 as urgent. Is it true, Mr. Speaker?

SUSPENSION OF SESSION

REP. DELOS SANTOS. Mr. Speaker, I move to suspend the session.

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

It was 4:57 p.m.

RESUMPTION OF SESSION

At 5:12 p.m., the session was resumed with Deputy Speaker Loren Legarda presiding.

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

The Majority Leader is recognized.

REP. BONDOC. Mme. Speaker, before we resume the deliberations on House Bill No. 4228 for Fiscal Year 2020 or the General Appropriations Bill, may I have the honor of reading a letter from the President, dated September 17, 2019, addressed to Speaker Alan Peter “Compañero” S. Cayetano.

The letter reads:

Mr. Speaker:

Pursuant to the provisions of Article VI, Section 26 (2) of the 1987 Constitution, I hereby certify to the necessity of the immediate enactment of House Bill No. 4228, entitled:

“ANACT 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, AND FOR OTHER PURPOSES,” in order to address the need to maintain continuous government operations following the end of the current fiscal year (FY), to expedite the funding of various programs, projects, and activities for Fiscal Year 2020, and to ensure budgetary preparedness that will enable the government to effectively perform its Constitutional mandate.

Best regards.

Very truly yours,

(Sgd.) Rodrigo Roa Duterte
President of the Philippines

This is for our information and guidance, dear colleagues. Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). Thank you very much, Mr. Majority Leader.

Having answered the query of the Minority on the parliamentary status of the NEP which we are discussing now, we thank you for that. May we therefore proceed, Majority Leader, with the plenary debates on the next agency.

REP. CASTRO (F.L.). Mme. Speaker, may I pose another question.

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

REP. CASTRO (F.L.). Mme. Speaker, what would be the implication of that letter to the deliberations on our budget now and tomorrow? Of course, the implication of that on the amendments given by our colleagues here for the past four weeks is that we are deliberating on the budget. What would happen tomorrow, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Legarda). The Majority Leader will please respond.

REP. BONDOC. Mme. Speaker, I have been informed by the House leadership that similar to what has occurred in 2015, we are going to have the approval on Second and Third Reading of House Bill No. 4228 tomorrow, after a small committee is formed by the Majority and the Minority to accept amendments to the said Bill.

We have the assurance of our leadership that all amendments will be judiciously considered, and most likely accepted. This has been done in the past in the spirit of transparency and procedural method. It was done in the previous Congresses, so that we will be given a longer time to admit all the amendments of our colleagues.

So, we will form a small committee to accept amendments and we will have the approval on Second and Third Reading to assure our countrymen that the budget will be approved on time and on schedule, Mme. Speaker.

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

THE DEPUTY SPEAKER (Rep. Legarda). Thank you, Majority Leader.

May we know from the Majority Leader the next agency that will be on board.

SUSPENSION OF SESSION

REP. BONDOC. Mme. Speaker, our plenary status is that we will begin to take up the budget of the Department of Public Works and Highways, and we have been informed that our Speaker will be arriving shortly with the honorable Secretary of the said Department.

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

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

It was 5:16 p.m.

RESUMPTION OF SESSION

At 5:19 p.m., the session was resumed.

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

REP. BONDOC. Mme. Speaker, our parliamentary status is that we will begin to take up the budget of the Pasig River Rehabilitation Commission. Due to the fact that there are no Members who wish to interpellate, I turn over the floor to our colleagues.

PASIG RIVER REHABILITATION COMMISSION

REP. LACSON-NOEL. Mme. Speaker, I move that we begin the consideration of the proposed budget of the Pasig River Rehabilitation Commission.

THE DEPUTY SPEAKER (Rep. Legarda). Is there any objection? (*Silence*) The Chair hears none; please proceed with the consideration of the proposed budget of the Pasig River Rehabilitation Commission.

REP. LACSON-NOEL. Mme. Speaker, I move that we recognize the Hon. Manuel T. Sagarbarria from the Second District of Negros Oriental to sponsor the

budget of the Pasig River Rehabilitation Commission or PRRC.

THE DEPUTY SPEAKER (Rep. Legarda). We recognize the Sponsor, Cong. Manuel “Chiquiting” Sagarbarria.

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

Mme. Speaker, I rise today to present to you the proposed budget of the Pasig River Rehabilitation Commission for Fiscal Year 2020 in the amount of P261,192,000.

Mme. Speaker, with the budget of P261 million as per 2020 National Expenditure Program, the Commission shall continue to implement its rehabilitation and development programs within the Pasig River systems as long as its existence has not been abolished by the national government. Having said that, Mme. Speaker, I now respectfully submit to the honorable Members of this august Body the proposed budget of the Pasig River Rehabilitation Commission for its consideration and approval.

Let it be our hope and dreams, Mme. Speaker, that the rehabilitation and development of the Pasig River will someday come to reality, so once again, we will be able to savor its glorious past.

Thank you very much, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). The Majority Leader is recognized.

REP. LACSON-NOEL. Mme. Speaker, I move that we recognize the Hon. Janette L. Garin.

REP. GARIN (J.). Mme. Speaker, there being no member of the Minority who wishes to ask questions on the proposed budget of the Pasig River Rehabilitation Commission, I move that we terminate the period of interpellation and debate on the budget of the said agency.

THE DEPUTY SPEAKER (Rep. Legarda). Is there any objection? (*Silence*) The Chair hears none; we, therefore, terminate the period of interpellation and debate on the budget of the Pasig River Rehabilitation Commission.

The Majority Leader is recognized.

REP. LACSON-NOEL. Mme. Speaker, on the part of the Majority, we join the Minority in their motion to terminate the period of interpellation and debate on the proposed budget of the Pasig River Rehabilitation Commission.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). Is there

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

The aforementioned period is terminated.

SUSPENSION OF SESSION

REP. LACSON-NOEL. Mme. Speaker, I move to suspend the session for a minute.

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

It was 5:22 p.m.

RESUMPTION OF SESSION

At 5:23 p.m., the session was resumed.

REP. BOLILIA. Mme. Speaker, I move that we resume the session.

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

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

REP. BOLILIA. Mme. Speaker, I move that we begin the consideration of the proposed budget of the Department of Public Works and Highways including its attached corporation.

I so move, Mme. Speaker.

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

Please proceed.

REP. BOLILIA. Mme. Speaker, I move that we acknowledge the presence of the Department of Public Works and Highways officials who are here with us today. They are Sec. Mark Villar, Sr. Usec. Rafael C. Yabut, Usec. Maria Catalina Cabral, Usec. Dimas Soguilon, Usec. Emil Sadain, Usec. Roberto Bernardo, Usec. Ardeliza Medenilla, Asec. Eugenio Pipo Jr., Asec. Antonio V. Molano Jr., Asec. Maximo L. Carvajal, Asec. Eduardo S. Ramos Jr., Asec. Walter Ocampo, Asec. Marichu Palafox, and Admin. Jeci A. Lapus.

THE DEPUTY SPEAKER (Rep. Legarda). We welcome the DPWH family to the House of Representatives. We, of course, acknowledge the presence of Speaker Alan Peter Compañero” S.Cayetano.

REP. BOLILIA. Mme. Speaker, I move that we

recognize the Vice Chairperson of the Committee on Appropriations, Hon. Romeo S. Momo of the CWS Party-List, to answer questions on the proposed budget of the Department of Public Works and Highways.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). Congressman Momo, the Sponsor, is recognized.

REP. MOMO. Mme. Speaker, we are now ready to answer questions from our dear colleagues.

REP. BOLILIA. Mme. Speaker, I move that we recognize Rep. France L. Castro from Party-List ACT TEACHERS to interpellate the Sponsor on the proposed budget of the Department of Public Works and Highways.

THE DEPUTY SPEAKER (Rep. Legarda). Congresswoman Castro is recognized.

REP. CASTRO (F.L.). Maraming salamat, Mme. Speaker. Would the distinguished Sponsor yield to some of my clarificatory questions about the budget of DPWH?

REP. MOMO. Yes, Your Honor.

REP. CASTRO (F.L.). On flood control projects. Last year po about the budget in 2019, mayroon pong naibulgar na “Multi-billion peso flood scam, P14.4 billion of flood control projects were part of the questionable P75 billion additional insertions in the proposed 2019 General Appropriations.” So, aware po ba iyong ating distinguished Sponsor about this?

REP. MOMO. Yes, Your Honor, we are aware of that.

REP. CASTRO (F.L.). The DBM allocations for flood control projects do not adhere to the existing rules and guidelines of the DPWH Department Order No. 23. Do you agree with that, Mme. Speaker, distinguished Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, the Department of Public Works and Highways follows Department Order No. 23.

REP. CASTRO (F.L.). So, my question, Mme. Speaker, distinguished Sponsor, about the P14.5 billion fund, is it true that the DBM flood control projects do not adhere to these existing rules and regulations?

REP. MOMO. Mme. Speaker, Your Honor, the Department of Public Works and Highways followed

strictly the guidelines set as per Department Order No. 23.

REP. CASTRO (F.L.). So, there is a P385 million allocated for Casiguran but zero for flood control in Matnog, plus P74 million for notoriously flood-prone Tondo Estero de Sunog Apog. Pamilyar po ba tayo dito?

REP. MOMO. Mme. Speaker, Your Honor, actually, yes, there is a project in Casiguran and all other projects, but not all, because the Department of Public Works and Highways based their priority on the feasibility studies conducted by the Department of Public Works and Highways. Therefore, it is through this feasibility study and master plan that decide on what particular project is needed the most.

REP. CASTRO (F.L.). So, puwede po bang malaman iyong result noong study? Mayroon na po ba tayong written report about this, Mme. Speaker, distinguished Sponsor?

REP. MOMO. We have the Project Impact Analysis, and we are willing to submit it, Mme. Speaker, Your Honor.

REP. CASTRO (F.L.). Can this Representation be given that report as soon as possible?

REP. MOMO. Yes, Mme. Speaker, Your Honor. We will submit and furnish you with a copy of this Impact Analysis.

REP. CASTRO (F.L.). Thank you, Mme. Speaker, distinguished Sponsor.

Ito po ay tinitingnan nating misprioritization or indications of violations of guidelines of allocations or determination of projects to be funded.

Sa 2018 GAA, there are 36 projects amounting to P1.6 billion in the provinces of Sorsogon, Catanduanes, and the contractor, owned by Diokno in-laws and dummy corporations. Are you aware of these, Mme. Speaker, distinguished Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, all these projects that had been undertaken in Sorsogon undertook a bidding process, and they went through a proper process of bidding under RA 9184. We have no knowledge that the kin of Secretary Diokno was the winner of those particular projects, but we are very sure that the one who won the projects are qualified and legitimate contractors.

REP. CASTRO (F.L.). So, mayroon pong isang project dito, Mme. Speaker, distinguished Sponsor,

na sinasabing overpricing; for example, one project ay P100 million na flood control. So, ang tanong, Mme. Sponsor, Mme. Speaker, distinguished Sponsor, nagkaroon na po ba ng imbestigasyon ang DPWH kaugnay dito?

REP. MOMO. Mme. Speaker, Your Honor, with regard to the allegations that the projects were overpriced, the Department of Public Works and Highways is the only agency, I think, that has the detailed unit price analysis being conducted almost quarterly. In fact, the detailed unit price analysis is not the same, from one region, in one province, in one municipality computed according to the availability of materials and other factor that is needed in the construction. Therefore, I understand that there is no overpricing as it goes through a process of bidding.

REP. CASTRO (F.L.). So, nagkaroon po—kung sinasabi ninyo pong walang overpricing dito—nagkaroon po ba ng imbestigasyon, Mme. Speaker, distinguished Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, inasmuch as the Department of Public Works and Highways believes that the process that it undertakes follows strictly the rules, there is no investigation being conducted.

REP. CASTRO (F.L.). So, sinasabi po natin na walang anomalya dito sa flood control projects na ito na na-point out noong ating dating Majority Leader Andaya.

REP. MOMO. Mme. Speaker, Your Honor, so far, the Department of Public Works and Highways has not seen—wala hong nakitang ebidensya na nagtuturo na ang project na iyan ay irregular at overpriced.

REP. CASTRO (F.L.). Okay. So, sinasabi natin na malinis na po iyong listahan ng flood control projects? Dahil sa nangyari po noong last year, nangangamba po ang Kinatawang ito na baka may mga ganyan na naman pong projects sa DPWH. So, nae-ensure po ba ng DPWH na hindi na mangyayari ito o iyong allegations na ito sa mga susunod na project? Mme. Speaker, distinguished Sponsor, malaking mga pondo ito—napakalaki na dapat na sana ay mapakinabangan noong ating mga mamamayan doon sa mga nasabing lugar.

On to my next question, Mme. Speaker. Iyong mga nakita po natin dito sa budget, iyong mga esteros and creeks improvement and maintenance sa National Capital Region na P100 million, puwede po bang maipaliwanag ito ng DPWH? Paano po ito at saan-saan pong project na ito sa NCR? Sa nakita ko po, Mme.

Speaker, distinguished Sponsor, kami po ay may office sa Vasra, na tuwing umuulan, kaunting ulan lang po ay talagang ga-baywang na ang flooding doon. So, puwede po bang malaman, Mme. Speaker, distinguished Sponsor, kung saan-saan po ito?

REP. MOMO. Mme. Speaker, Your Honor, actually, we have the list of all the esteros in Metro Manila that need immediate maintenance cleaning, and the cleaning of the esteros, actually. Ang dahilan nito, Mme. Speaker, Your Honor, dahil sa dengue ngayon na nandito sa atin lalo na in Metro Manila area, which we think that the clog, the unclean esteros are factors of the causes or doon nag-i-inhabit or doon nangingitlog iyong mga mosquitoes. Kailangan ho nating linisin ang mga breeding ground na ito ng mosquitoes lalo na iyong may dengue. I think this makes the project more a priority of the Department of Public Works and Highways, Your Honor.

REP. CASTRO (F.L.). Mme. Speaker, nag-agree naman ako na malilinis natin iyong mga estero natin para pagdating ng tag-ulan, hindi kaagad-agad binabaha iyan. So, ang tanong ko lang, Mme. Speaker, Mr. Sponsor, may I have a list or a copy po nitong mga esteros and creeks para malaman ko kung kabilang ba dito iyong sinasabi ko, halimbawa, sa Vasra, sa Quezon City, nakita natin iyan at sa iba pa pong mga lugar.

REP. MOMO. Mme. Speaker, Your Honor, we can furnish the honorable Congresswoman with the listing of all the esteros.

REP. CASTRO (F.L.). Thank you, Mme. Speaker. On to my next topic po, mayroon po tayong National Task Force to End Local Communist Armed Conflict. So, may role po ba dito ang DPWH?

REP. MOMO. Mme. Speaker, Your Honor, yes, the Department of Public Works and Highways is a part of this, but right now, there is no specific budget for that specific program. So, sa ngayon, wala hong direct participation ang DPWH.

REP. CASTRO (F.L.). So, wala pong pondo kaugnay nito?

REP. MOMO. In terms of budgetary assistance.

REP. CASTRO (F.L.). So, wala pong pondo kaugnay nito?

REP. MOMO. Yes, Ma'am.

REP. CASTRO (F.L.). Okay. Ako po ay mayroon advocacy ng education sector at, siyempre, ang gusto

ko po ay magkaroon ng maayos na mga room, mga infrastructure na sasagot doon sa quality education na gusto po natin sa basic education at sa tertiary education. Pero I have noticed some construction and improvements of various infrastructure in support of national security amounting to P6,892,390,000 for police station, barracks, camps, classrooms in military schools, et cetera. So, for military and police education, P331,901; student barracks in ComVal, P12 million; candidate soldier-trainors' administration building in Camp Peralta, Capiz, P10 million; training barracks in Palawan Harvard-type classroom building, and so on and so forth po.

So, mayroon po tayong ganitong P6 billion na projects po sa mga military and police school or structure. Pero mayroon po tayong disparity na P515.99 million na allotted sa school buildings—marami po dito mga public elementary and high schools. Hindi po ba natin nakikitang parang mayroong misprioritization of budget, at ano na po iyong update dito sa mga projects natin na mga school buildings and rooms?

REP. MOMO. Mme. Speaker, Your Honor, yes, there is an appropriation intended to support military camps and installations. This is part of the convergence program of the Department of Public Works and Highways with the DND, PNP, and identified by PNP and DND. This is part of the convergence. It is like a convergence in tourism and others. If you refer to the disparity on schools, Mme. Speaker, Your Honor, actually, ang DepEd, kasi sila ho ang nag-a-appropriate ng budget sa mga eskwelahan; the Department of Public Works and Highways through a MOA only implements the projects downloaded to them.

REP. CASTRO (F.L.). Puwede po bang makakuha noong mga—kasi po ang dami pong backlog doon sa rooms and school buildings at nagwo-worry po ang Kinatawang ito na sa susunod na school year o itong taon na ito, ang daming mga hindi pa natapos na construction, so paano po tayo makakatulong para mapabilis naman po iyong mga projects natin sa school buildings and rooms?

REP. MOMO. Mme. Speaker, Your Honor, actually, in the 2020 NEP, we or the Department of Public Works and Highways has allocated in the NEP for 2020 the amount of P515,990,000 under the local infrastructure program. Ito ho ay nakalaan para sa mga school buildings po.

REP. CASTRO (F.L.). Oo nga po, kaya nga sinasabi ko po kanina, Mme. Speaker, distinguished Sponsor, P515 million lang po para sa mga school buildings this year.

Samantalang, iyong mga itinatayo nating barracks, camps, classrooms, police stations, et cetera, ay

P6,000,000,892. Kaya, Mme. Speaker, distinguished Sponsor, ang point ko lang po dito, napakalaki noong disparity o difference noong pag-a-allocate natin ng budget. Depende ba ito doon sa prioritization noong budget natin?

In due time, Mme. Speaker, sana ma-allocate natin siguro iyong substantial amount of money na mapunta naman dito sa school buildings natin dahil napakalaki po ng backlog natin sa mga eskuwelahan.

So, ito lang po, Mme. Speaker, distinguished Sponsor. Maraming salamat po.

REP. BOLILIA. Mme. Speaker, I move that we recognize the honorable Representative from the First District of Lanao del Norte, Hon. Khalid Dimaporo, for his interpellation.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). Cong. Khalid Dimaporo is recognized.

REP. DIMAPORO (M.). Thank you, Mme. Speaker, honorable Sponsor.

Will the good Sponsor please allow me to make some questions so that I can get his answers recorded here on the floor, Mme. Speaker?

REP. MOMO. Yes, Your Honor, Mme. Speaker.

REP. DIMAPORO (M.). Thank you, Mme. Speaker.

To help us, I would like to ask the Committee Secretariat to show it on one PowerPoint slide so I can be guided in my line of questioning.

My concern is with regard to the budget of the DPWH that is being allocated for the Bangsamoro Autonomous Region through Regions IX, X and XII, and these are the data that has been given to me by our honorable Vice Chairman for the DPWH and it states the following: Basilan, P500 million; Sulu, First District, P570 million; Sulu, Second District, P570 million; Tawi-Tawi, Lone District, P570 million; Lanao del Sur, First District, P570 million; Lanao del Sur, Second District, P570 million; Cotabato City, P720 million; Maguindanao, First District, P570 million; and Maguindanao, Second District, P570 million.

I would like to place this on record. There is nothing wrong with this. This is simply the work of Representatives ensuring that their respective districts will receive development from the national government. Second, these are not lump-sum appropriations. They are all properly using line-item budgeting. We follow the standards that the Supreme Court has set so that we will not be accused of allocating pork barrel.

My concern is, why are you putting it in Regions IX, X and XII and implementing it in the BARMM?

What gives the DPWH the jurisdiction to implement projects this way?

REP. MOMO. Mr. Speaker, Your Honor, actually, yes, this was lodged in the Regions IX, X and XII. It is because these are the only regions that are very near the BARMM area.

REP. DIMAPORO (M.). Thank you, Mme. Speaker, honorable Sponsor.

Now, I brought this up with Secretary Pernia of the NEDA. I brought this up also when we took up the budget of the COA, and I think the honorable Sponsor was there when I was making my interpellation. I cited Executive Order No. 36, series 2001, providing for the reorganization of administrative regions in Mindanao. That creates the administrative region of Northern Mindanao, Zamboanga Peninsula and also SOCCSKSARGEN. Second, I cited Republic Act No. 11054 which is the Bangsamoro Organic Law, which establishes the jurisdiction of the Bangsamoro.

Is there a Department order, an executive order or an administrative order that the DPWH is using to guide them to justify the implementation of projects from Regions IX, X and XII to the Bangsamoro Region?

REP. MOMO. Mme. Speaker, Your Honor, Republic Act No. 11054, specifically Article XIII, Section 37, allows the national government to allot funds and implement projects both in the construction and maintenance of roads within the BARMM area and, therefore, this is being implemented by Regions IX, X and XII.

REP. DIMAPORO (M.). Thank you, Mme. Speaker, honorable Sponsor. It is my personal belief that the shortest distance between two points is a straight line. Why does the DPWH not just coordinate and implement directly with the Bangsamoro Autonomous Regional Government?

REP. MOMO. Mme. Speaker, Your Honor, it is very clear in Republic Act No. 11054 that all national funds allotted to the BARMM should be implemented by national agencies of the government.

REP. DIMAPORO (M.) Okay. Thank you, Mme. Speaker, honorable Sponsor. I will go to my point. It is out of concern. After I interpellated the Chairman of the Commission on Audit, I went to him, shook his hand, and he told me, "Isulat mo ako. I need to see this in writing. Once I see this in writing, then I will act accordingly." And I would like to thank the honorable Vice Chairman and the DPWH family for giving me the line-item budgeting with different projects given

to Regions IX, X and XII to be implemented in the BARMM in 2020 and also in 2019.

Now, I will be asking the COA to look into these projects. I just want to make sure on the record here that we are safe. Our regional directors will not be slapped with a Notice of Disallowance. I am asking this again because out of concern I will be writing the Commission on Audit to look into the practice of implementing projects in Regions IX, X and XII to the BARMM.

REP. MOMO. Mme. Speaker, Your Honor, yes, we agree to that. In fact, it is really in defense of our regional directors if it will go under the COA scrutiny, but I would like to inform Hon. Khalid Dimaporo that there is now a move by the Department of Public Works and Highways that they recommended the creation of a dedicated regional office, BARMM Regional Office, which will be called later on as Bangsamoro Regional Office that will take care of the implementation of projects in the BARMM area.

REP. DIMAPORO (M.) Thank you, Mme. Speaker, honorable Chair. I hope I am wrong because if I am right, kawawa naman iyong mga regional director saka iyong mga BAC namin sa Regions IX and XII. They may be slapped with a disallowance worth P5.6 billion.

I would like to move to my next point, Mme. Chair. This is with regard to planning. What is the process for the DPWH? From how I understand, outside of the BARMM, our planning process emanates from the ground. It starts from the DEOs, then the DEOs would submit to the regions, and then through the regional development councils, we enact a development program which is sent to the Central Office. I think that is the job of Usec. Cathy Cabral to prioritize which projects will be funded, then that is sent to the DBM, and will ultimately be inserted in our NEP, and then will be discussed here in Congress for approval. That is the practice outside the Autonomous Region, outside the BARMM. Can I get that confirmed, Mme. Speaker, honorable Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, last June 20, 2019, there was a joint workshop seminar conducted by the Department of Public Works and Highways, together with all the district engineers of the BARMM, and the regional offices of Regions IX, X and XII, and they have come up with priorities on the projects that will be included in the NEP of 2020.

REP. DIMAPORO (M.). Mme. Speaker, honorable Chair, a workshop is different from a regional development plan endorsed by the Regional Development Council. That was my question—what

is the planning process? The planning process outside of the BARMM is from RDC, we send it to Central Office, then it gets sent to the DBM and then budgeted here and approved under the GAA here in Congress. Ngayon, sa BARMM, it is very clear that there is no ARMM Regional Development Council or their version thereof, because the ARMM has been abolished, and it is very clear that the Bangsamoro Autonomous Region is just starting. It is under transition. So, is there an RDC version inside the BARMM through the Bangsamoro Parliament, submitting to the DPWH national government for request of funding of projects by the national government?

REP. MOMO. Mme. Speaker, Your Honor, right after the workshop conducted by the Department of Public Works and Highways and the BARMM district engineers, this was brought again to the attention of the BARMM Public Works and then was discussed properly with the BARMM Public Works. In fact, these projects were recommended by Chairman Murad.

REP. DIMAPORO (M.). Okay. Thank you, Mme. Speaker, honorable Sponsor. I will go to my point and my point is with regard to the jurisdiction and the power of the DPWH. It is my personal understanding with regard to the spirit of the Bangsamoro Organic Law that the powers of the national government, the powers of public works given to the good Secretary Mark Villar, which he is implementing outside the BARMM, have been devolved to the Bangsamoro Autonomous Region.

I am simply asking a basic constitutional question. The Autonomous Region has been given power over public works. The DPWH cannot simply say, "This is what we want to implement in your region. Sign it." It must emanate from the Bangsamoro Parliament. That is the power that we have given to the Autonomous Region under the BOL. So, I would want to make sure that has been complied with.

REP. MOMO. Mme. Speaker, Your Honor, again this is very specific in Republic Act No. 11054, particularly Article XIII, Section 37, that the national government has the authority to appropriate funds and implement projects in the BARMM area. Again, when we say it implements, it includes already preparation of programs of work, detailed engineering and all other designs before the implementation of the projects.

REP. DIMAPORO (M.). Mme. Speaker, honorable Sponsor, let me be more specific. What is the position of the DPWH family? Can you enter the Bangsamoro Autonomous Regional Government without their authority? "Yes" or "no"?

REP. MOMO. As provided for under this particular Bangsamoro Organic Law, it provides that all national roads, bridges, ports, airports, water supply and other services, flood control, irrigation systems that are existing within the BARMM area could be accessed by the national government or be provided with funds.

REP. DIMAPORO (M.). Mme. Speaker, so I can move on to my next concern. I would like to also share with the honorable Sponsor, Article V, Powers of Government, which states:

Section 2. Powers of the Bangsamoro Government. – Subject to Section 20, Article X of the Constitution and this Organic Law, the Bangsamoro Government shall exercise its authority over the following matters without prejudice to the general supervision of the President of the Republic of the Philippines.

Then it outlines the different powers that have been given to the Bangsamoro. One of them, power (qq), is “Public works and infrastructure.” Now, it is my understanding that since we have given them this power, the DPWH does not have jurisdiction inside the Bangsamoro Autonomous Region without the authority of the Bangsamoro Autonomous Government. And this provision here, maybe we can just agree to disagree so I can move on to my next question, can be best taken up in the courts. That is really my point, Mme. Speaker, honorable Chair. Let us agree to disagree and let the courts decide exactly what is the spirit of the Bangsamoro Organic Law and how does it jive with what is embedded in Article X of our Constitution.

Now, I would like to move to my last concern, Mme. Speaker, honorable Chair. Again, can you put it on record, does the DPWH budget in which these projects are being implemented—is it in accordance with the Bangsamoro Organic Law?

Yes. It is in accordance with the Bangsamoro Organic Law, and several times, the honorable Sponsor has read Section 37.

Mme. Speaker, honorable Chair, if the honorable Sponsor will allow me to, I would like to read Section 37 of the Bangsamoro Organic Law, which reads:

Section 37. Public Works and Infrastructure. – The National Government shall fund and implement the construction and maintenance of the national roads, bridges, water supply and services, and flood control and irrigation systems and for the maintenance of existing airports, seaports, and wharves in the Bangsamoro Autonomous Region: Provided, That with regard to water supply and services, flood control and irrigation systems

that connect to or from facilities outside the Bangsamoro Autonomous Region, there shall be cooperation and coordination between the Bangsamoro Government and appropriate national or local government bodies. All national roads and bridges in the Bangsamoro Autonomous Region shall be included in the National Road Network Information System. Nationally-funded infrastructure projects shall be implemented by the National Government.

This is the point of the honorable Sponsor, Mme. Speaker.

REP. MOMO. Yes.

REP. DIMAPORO (M.). To continue:

The Bangsamoro Government shall submit proposals to the appropriate national government agency for the inclusion of the cost of such maintenance in the latter’s budget that shall be submitted to the Congress of the Philippines for inclusion in the General Appropriations Act.

That is the second part of Section 37 that says that the DPWH does not simply provide the budget and tells the Bangsamoro, “You implement this.” It comes from the bottom then up. The Bangsamoro Government will submit the proposals for appropriation under the General Appropriations Act.

Funding for national roads, bridges, and irrigation systems shall be regularly released to the relevant departments of the National Government.

REP. MOMO. Mme. Speaker, Your Honor, yes, we agree that it emanates from the Bangsamoro government, especially projects that include maintenance of their national roads and bridges, and local infrastructure projects.

REP. DIMAPORO (M.). Thank you, Mme. Speaker, honorable Chair.

Now, first, in regard to that section, it makes mention of the National Road Network Inventory Information System. Do we have the National Road Inventory inside the BARMM, in the DPWH?

REP. MOMO. I am sorry, ...

REP. DIMAPORO (M.). Is the National Road Inventory inside the BARMM already with the DPWH?

REP. MOMO. Mme. Speaker, Your Honor, right now, the Department of Public Works and Highways has not yet received the inventory of national roads and bridges in the BARMM area. However, right now, there is an ongoing inventory and mapping of the national roads and bridges in the BARMM area by the Department of Public Works and it is ready to be submitted to the Department of Public Works and Highways anytime from now, Mme. Speaker, Your Honor.

REP. DIMAPORO (M.). Mme. Speaker, honorable Sponsor, I would like to thank the honorable Sponsor because that is something I have been asking—and Secretary Mark knows about this—every budget briefing of the DPWH, where is the national road inventory inside the ARMM and now inside the BARMM? And it is good to know that, sooner or later, the DPWH will fulfill my wish that I receive a copy of the national road inventory inside the BARMM.

Now, I would like to move to my next question.

The honorable Sponsor mentioned local roads, but under Section 37, it is very limiting, very defined that the national government will only fund national roads, bridges, water supply and services, and flood control and irrigation systems for maintenance of existing airports, seaports, wharves and so forth. It does not mention farm-to-market roads. It does not mention classrooms. It does not mention local roads. Am I correct in saying this, Mme. Speaker, honorable Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, yes, there is no mention of the local roads here in this particular section. However, Mme. Speaker, Your Honor, it also does not exclude the local roads in this particular section.

REP. DIMAPORO (M.). Well, again, this is something for the Bangsamoro to take up. And, I would like to thank again the honorable Sponsor and the honorable Secretary Mark Villar for providing me with the documents and data needed so that I can also seek the legal opinion of the Bangsamoro Autonomous Regional Government whether or not the DPWH is compliant with the Bangsamoro Organic Law.

Again, I say this out of concern. I want to ensure that the DPWH—as they are implementing projects in Regions IX, X and XII for the BARMM, inside the BARMM, this has been a hot and controversial issue for me. In the coming few years, with the new plans and programs of the DPWH, I hope my concerns can be rectified and, ultimately, we can find peace in the region of Mindanao, and harmony between Northern Mindanao and the Bangsamoro Region.

Thank you, Mme. Speaker, and honorable Sponsor for entertaining my question.

THE DEPUTY SPEAKER (Rep. Legarda). Thank you, Congressman Dimaporo.

The Majority Leader is recognized.

REP. BOLILIA. Mme. Speaker, I move that we recognize the honorable Gentleman from the BUHAY Party-List, Rep. Jose L. Atienza Jr., for his interpellation.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). Cong. Lito Atienza is hereby recognized.

REP. ATIENZA. Thank you, Mme. Speaker. Salamat po, Mr. Majority Leader.

With the kind indulgence of the Sponsor, we would like to ask some questions about 2018, 2019, and 2020.

Ang unang tanong ko po, Mme. Speaker, ay iyong karanasan namin sa Maynila. Alam po ninyo, nakatira ako sa San Andres Bukid. Doon, maayos po noon ang aming drainage at naayos na po namin iyon, especially, when I was the Mayor for nine years. In the past two years, alam po ninyo, ang daming mga flood control project na pumasok diyan, may drainage-improvement project, at binungkal ang maaayos na kalye para maglatag daw ng mas malalaking tubo para mawala na nang tuluyan ang baha. I would like the Public Works people to now know our project experience. Noong bumaha o noong umulan nang malakas nitong nakaraang mga buwan, hindi lamang po tumaas ang baha, pero sa bahay ko mismo, hanggang tuhod ang tubig sa loob ng bahay. Ano po ang nangyari roon sa mga flood control project? I am talking about the Fifth District specifically. May we have an accounting of how many projects were implemented in the past two years and how much money was spent for these projects supposedly to improve the flood situation in my area? Truth be said, lalo pong naging grabe ang baha sa amin.

REP. MOMO. Mme. Speaker, Your Honor, we will submit to you the list of all projects within the area of ...

REP. ATIENZA. We would appreciate that, Mme. Speaker.

REP. MOMO. Yes.

REP. ATIENZA. I want a list of projects and the amounts spent ...

REP. MOMO. And the status, yes.

REP. ATIENZA. ... and specifically, the district where I reside, the Fifth District of Manila.

REP. MOMO. We will submit, Your Honor, Mme. Speaker.

REP. ATIENZA. Kailan po natin kaya makukuha iyon?

REP. MOMO. Mme. Speaker, Your Honor, Monday, they will submit it to Honorable ...

REP. ATIENZA. I beg your pardon.

REP. MOMO. Monday, Monday.

REP. ATIENZA. Monday. Thank you.

My next question is, again, on the same district. Nagkaroon kami ng problema sa isang sinkhole na lumubog sa may Roxas Boulevard, to be specific, Remedios St., Roxas Boulevard. Lumubog po iyong aspalto about four months ago. Mayroon pong repair work na sinimulan, pero iyong repair work na iyon ay hindi na po gumalaw at hanggang ngayon ay nakatiwangwang katulad ng mga project na babanggitin kong nakatiwangwang na nagiging sanhi ng baha at nagiging panganib sa buhay ng tao. Ano po ba ang work program ng DPWH as far as this project is concerned?

REP. MOMO. Mme. Speaker, Your Honor, the project that was mentioned was already bidden out noong nakaraang September 12 and it will be started next week, Your Honor, Mme. Speaker.

REP. ATIENZA. Mme. Speaker, hindi po matatapos iyon. Alam ninyo kung bakit? Walang nagtatrabaho eh. I would invite the Secretary to visit it tomorrow. No one is working there; therefore, the project will remain like many projects—unfinished. We cannot understand why.

REP. MOMO. Mme. Speaker, Your Honor, as I have stated earlier, the bidding was done September 12. Ang umpisa ng trabaho ay sa susunod na linggo pa ho. Mga next week mag-i-start na iyong trabaho. The one that was done before was just palliative maintenance on that particular sinkhole, Your Honor.

REP. ATIENZA. We will continue to monitor this particular project, which is a black eye as far as the DPWH is concerned, and as far as Manila is concerned.

I inquired from the Office of the Mayor, and they pointed to the Department as the one in-charge of providing solution to the sinkhole. Therefore, the buck

stops right here at the DPWH, from which we will expect action.

REP. MOMO. Mme. Speaker, Your Honor, yes, according to the Department of Public Works and Highways, particularly the Regional Director of the NCR, they promised that once their project is started, they will do it 24/7 to complete early the project that was mentioned.

REP. ATIENZA. Ganoon na rin po ang aking pakiusap sa mga projects na ginagawa ng DPWH—maliliit subalit iniwanang nakatiwangwang. Marami pong ganyan sa lungsod ng Maynila, sa Quezon City, at sa marami pang ibang lugar.

So, I am asking this very, very, simple question: Why does the DPWH allow contractors to seemingly abandon the project and just say, “Bahala na kayo diyan.”

When I was the Mayor, I tell you, they could not do that. Kapag mayroong inabandonang project, tinatabunan namin and I charge the DPWH for the whole effort. Today, seemingly, wala nang ganoong klaseng sistema. You can pass along D. Tuazon, Quezon City at marami roong mga binutas, binakuran at hanggang ngayon ay butas pa at may bakod pa rin. So, why are we doing the Public Works’ projects in this manner? We are short-charging people.

REP. MOMO. Mme. Speaker, Your Honor, actually the Department of Public Works and Highways does not allow contractors to do their work and then pabayaan nila iyon na nakatiwangwang. Hindi ina-allow ng DPWH iyan. In fact, right now, the Secretary of Public Works and Highways has blacklisted for the first time 19 contractors who are not doing well in their contracts with the Department of Public Works and Highways.

REP. ATIENZA. Shifting to another topic, Mme. Speaker, we read in the papers that there are suggestions on the solution of traffic along EDSA, and that is to construct another level of highway coming from a well-meaning gentleman by the name of Ramon Ang. Iniisip ko lang, ang Public Works ba ay papayag dito na magtayo ng another highway on top of EDSA? Can you imagine the traffic mess that you will cause along EDSA? We will paralyze the whole of Metro Manila if we have a project like this.

REP. MOMO. Mme. Speaker, Your Honor, right now, the Department of Public Works and Highways has not yet received any proposal coming from San Miguel or that particular gentleman mentioned. Once they receive it, of course, they will study it; but right now, they are really focusing their attention on the completion of the Skyways Stage 3 that connects NLEX

and SLEX. Once it is completed, it will reduce traffic. Per the study of JICA, about 30 to 35 percent of traffic will be reduced from EDSA.

REP. ATIENZA. We are glad that the Gentleman-Sponsor was the one who mentioned that particular project. Iyon ang tunay na solusyon sa EDSA, kapag nai-connect na natin iyong North Diversion hanggang sa Southern Luzon Express, makakatawid na tayo ng Metro Manila nang hindi tayo dadaan ng EDSA. So, I would like to ask the work program and schedule of the Department on this particular project.

Alam ninyo, sabi ko sa inyo, doon ako nakatira, pinagmamasdan ko ang trabaho doon, eh wala pong gumagawa roon madalas eh. Isang malaking dambuhalang project na hindi matapus-tapos. The other day, you inaugurated a portion up to Paco, but that should connect up to Balintawak, right?

REP. MOMO. Yes, Sir.

REP. ATIENZA. Eh siguro hindi matatapos ito for the next five years kung ganito ang trabaho natin. Can you not do it faster to help solve the problem of traffic along EDSA and to give the nation an economic booster so that a superhighway, a genuine freeway, may be started?

REP. MOMO. Mme. Speaker, Your Honor, Skyway Stage 3 is now 75 percent complete but at the end of the year, December 31, it will be 95 percent, and 100 percent on the first quarter of 2020, Your Honor, Mme. Speaker.

REP. ATIENZA. I am marking the dates, Mme. Speaker, ...

REP. MOMO. Yes, ...

REP. ATIENZA. ... December 2021, ...

REP. MOMO. ... 95 percent.

REP. ATIENZA. ... 95 percent, and 2022, before the President steps down, we shall be passing that particular skyway.

REP. MOMO. Mme. Speaker, Your Honor, ...

REP. ATIENZA. Did I hear that right?

REP. MOMO. Mme. Speaker, Your Honor, it is the first quarter of 2020; the Stage 3 project will be completed already by 2020's first quarter.

REP. ATIENZA. The first quarter of ...

REP. MOMO. Next year.

REP. ATIENZA. ... 2020?

REP. MOMO. Yes, sir.

REP. ATIENZA. Tapos na iyong 95? Hindi po magagawa iyon sapagkat wala hong nagtatrabaho roon eh. Ngayong gabi, dadaan ulit ako roon. I do not know why you cannot work for two shifts or three shifts. Iyon naman ay highway, wala naman kayong gagambalaing residential area. You do not seem to have the urgency to immediately deliver the project for the convenience and economic development of the nation. You can work three shifts in that particular highway, and the Secretary would know that he can do it. With this exchange of opinions, data, and positions, we expect to see crews working in that area from hereon. Is that safe to assume, Mr. Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, yes.

REP. ATIENZA. Maraming salamat po.

Now that we are talking about solutions to the problem of traffic, another solution is the LRT connecting to Cavite. Kapag iyan po ay natapos, eh magaan na po ang ating biyahe sa EDSA, makatutulong nang malaki iyan. Iyan po ay nakuha ng isang malaking korporasyon, five years ago. Sa tingin ninyo, kailan matatapos iyan?

Hindi ko po malilimutan iyong pangako ng dating Pangulo, noong ginupit po niya iyong ribbon doon—cutting. Ang sabi niya, and he was talking in year 2015, “Ito ay matatapos by December; otherwise, magpapasagasa ako kasama ko si Secretary Roxas.” Sinabi niya iyon. Eh, hanggang ngayon, hindi pa sila nagpapasagasa, sapagkat iyon nga, iyong LRT Extension to Cavite has not even started. How can they finish it? If you do not start, you do not finish. Ano po ba ang opinion ng DPWH dito sa project na ito?

REP. MOMO. Mme. Speaker, Your Honor, we agree that this is very important project because mass transit has always been a major solution to the traffic problem in Metro Manila. However, this project is a DOTr-implemented project and is beyond the DPWH.

REP. ATIENZA. Just to give you an idea, Gentlemen, Ladies, this concession contract gives the power to collect all the money that LRT 1 earns a day. LRT 1 is the only money-making line of the LRT and MRT; lahat po palugi. They make as much as P8 million a day. According to their concession contract, the moment the contract was signed by the President, they start collecting after paying their P900-million concession

fee. Namuhunan sila ng P900 million, kumolekta na sila agad ng P800 million on the first month, sapagkat alam ninyo, ang kinikita po niyan daily, as I have mentioned, is about P8 million a day. You multiply that by 30 days, that is P240 million in one month. So therefore, in one year, eh mahigit P2 bilyon po ang kinikita niyan.

Kumokolekta na po iyong kontratista, walang pang itinatayo. As of now, as I speak in Congress, they have not started one post. So, what are we doing? Pinababayaan nating ganyan, kolekta nang kolekta, walang konstruksyon. This will solve the problem of Cavite residents in a very, very great manner, but it will not be done with this kind of condition. They collect the money of the commuters and the LRT corporation but they do not start the project.

Again, it is beyond my imagination and my limited brains to understand why we are even allowing this. Bakit natin pinababayaan ito? Ang bayan ang nangangailangan ng mga lingkod-bayan at pinunong-bayan na talagang mayroong puso upang ibigay sa atin ang ating pangangailangan. This project has been long delayed, but the problem is, the collection for LRT 1 which traverses from Pasay to Balintawak is already being collected by the corporation who got the contract.

Please, with the full strength and connection of the Secretary of Public Works, let us hear something from you today.

REP. MOMO. Mme. Speaker, Your Honor.

REP. ATIENZA. LRT 1 should be completed up to Cavite, as promised by the government. Otherwise, we are wasting our time and efforts on the budget provided for this Department.

REP. MOMO. Mme. Speaker, Your Honor, we will communicate this concern to the Department of Transportation.

REP. ATIENZA. Alam ninyo, I am mentioning this particular topic because this is a big, mega Public Works' project. It may not be coming from the budget of the DPWH, but I would expect the Secretary and the whole family of the DPWH to be as concerned as every Filipino.

Enough of these sweetheart contracts, enough of this moneymaking contract, let us start working and giving the people the kind of facilities that we deserve. Hindi lang po ang inyong lingkod, I am sure lahat ng nakaririnig na Pilipino ngayon ay maiintindihan ang aking damdamin. Hindi puwedeng magpatuloy iyan, and I would like to hear the words of the good Secretary of Public Works also on the issue. As the Secretary of Public Works, he has a big say, and he can say, "Tapusin ninyo iyan, kung hindi, kami ang tatapos niyan; kung hindi, tapos na tayong lahat."

REP. MOMO. Mme. Speaker, Your Honor, we agree with all the observations and I am very sure that the Secretary of Public Works and Highways will bring this matter up during their Cabinet meeting.

REP. ATIENZA. Thank you very much for that assurance. I am sure the Secretary heard every word I said. He is from Cavite, his family comes from Cavite, and Cavite residents are being shortchanged in this particular project. I will support every effort that he does to protect the interest of Caviteños and Filipinos, in general. Enough of this kind of contracts that benefit only the rich and not the commuters. This is one clear case of why the rich gets richer and the poor gets poorer in the country. Let us all help address that problem so that we may give ourselves a better Philippines.

Thank you very much, Mme. Speaker. Thank you very much, Mr. Sponsor.

THE DEPUTY SPEAKER (Rep. Legarda). The Majority Leader is recognized.

REP. BOLILIA. Mme. Speaker, I move that we recognize the Lady from GABRIELA Party-List, Hon. Arlene D. Brosas, for her interpellations.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). We thank the Gentleman from BUHAY Party-List, and now we recognize the Congresswoman from GABRIELA, Cong. Arlene D. Brosas. Please proceed.

REP. BROSAS. Thank you, Mme. Speaker.

Will the good Sponsor, Mme. Speaker, yield to a few questions from this Representation?

REP. MOMO. Sure, Your Honor, Mme. Speaker.

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

One of the biggest projects of the government under the Build, Build, Build Program is the C-6 Expressway Project. This project which costs P45 billion aims to connect the South Luzon Expressway, Skyway, via FTI towards Batasan Complex in Quezon City.

Mme. Speaker, honorable Sponsor, I would like to ask the distinguished Sponsor to provide us with the project status of the C-6 Expressway. Kumusta na po iyan? Ano na po ang kasalukuyang status ng C-6?

REP. MOMO. Mme. Speaker, Your Honor, right now, the Department of Public Works and Highways is doing the acquisition of the right-of-way, survey and tagging of all affected families and properties along the line of C-6.

REP. BROSAS. Mme. Speaker, honorable Sponsor, ilang porsyento na po ang natapos dito sa C-6 or hanggang saan ang inabot ng C-6 Project?

REP. MOMO. Right now, Mme. Speaker, Your Honor, there is no civil work done yet. As I have told you, it is only on the acquisition of the right-of-way and they are just starting the tagging and identification of affected properties based on the parcellary survey of the C-6 line, Mme. Speaker, Your Honor.

REP. BROSAS. Mme. Speaker, honorable Sponsor, klaro ngayon that the construction of this project should have begun in 2017, according to the official website of the DPWH. The right-of-way, staking out for the scheduled census and tagging by DPWH ay ongoing sabi po ninyo. Ang right-of-way acquisition ng proyektong ito ay hindi rin tapos, but Section 11 of Republic Act No. 10752 or the Right-of-Way Act states that:

Upon the approval of an infrastructure project by the head of the implementing agency concerned, with funding authorized in the General Appropriations Act and with defined right-of-way, no national government agency or LGU shall, within two years from date of notice of taking, allow any development or construction, or issue any building, construction, development, or business permit, which is contrary to the approved plans and purposes of the project, within the right-of-way, unless explicitly authorized by the head of the implementing agency for justifiable reasons.

Ibig sabihin, Mme. Speaker, honorable Sponsor, hindi puwedeng magsimula ang development o construction ng kahit anong infrastructure project kung walang tiyak na right-of-way. Bakit po nagkaganito ang C-6 Project?

REP. MOMO. Mme. Speaker, Your Honor, tama ho iyong sinabi na hindi dapat mag-uumpisa ang isang proyekto kung walang road right-of-way. However, hindi ho ito regular project ng Department of Public Works and Highways. This is a design and build project funded by a private corporation through public-private partnership, and therefore, this is not included in that provision, Mme. Speaker, Your Honor.

REP. BROSAS. Mme. Speaker, honorable Sponsor, ito nga po iyong ipinagtataka natin, bakit nauna ngayon iyong pag-construct ng C-6 Expressway ng walang right-of-way? Ano po ang paliwanag dito?

REP. MOMO. Mme. Speaker, Your Honor, again,

wala hong appropriations for civil works na nakalagay sa ating NEP; therefore, hindi ho siya covered on that particular provision.

REP. BROSAS. Mme. Speaker, honorable Sponsor, ito po iyong implication ng nangyari. Ang nangyayari po kasi, hindi ngayon alam ng mga residente sa Quezon City, District II, kung sila ba ay paaalisin sa area na malapit sa construction ng C-6, at dahil wala ngang pormal na pakikipag-ugnayan ang DPWH sa kanila patungkol sa ROW o sa right-of-way, paisa-isa silang nagsel-self-demolish dahil nga naman natatakot sila na paalisin na lang sila nang bigla. Una, umaalis sila sa area nang walang compensation, at pangalawa, walang lilipatan na relocation site. May mga sinasabi pa na cases na sila ay tinatakot mismo ng mga opisyal ng DPWH na idi-demolish na lang sila bigla. So, may we know, Mme. Speaker, honorable Sponsor, kung ano po iyong plano o tingin ng DPWH dito sa mga pangyayaring ito?

REP. MOMO. Mme. Speaker, Your Honor, right now, ongoing po iyong tagging at definitely, once identified, may malilipatan ho sila.

REP. BROSAS. Again, Mme. Speaker, honorable Sponsor, ano po ang paliwanag nila dito?

REP. MOMO. Mme. Speaker, Your Honor, sa ngayon, gaya ng sinabi ko kanina, ay ongoing ang tagging and once identified na ho iyan, there will be a coordination meeting with the supposed to be affected families and the Department of Public Works and Highways. They will never be removed from their place without relocation site.

REP. BROSAS. So, Mme. Speaker, honorable Sponsor, you are saying there will be compensation for them pagka nangyari po ang project?

REP. MOMO. Your Honor, Mme. Speaker, yes, they will be compensated according to the law.

REP. BROSAS. Okay. Next question po, Mme. Speaker, honorable Sponsor, how come there is a P44,203,317,000 worth of payments for right-of-way acquisitions for 2019 kahit wala namang natitiyak na right-of-way until now? Saan po napunta ito?

REP. MOMO. Mme. Speaker, Your Honor, the P44 billion is included in the NEP of 2020 and the schedule of payments is listed, hindi ho ito naka-lump. There are line items intended for this appropriation.

REP. BROSAS. Mme. Speaker, honorable Sponsor, iklaro ko lang, iyong P44 billion ay for 2020 allocation

po siya. So, ngayon, ia-itemize pa iyong kapupuntahan niya?

REP. MOMO. Opo, Mme. Speaker, Your Honor, yes.

REP. BROSAS. This is a lump sum, Mme. Speaker.

REP. MOMO. We can provide you with the list of intended projects for the P44 billion right-of-way funds from the 2020 NEP.

REP. BROSAS. Okay. Thank you for that, Mme. Speaker, honorable Sponsor.

Can the distinguished Sponsor at least provide us with an estimate of the number of families which will be affected by the C-6 Project?

REP. MOMO. Mme. Speaker, Your Honor, at this moment, approximately 2,000 households for C-6 alone.

REP. BROSAS. So, 2,000 households, okay. Mme. Speaker, honorable Sponsor. Saan mapupunta iyong mga tatamaan ng C-6 Project? May mga relocation sites na po ba ito na available for the relocatees? May identify po ba kayo na mga relocation sites for them?

REP. MOMO. Mme. Speaker, Your Honor, right now, they are coordinating closely with the NHA. Actually, the Department of Public Works and Highways will provide funds to the NHA to construct houses for them to resettle.

REP. BROSAS. So, Mme. Speaker, honorable Sponsor, the plan is with the NHA, but you do not have a relocation plan for this project, partikular po ang DPWH. You have a relocation plan or sa NHA ko iyon itatanong, Mme. Speaker, honorable Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, like all other major projects of the Department of Public Works and Highways, they have entered into a memorandum of agreement with the NHA for them to prepare a relocation program for the affected households.

REP. BROSAS. Okay. Mme. Speaker, honorable Sponsor, sa Barangay Holy Spirit, kung saan tatamaan din ng construction ng C-6, nakikipag-ugnayan ang mga residente sa LGU at DPWH hinggil sa nakaambang demolisyon sa area nila, pero hindi po sila hinaharap.

Ang hiling ng community kung mare-relocate sila, sana in-city, dahil dekada na silang nakatira roon at nandoon din ang kabuhayan nila. Maaari bang makapag-provide ang ating distinguished Sponsor ng

available relocation sites within the city, Mme. Speaker, honorable Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, the in-city resettlement is always one of the options of the Department of Public Works and Highways, together with the NHA.

REP. BROSAS. Mme. Speaker, honorable Sponsor, options lang po ang sinabi ninyo, one of the options. Mayroon pa bang ibang plano for this, Mme. Speaker, Your Honor?

REP. MOMO. Mme. Sponsor, Your Honor, actually, the priority is off-city, but if we can find a sufficient area for them to build medium-rise buildings for in-city resettlement then, of course, this will be one of the priorities also.

REP. BROSAS. Mme. Speaker, honorable Sponsor, sana po ma-prioritize na maging in-city dahil iyon po ang kahilingan ng mga community natin. Ang gusto nila ay hindi sila ma-relocate doon sa malayo sa kanilang kabuhayan. Nahirirapan din sila kapagka ganoon ang kalagayan nila dahil nga dekada na sila, kumbaga ay nag-ugat na sila doon sa kanilang lugar, particularly sa Barangay Holy Spirit.

Now, Mme. Speaker, honorable Sponsor, last year, the GABRIELA Women's Party requested the blueprints of the C-6 Expressway Project. However, we were only provided with the blueprint for Section 2: C-5/Diego Silang to C-6/Taguig. Iyon lang po iyong ibinigay. Now, we would like to request for a complete blueprint covering all sections of the project. Available po ba iyon, Mme. Speaker, honorable Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, yes, it is available and we can provide you with these.

REP. BROSAS. Yes, rundown ko lang po, Mme. Speaker, honorable Sponsor: Section 1: Skyway/FTI to C-5/Diego Silang; Section 1a: Skyway to FTI; Section 1-b: FTI to C-5/Diego Silang; Section 2: C-5/Diego Silang to C-6/Taguig; Section 3: C-6/Taguig to Ortigas Avenue Extension; Section 4: Ortigas Avenue Extension to Marcos Highway; Section 5: Marcos Highway to Tumana Bridge; and Section 6: Tumana Bridge to Batasan Complex.

REP. MOMO. We will provide, Mme. Speaker, Your Honor, blueprint of these.

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

Sana po mamaya na. Iyong next question ko po, it is about the COA report.

Sa latest COA report po na ini-release nitong September 2019, at least P118.4 billion na projects of the DPWH have either been delayed or not implemented at all. There are 3,784 projects worth P107.2 billion that were not finished on time; 291 projects worth P8.819 billion were suspended; and 18 projects worth P218.2 million were terminated. Lumalabas na mayroong 222 projects costing P2.132 billion na hindi nasimulan, most of these are infrastructure projects, construction of school buildings and farm-to-market roads, which the DPWH implemented from 2012 to 2018.

Now, Mme. Speaker, honorable Sponsor, bakit po nade-delay o hindi nai-implement ang mga proyektong ito?

REP. MOMO. Mme. Speaker, Your Honor, right now, only 9 percent out of the 24,439 projects are delayed. That means 91 percent of these projects were on time. The reasons for this, Mme. Speaker, Your Honor, are instances where these projects could not be implemented due to typhoon or unfavorable weather conditions, peace and order situation, road right-of-way, pending issuance of excavation permits, modification of plans, modification and realignment of locations, insufficient workforce and manpower provided by the contractors, and so on and so forth, Mme. Speaker, Your Honor.

REP. BROSAS. Mme. Speaker, honorable Sponsor, paulit-ulit ko pong sinasabi na nakasaad sa ating batas na bago magsimula ang infrastructure development, kailangan munang mag-conduct ng feasibility study para makita kung viable nga ba ang construction ng infrastructure project sa isang area. Bakit ba hindi inuna iyong feasibility study? Ang lahat po bang ito ay may feasibility study, Mme. Speaker, honorable Sponsor?

REP. MOMO. Mme. Speaker, Your Honor, lahat ng projects ng DPWH ay may program of work, may technical studies, may design. Lahat ng ito ay supported with all their computations. It went through proper evaluation. In fact, sabi ko na nga kanina, out of 24,439 projects, 91 percent of them are on time. Only 9 percent are delayed, Mme. Speaker, Your Honor.

REP. BROSAS. Magkagayon man, Mme. Speaker, honorable Sponsor, serious matter pa rin po na hindi natatapos o nade-delay iyong mga proyekto. Sinabi ko nga kanina, most of these are infrastructure projects, construction of school buildings and farm-to-market roads, which the DPWH has implemented mula pa po noong 2012 hanggang 2018. Kaya kailangan po talagang makita natin kung bakit nagkakaganito, Marami-rami po iyon e, iyong na-identify natin, lalo na kung construction of school buildings po ang pinag-uusapan natin.

REP. MOMO. Mme. Speaker, Your Honor, we agree. As always, there is no perfect contract, no perfect project, and in fact, because of these delays, for the first time, the Department of Public Works and Highways blacklisted 19 erring contractors. Those low-performing contractors were far behind the schedule. Ngayon lang nangyari na mayroong 19 contractors na blacklisted by DPWH.

REP. BROSAS. Again, Mme. Speaker, honorable Sponsor, how many did you blacklist?

REP. MOMO. 19 contractors.

REP. BROSAS. 19?

REP. MOMO. Yes, 1-9.

REP. BROSAS. Mme. Speaker, honorable Sponsor, isa rin po ba sa mga dahilan bakit nade-delay o hindi nai-implement ang mga proyektong ito ay dahil sa issue ng right-of-way?

REP. MOMO. Mme. Speaker, Your Honor, yes, it is one of the many, many causes of delays.

REP. BROSAS. Mme. Speaker, honorable Sponsor, bakit po hindi natitiyak? Kasi malinaw naman sa batas natin, may pondo naman, tila lagi na lang minamadali ang mga infrastructure projects pero nilalaktawan iyong mga procedures. This issue should have been considered and resolved during the preliminary engineering study pa po, Mme. Speaker, honorable Sponsor.

REP. MOMO. Mme. Speaker, Your Honor, we agree. This is always a problem in the implementation of projects, but as long as we have an adequate workable area, we always start the works while doing the acquisition in the remaining portion of the projects.

REP. BROSAS. Yes, Mme. Speaker, honorable Sponsor. Sana po ay ma-address ito nang mabuti ng DPWH, the feasibility study and specifically, ito pong right-of-way. Kumpleto naman, nandiyan naman ang lahat pero nade-delay pa rin at hindi pa rin nagagawa ang mga proyekto.

Mme. Speaker, honorable Sponsor, let me go on to my next issue. Ang issue ko po, Mme. Speaker, ay tungkol sa DPWH budget discrepancy. Ito po ay iyong kung ano iyong nakalagay sa NEP at sa GAB. Nang kinuwenta po ng Kinatawang ito ang bilang kung magkano ang allocation for the Central Office, lumalabas ito po ay P349,636,000,000, ano po? Samantala sa regional allocation, based on the NEP and the GAB, P183,859,000,000 ang nakalagay po doon kaya ang discrepancy po ng total agency budget ninyo ay P1.794

billion. Sa total agency budget ninyo, ang nakalagay ay P533,496,624,000 samantala sa computation po namin, ito ay P535,290,000,000. Mayroon pong discrepancy ng halos dalawang bilyon.

Mme. Speaker, honorable Sponsor, one-minute suspension po at ibibigay ko iyong kopya ng computation sa NEP.

SUSPENSION OF SESSION

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

It was 6:41 p.m.

RESUMPTION OF SESSION

At 6:43 p.m., the session was resumed with Deputy Speaker Aurelio “Dong” D. Gonzales Jr. presiding.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The session is resumed.

The Majority Leader is recognized.

REP. BROSAS. Mr. Speaker.

REP. BOLILIA. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). Congresswoman Brosas, you may continue.

REP. BROSAS. Yes, thank you, Mr. Speaker. Mr. Speaker, ang gist lang po ng itinatanong natin ay—supposedly mas mataas iyong agency budget pero may discrepancy po dito at kailangang maipaliwanag sa atin iyong P1,794,256,000—bakit po mayroong nakalagay o may ganoong discrepancy sa total agency budget per region?

REP. MOMO. Mr. Speaker, Your Honor, it was admitted by the DBM that it was an error of the DBM. The regional breakdown of the Department of Public Works and Highways summary was erroneously printed in the NEP due to a systems error and the DBM will be submitting the errata, Your Honor, Mr. Speaker.

REP. BROSAS. Mr. Speaker, honorable Sponsor, hindi ba kaduda-duda na parang P2 billion siya, masyadong malayo para magkamali ka ng computation. In fact, iyong computation po ay 183, pagkatapos, naging 185, halos dalawang bilyon, ano. Ngayon, we cannot help but ask—bakit hindi ito itemized, pagkatapos, nasa loob siya ng regional allocations. Kapag na-total mo iyong regional allocations, ang lumalabas ay nandoon iyong P1.794 billion pero kapag tiningnan mo naman iyong items, wala naman doon iyong 1.794 billion. Ang

ibig sabihin, kapag tiningnan mo naman iyong items at kapag hinanap mo siya kung nasaan doon, wala siya doon. So, kahit i-total po iyong para sa Central Office at saka iyong regional allocations, lalabas po na mayroon ka pa ring kulang na P1.794 billion.

Ngayon, kung sinasabi ninyo po na sa DBM problem o error lang po ito, ang tanong po natin, bakit nagkaganito? Bakit nagkaroon ng error na ganito?

REP. MOMO. Mr. Speaker, Your Honor, yes, sinabi naman at tinanggap ng DBM ang kanilang pagkakamali at puwede sigurong itanong natin sa Department of Budget and Management ang nangyari. According to them, it is a system error and they will be submitting an errata letter, Your Honor, Mr. Speaker.

REP. BROSAS. Mr. Speaker, honorable Sponsor, sinabi ba ng DBM kung papaano iko-correct ang discrepancy na ito dahil, siyempre, hahanapin po ng taumbayan kung nasaan iyon.

REP. MOMO. Mr. Speaker, Your Honor, yes, magsu-submit nga ho ang DBM ng errata. In fact, here with us is the personnel from the DBM saying that system error nga raw ho at sinabi nila tomorrow, they will be submitting the errata.

REP. BROSAS. Mr. Speaker, honorable Sponsor, saan po ang totoong figure o ipinasok ninyo na po iyong P1.79 billion?

REP. MOMO. Mr. Speaker, Your Honor, system error lang po ito at ang total po ay pareho din. Pareho din ang total kaya lang nagkakamali nga sila sa system nila.

REP. BROSAS. Can you please make it clear, Mr. Speaker, honorable Sponsor. Ano na po ang final, is it P183.859 or P185.653 billion?

REP. MOMO. Mr. Speaker, Your Honor, we can request the DBM to submit it to you by tomorrow.

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

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. BOLILIA. Mr. Speaker, I move that we recognize the Lady from the First District of Iloilo, Hon. Janette L. Garin.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Lady from Iloilo, Congresswoman Janette Garin, is recognized.

REP. GARIN (J.). Mr. Speaker, there being no other Member from the Minority who wishes to interpellate on the proposed budget of the Department of Public Works and Highways, including its attached corporation, I move that we terminate the period of interpellation and debate thereon. *(Applause)*

REP. BOLILIA. Mr. Speaker, on the part of the Majority, we join the Minority in its motion to terminate the period of interpellation and debate on the proposed budget of the Department of Public Works and Highways.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). There is a joint motion to terminate the period of interpellation and debate on the proposed budget of the Department of Public Works and Highways. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

The period of interpellation and debate on the proposed budget of the Department of Public Works and Highways is hereby terminated.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The session is suspended.

It was 6:49 p.m.

RESUMPTION OF SESSION

At 6:55 p.m., the session was resumed with Deputy Speaker Loren Legarda presiding.

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

The Majority Leader is recognized.

HOME GUARANTY CORPORATION

REP. SINGSON-MEEHAN. Mme. Speaker, I move that we proceed to the consideration of the proposed budget of the Home Guaranty Corporation.

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

REP. SINGSON-MEEHAN. Mr. Speaker, I move that we recognize the Sponsor of the HGC, Rep. Vincent Franco “Duke” D. Frasco.

REP. FRASCO. Mme. Speaker, I am honored to sponsor the budget for Home Guaranty Corporation.

THE DEPUTY SPEAKER (Rep. Legarda). The Majority Leader is recognized.

REP. SINGSON-MEEHAN. Mme. Speaker, I move that we acknowledge the presence of our guests, the family of the Home Guaranty Corporation led by their OIC, Mr. Jimmy B. Sarona.

THE DEPUTY SPEAKER (Rep. Legarda). Their presence is acknowledged.

Please proceed, Mr. Sponsor.

REP. FRASCO. I am ready to answer any questions, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). The Majority Leader is recognized.

REP. SINGSON-MEEHAN. Mme. Speaker, I move to recognize Hon. Jose Christopher Y. Belmonte from the Sixth District of Quezon City.

THE DEPUTY SPEAKER (Rep. Legarda). Congressman Belmonte is recognized.

REP. BELMONTE. Thank you, Mme. Speaker. Mme. Speaker, there being no Member of the Minority who wishes to ask questions on the budget of the Home Guaranty Corporation, I move that we terminate the period of interpellation and debate thereon.

I so move, Mme. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Legarda). The Majority Leader is recognized.

REP. SINGSON-MEEHAN. Mme. Speaker, on the part of the Majority, we join the Minority in the motion to terminate the period of interpellation and debate on the proposed budget of the Home Guaranty Corporation.

THE DEPUTY SPEAKER (Rep. Legarda). Is there any objection? *(Silence)* The Chair hears none; the period of interpellation and debate on the proposed budget of Home Guaranty Corporation is hereby terminated.

Thank you. May we proceed to the next agency, Majority Leader.

DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT

REP. DELOS SANTOS. Mme. Speaker, I move that we proceed to the consideration of the proposed budget of the Human Settlements and Urban Development Department.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Legarda). May we have the Sponsor, please.

The consideration of the proposed budget of the Human Settlements agency is on the floor. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

May we request the Sponsor to proceed.

SUSPENSION OF SESSION

REP. DELOS SANTOS. Mme. Speaker, I move to suspend the session.

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

It was 6:58 p.m.

RESUMPTION OF SESSION

At 7:00 p.m., the session was resumed.

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

The Majority Leader is recognized.

REP. DELOS SANTOS. Mme. Speaker, may we acknowledge the presence of the family of the Department of Human Settlements and Urban Development. We have Chairperson Eduardo Del Rosario, Asst. Sec. Melissa Aradanas, Asst. Sec. Leira Buan, Commr. Melzar Galicia, Gen. Mgr. Marcelino Escalada Jr., Atty. Arnolfo Ricardo Cabling, Dr. Felixberto Bustos Jr. and CEO Acmad Rizaldy Moti.

THE DEPUTY SPEAKER (Rep. Legarda). The presence of our guests is duly acknowledged. We welcome you to the House of Representatives.

REP. DELOS SANTOS. Mme. Speaker, I move that we recognize Hon. Paul Ruiz Daza.

THE DEPUTY SPEAKER (Rep. Legarda). Congressman Daza is recognized. Please proceed.

SPONSORSHIP SPEECH OF REP. DAZA

REP. DAZA. Thank you, Mme. Speaker. Good evening to everyone.

Having one's own home is a dream for everyone. Mme. Speaker, distinguished colleagues, we are here today to help ensure that this dream will become a reality for our people. In a healthy economy, the housing sector should roughly be 20 percent of GDP. In the Philippines, the contribution is roughly only about 11 percent in 2018. This basic data alone tells us that we

need a lot of catching up to do, that is why our role as legislators is crucial. We need to help ensure that our annual budgeting and spending will lead the country towards attaining its housing and urban development goals.

We are happy to note that with the creation of the new Department of Human Settlements and Urban Development (DHSUD), we can give more focus, direction and clarity to our housing and urban development agenda. Mme. Speaker, it is my honor and privilege to sponsor the newest department, the Department of Human Settlements and Urban Development, which certainly carries an important role in steering the nation towards total human development.

With that, allow me, Mme. Speaker, to yield to any interpellation.

THE DEPUTY SPEAKER (Rep. Legarda). Thank you, Mr. Sponsor.

The Chair also requests everyone to adjourn the mini sessions on the floor because the room is echoing with everyone's mini discussions. Thank you.

The Majority Leader is recognized.

REP. DELOS SANTOS. Mme. Speaker, may we recognize Hon. Arlene D. Brosas of GABRIELA Party-List for her interpellation.

THE DEPUTY SPEAKER (Rep. Legarda). Congresswoman Brosas is hereby recognized.

REP. BROSAS. Thank you, Mme. Speaker. Honorable Sponsor, maaari po bang magtanong ng ilang katanungan sa Department of Human Settlements and Urban Development?

REP. DAZA. We will yield, Mme. Speaker, to the distinguished Lady.

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

For year 2020, the DHSUD proposed a budget of P48.8 billion but was only given P6.3 billion to be divided among its agencies. According to Secretary Del Rosario, they will not be able to meet their target of 101,000 housing units with the amount allocated for the Department because only 12,161 housing units would be built. Secretary Del Rosario also noted that as per the Philippine Development Plan from 2017 to 2022, 131,000 housing units per year should be built.

Now, Mme. Speaker, honorable Sponsor, paano po nasabi ng DHSUD na 12,161 housing units lang ang mapapatayo nila gayong ayon sa 2018 Report ng Commission on Audit, mayroong dormant assets ang National Housing Authority na 258,790,208,000—

billion po ba ito—for as long as 40 years, Mme. Speaker, honorable Sponsor?

REP. DAZA. Thank you, Mme. Speaker. We thank the distinguished Lady for pointing out that, first, tama po na kulang na kulang ang allocation for 2020 and for that matter, also for 2019 na na-allocate sa mga housing-related agencies. As to the second query, by nature, because the production of the NHA and the related agencies, it is to provide socialized housing, much of the receivables are in arrears, that is why these were referred to as dormant. There are some assets and properties that have been taken over also by informal settlers. The properties owned by the NHA, many of them are now full of ISFs. With the term “dormant,” I think the Lady is referring to these receivables and properties that may be used by the NHA.

REP. BROSAS. Mme. Speaker, honorable Sponsor, tama po ba iyong binanggit kong bilang ng dormant assets ng NHA worth P258 billion?

REP. DAZA. Mme. Speaker, there is no current valuation, but there are 200 hectares with the NHA nationwide.

REP. BROSAS. Okay, Mme. Speaker, honorable Sponsor. Bukod po sa annual budget allocation for housing, saan pa kumukuha ng funds ang Departamento para sa pagpapatayo ng mga housing units?

REP. DAZA. The DOTr and the DPWH have downloaded funds previously to the NHA for some projects.

REP. BROSAS. So, Mme. Speaker, honorable Sponsor, mayroon from the DOTr. May revenue po ba na pinanggagalingan ngayon ang NHA dahil according to the 2018 COA Report, the revenue of the National Housing Authority from 2017 to 2018 has increased by 23.45 percent, mula P1.3 billion to P1.6 billion. Can the Department explain how they utilized this huge revenue? Bakit hindi ito na-utilize para maabot natin iyong sinasabi kaninang target na 101,000 housing units, Mme. Speaker, honorable Sponsor?

REP. DAZA. Mme. Speaker, due to more efficiency in collections, the NHA has increased its revenues. The internally generated income is used for payroll services and the MOOE which are not funded through the GAA, and any excess is used for the production of other infrastructure projects.

REP. BROSAS. Mme. Speaker, honorable Sponsor, the MOOE, ang operational expenses ay hindi po ginagamit sa pagpapagawa ng bahay. Bakit hindi po sa

pagpagawa ng bahay nilalagay iyong added revenues natin?

REP. DAZA. Mme. Speaker, just to clarify that in the annual appropriations of the NHA, there are no appropriations for payroll or the MOOE. What you see in the National Expenditure Program is for the Capital Outlays and so, the internally generated income is used for the operations of the NHA that are not funded through the GAA.

REP. BROSAS. Mme. Speaker, honorable Sponsor, kahit po mayroon tayong sinasabi na kakulangan para sa pagpapatayo ng much-needed na pabahay, ayon nga sa inyo, 12,161 housing units lang ang mapapagawa gayong mayroon tayong backlog na 101,000 housing units. Hindi ba natin puwedeng gamitin para doon iyong pera mula sa revenues?

REP. DAZA. Mme. Speaker, puwede po gamitin some of the income for production of the houses.

REP. BROSAS. Mme. Speaker, honorable Sponsor, I am asking these questions because, according to the data from the NEDA, the National Economic and Development Authority, the country's housing backlog will reach 6.8 million units by 2022, including the backlog of 2 million units as of December 31, 2016. Hindi po malinaw sa Representanteng ito kung bakit hindi matugunan ng key shelter agencies natin itong lumalalang housing crisis sa bansa gayong napakalaki naman pala ng kinikita nito. Nag-increase nga po from P1.3 billion to P1.6 billion, hindi po ba?

Naghihikahos po ang ating masa dahil sa kawalan ng pabahay na abot-kaya nila ang presyo, pagkatapos, ang lumalabas—saan po natin dinadala ang revenues na mayroon tayo, iyong kinikita natin sa negosyo?

REP. DAZA. Mme. Speaker, for the record, P1 billion of the internally generated income has been put into housing. Also, I think we share the same vision as the distinguished Lady that we want to produce more housing to meet the demand but there are certain constraints and primarily it is because of the lack of budget given to housing-related agencies. In fact, for the National Expenditure Program for 2020, less than 1 percent of the total proposed budget is for the Department of Human Settlements and Urban Development.

Second, a perpetual problem, which we hope will be solved soon in the bureaucracy, is red tape. To do a housing project today, there are 27 offices where you need to apply for housing and 78 different permits requiring 146 signatures and 373 documents. For the NHA, many projects take one to two years just to get the permits and for the private sector developers, in

some cases, it takes them three to four years. So, we share the same frustration as the distinguished Lady, and this Representation is hoping that with the advent of the new Anti-Red Tape Authority which will help in the efficiency of various agencies and LGUs, we think that in the near future, the Department and its attached agencies and corporations will improve its production of housing to meet the future demand.

REP. BROSAS. Mme. Speaker, honorable Sponsor, I was asking about revenues, ano po, iyong mga kinikita—sa collection po ba ito galing? Saan pa nanggagaling ang mga kinikita ng NHA sa kasalukuyan? Nag-i-invest po ba tayo? Saan tayo nag-i-invest?

REP. DAZA. Mme. Speaker, when the housing project is completed and units are given to the beneficiaries, there are monthly payments required. These housing units are financed usually for 20-25 years. Even though these units that are constructed by the NHA, as we know, are subsidized, there is a minimal payment made by the beneficiaries and in most cases, it is P200 to P300 a month. That is the revenue, the 25 to 30 years of payment, and that is the income being referred to.

REP. BROSAS. Okay. Mme. Speaker, honorable Sponsor, the Commission on Audit released a report last October 2018 which showed that the NHA's idle funds almost doubled from P6.68 billion in 2016 to P11.6 billion as of the end of 2017, a 73.7 percent increase. Basically, the National Housing Authority is keeping P11.6 billion idle in its bank account despite the massive housing backlog in the country, and this is on top of the P19.56 billion subsidy from the national government. The NHA collected P10.23 billion in 2017 mainly in the form of amortizations from awardees and beneficiaries, who were mostly poor families.

Mme. Speaker, distinguished Sponsor, maaari bang ipaliwanag ng NHA kung ano na ang status ng bilyong idle fund na ito.

REP. DAZA. Mme. Speaker, the situation is very simple. Those funds are in the accounts but are obligated. Those are available funds to pay for the upcoming construction. As the Lady knows, in previous years, we worked on an obligation-based budget. The funds are there and you bid out a project that would last one, two or three years, so, those are the funds set aside for future obligations.

REP. BROSAS. So, Mme. Speaker, honorable Sponsor, nakatago lang ang mga pondong ito? Taon-taon na lang ay napakalaki ng pondo ng NHA sa housing, pero taon-taon din ay hindi ito ginagalaw o ginagamit para sa pag-provide ng abot-kayang pabahay para sa mga maralita. Napakalaki po ng amortization payments

mula sa awardees at beneficiaries pero hindi naman ginagamit ang mga ito para sa pabahay. Ginagamit minsan na dahil kung bakit hindi makakapagtayo ng housing units ay ang hirap maningil ng amortization, gayong lumalabas sa COA report na kaya pa ngang mag-operate ng NHA kahit hindi magbayad ng amortisasyon ang mga beneficiaries dahil sa laki ng nakatagong pondo nito, Mme. Speaker, honorable Sponsor.

REP. DAZA. Hindi naman nakatago iyon. Iyan po ang pondo na ibinabayad. Financial payment is based on physical accomplishment. Ito po iyong funds na na-obligate, as I mentioned earlier, to pay for future payables of ongoing projects.

REP. BROSAS. Now, I would like to remind our key shelter agencies na pera ng taumbayan iyong nasa bangko, ano po, kasi iyon naman ay, sabi nga natin, mga kinolekta. Hindi naman nananawagan ang mga tao ng libreng pabahay kasi nagbabayad pa rin sila. In fact, sa ngayon nga, ang costing ay umaabot ng P200 to P300. Sa katunayan, pabahay na abot-kaya ang presyo ang panawagan ng mga kababayan natin, pero ang nangyayari, awarded ka ng pabahay, official beneficiary ka, sinisingil ka pa ng amortization. Kaya talaga naman pong hindi natin maintindihan na hindi makapag-provide ng maraming pabahay para sa ating mga maralita, na sa tingin natin ay abot-kaya kung mayroon naman nga noong sinasabi ninyong na obligated funds sa bangko, Mme. Speaker, honorable Sponsor.

REP. DAZA. Ang mandate po ng NHA is to provide socialized housing, but mayroon po itong cost recovery at hindi naman pupuwedeng libre lahat. Ang vision po natin ay maparami ang housing, gamitin iyong bumabalik na mga amortization para sa operations and future housing. Kaya po ang appeal namin ngayon, Mme. Speaker, is, we believe that the proposed budget for the new Department is too low and really, at the end of the day, Mme. Speaker, what we need is a national agenda which prioritizes funding for housing projects.

REP. BROSAS. Mme. Speaker, honorable Sponsor, madami pong iskema kung paano makapagbayad ang masa o ang mga tao para sa pabahay. In fact, sa totoo lang, iyong iba nga ang ginawa, lalo na sa ibang mga housing projects sa Bulacan, ay nagtatrabaho para magkabahay, hindi ba? Hindi naman sila makaligtas doon sa amortization and they have to pay. Pagkatapos, minsan 3 percent, actually 6 percent iyong interes na binabayaran. Kapag hindi ka nakabayad, tataas ng tataas, baka ang pangamba pa ng mga tao ay maiilit iyong kanilang bahay. Ganoon po iyong nangyayari sa mga maralita, tumataas ng tumataas iyong utang nila sa pabahay kaya minsan hindi na makapagbayad.

So, iyong mga ganito pong usapin, marami pang mga nangangailangan ng bahay sa totoo lang. Pagkatapos, marami ding mga hirap sa kalagayan ng pagbayad sa pabahay. Iyong affordable housing na sinasabi natin ay kailangan ding i-review ng National Housing Authority kung ano ba talaga iyong kakayanan ng mga tao sa pagbabayad o sa mga iskema na ginagawa ngayon para sa housing, Mme. Speaker, honorable Sponsor.

REP. DAZA. Mme. Speaker, as I said earlier, the interest rate is around 3 percent and the homeowner has a payment option of 25 to 30 years and in most of these mortgages, it is around P200 a month. Compared to, maybe, in the private sector, because this is subsidized, this is already, we believe, very affordable and consistent with the mandate of the NHA.

REP. BROSAS. Okay. Mme. Speaker, honorable Sponsor, siguro iyong mga issues ng iba't ibang mga pabahay, lalo na doon sa mga hindi nakapagbayad, actually, ano nga, mayroon ngayong tinatawag na condonation. Ang pangamba ng mga tao diyan kapagka pumasok sila sa condonation program, lalo na sa mga housing relocation sites, kapag pumasok sila doon, ang mangyayari ay mako-condone nga ang kanilang utang sa pabahay pero next time na pagbayad ulit at hindi na naman sila makapagbayad, baka naman mawala na iyong kanilang bahay dahil hindi naman sila makapagbayad sa mga susunod. So, iyon po ang mga cases. Pagkatapos, iyong iba ay matatanda na at ilang taon na ring nagbabayad ng pabahay pero hindi matapos-tapos ang pagbabayad, ganoon po iyon.

Sabi ko nga, may iba't ibang schemes na ginagawa pero minsan hindi po iyong suma-swak at hindi po iyon bagay doon sa kalagayan ng mga tao. Lalong-lalo na, halimbawa, ang housing relocation doon sa Valenzuela, iyong hanapbuhay ay mahirap, pagkatapos, mataas sa kanila, actually, ang P200, dahil sa totoo lang, ang pedicab drivers, kung minsan may trabaho, minsan wala; at iyong mga anak nila, nandoon sa pabrika sa Valenzuela dahil malapit sa kanilang tinitirahan at pinaghahanap-buhatan—mga ganoon po iyong mga sitwasyon.

Kaya iyong pag-review po doon sa NHA mandate, Mme. Speaker, honorable Sponsor, kailangang-kailangan po talaga iyong i-review para po makatulong tayo na hindi mabaon sa utang, lalo iyong mga mahihirap, hindi ba? Kaya nga nag-provide ng housing for them para affordable iyon, hindi ba, Mme. Speaker, honorable Sponsor?

REP. DAZA. Mme. Speaker, the NHA is providing subsidized/socialized housing. They never said it is free housing. In many cases, sa mga nahihirapan po, may condonation program at waived na po ang interest at penalty, principal na lang ang bayaran. So, I would like

to state on record that the NHA has been consistent with their mandate on helping the bottom 30 percent, the neediest of our society.

This is a situation where I think, sometimes, it is appropriate to say, give credit where credit is due. We believe that P200 a month for housing is reasonable and the program helps many, many families and yet, tama po iyon, kapag pinoproblema, may condonation program na waived na po ang interest at saka penalty, basta bayaran lang po iyong principal. Hindi naman po natin puwede sabihing libre at hindi po kasama sa Charter ng NHA po iyan. If we really want to provide free housing, it is something I think this Congress should discuss and maybe, with the DSWD which provides, in some cases, free shelter.

REP. BROSAS. Mme. Speaker, honorable Sponsor, nag-a-agree naman tayo sa affordable housing, kung ano iyong kakayanan talaga ng mga tao. Hindi naman sinasabi na ilibre sila, sabi nga natin, pero kailangan po talaga natin ng magandang hanapbuhay para sa kanila, kasi makakabayad po sila kapag mayroon silang hanapbuhay, and the situation ng hanapbuhay sa mga, alam natin, sa mga maralitang lugar, ay napakahirap. Minsan po, sa mga malalapit na pabrika, diyan pa talaga na matindi iyong contractualization, hindi sapat iyong sahod, depressed talaga iyong wages—ganyan po iyong itsura. Anyway, Mme. Speaker, honorable Sponsor, nagkakaisa naman tayo na dapat affordable ang housing. Hindi naman po tayo nagtatalo diyan. Dapat nakakayanan talaga ng mga mamamayan natin iyong pagbabayad ng kanilang bahay, at ang key po doon ay magkaroon talaga ng magandang hanapbuhay para sa lahat. Mabigyan natin ng magandang hanapbuhay ang lahat para maka-afford sila noong housing na kailangan nila.

Now, I will go to my next point, doon po sa mga usapin ng idle houses. Mme. Speaker, honorable Sponsor, the magnitude of the housing problem in the country has grown into such proportion that only a pro-poor mass housing development program can meet the needs of Filipino families for decent dwellings. However, despite the housing crisis in the country, there are still thousands of government housing units yet to be awarded. As of 2018, about 55,000 houses built by the previous administration for government workers and poor families remain unoccupied. So, dito po, Mme. Speaker, honorable Sponsor, bakit hindi naa-award ang mga housing units na ito?

REP. DAZA. Due to the Joint Resolution No. 2 issued last year, all 55,000 housing units have been occupied and awarded.

REP. BROSAS. Mme. Speaker, honorable Sponsor, medyo pamilyar po ako diyan sa Joint Resolution

No. 2 kasi kami po iyong isa sa mga nag-push din na magkaroon ng Joint Resolution No. 2, na mai-award na ang mga pabahay na ito. Ngayon po, ilang porsiyento na po ang naa-award? Ang balita sa amin, hindi pa naa-award ang mga pabahay.

REP. DAZA. Lahat na po, Mme. Speaker, ay na-award na.

REP. BROSAS. Mme. Speaker, honorable Sponsor, again, the answer is, 100 percent na po ba ang naibigay na?

REP. DAZA. Yes, Mme. Speaker.

REP. BROSAS. Wala nang nakatiwangwang na pabahay ngayon, Mme. Speaker, honorable Sponsor, ganoon ba, kasi na-award na natin lahat?

REP. DAZA. The completed projects had been awarded but iyong ongoing, nakatiwangwang. To reemphasize, the 55,000 units that were completed had been awarded, and maybe, iyong mga reports po, na mayroong nakita, ito iyong mga bagong ongoing.

At this juncture, Deputy Speaker Legarda relinquished the Chair to Deputy Speaker Aurelio "Dong" D. Gonzales Jr.

REP. BROSAS. Mr. Speaker, honorable Sponsor, this was under the administration of Aquino, iyon po iyong tinatanong ko, hindi ba, noong nagpatayo ng 55,000 units at nakatiwangwang ang mga ito. Kung maaalala po ninyo, iyan ang naging issue natin kasi iyong mga pabahay ay nadadamuhan na lang dahil matagal nang walang nakatira, kaya ang mga ito po iyong tinatanong ko kung na-award na ang mga pabahay na ito.

REP. DAZA. Mr. Speaker, just to clarify, tama po iyon. Ito po iyong old AFP-PNP housing na there were some complaints that the floor area was too small. The floor area was increased to 44 square meters from 24 square meters, and that is why the acceptance of these units was expedited kasi nagustuhan na nila po. So, I assure the Lady that according to the reports, all those particular 55,000 housing units had been awarded and occupied.

REP. BROSAS. Mr. Speaker, honorable Sponsor, may mga ilaw at kuryente na ba itong na-award na mga bahay na ito?

REP. DAZA. All sites are ready for connection, level 3, water and power. On each owner lies the decision to connect or not, but those utilities are already available for all these housing units.

REP. BROSAS. Mr. Speaker, honorable Sponsor, medyo mabagal po iyong pagproseso ng ahensiya dito kasi ang naging example ko po dito, mayroon naman mga ilang libong pabahay na puwede nang ipamahagi pero hindi na-prioritize. Ang isang halimbawa po nito ay iyong hinihintay natin na pabahay para sa Pandi Village 2 sa Bulacan particularly sa Atlantica. Pagkatapos, noong 2017, naalala ninyo naman po iyon, ang grupong KADAMAY, noong mag-occupy sila dito at binigyan ng imprimatur ni Presidente na sa pamamagitan ng Joint Resolution No. 2 na ipamahagi na sa kanila iyong mga pabahay na ito pero sa ngayon, dalawang taon na po iyong nakakalipas, ay ilan pa lang, 230 plus pa lang ang nabigyan ng entry pass sa mga maralita at ang kalakhan po ay wala pang entry pass. Hindi pa sila makakabitang kuryente kung wala silang entry pass, so, nagtitiyaga po iyong lahat sa ganoong sitwasyon, sa ganoong kalagayan doon.

Mr. Speaker, honorable Sponsor, mamaya naman, babanggitin ko kung ano naman iyong napag-usapan tungkol diyan kasi nakipag-dialogue naman kami kanina kaugnay diyan, at mayroon naman tayong inabot na pag-uusap with NHA. Nevertheless, ang tanong po natin, bakit hindi naa-award sa iba pa iyong mga pabahay? Medyo mabagal ang proseso ng pag-award ng mga pabahay sa kanila.

REP. DAZA. Seven hundred units had been awarded as of today. From the 200, ito ay naging 700 na po. Kaya po mabagal ay dahil kailangan pong mag-comply sa documentary requirements and the NHA has been helping them. Iyon lang po, baka ho makatulong, my esteemed colleague, because the NHA is willing to award these projects subject to the documentary requirements.

REP. BROSAS. Yes, Mr. Speaker, honorable Sponsor, naiintindihan po natin iyan, iyon nga lang po, kasi 2017 pa ito, hindi ba? Nag-example lang po ako, ano, two years—ang ibig sabihin, we were trying to talk, have dialogues and everything noong nakaraan pero hindi nagkakaroon ng mga ganoong pagkakataon pero the people are willing doon sa mga requirements. Ang hindi po natin maintindihan ay iyong bagal noong proseso, noong pagpo-proseso doon. Pagkatapos, ang sinasabi ninyo po, 700 out of the—how many iyong mga pabahay?—kung 55,000 ito, so, parang ang laki-laki noong backlog na kailangang ayusin at asikasuhin. Habang tumatagal, mabubulok po ang mga pabahay na iyan. Anong gagawin natin diyan kung hindi natin ibibigay sa mga maralita para mapakinabangan?

REP. DAZA. Na-award na po iyong 700 sa 4,000, hindi po iyong sa 55,000, but having said that, this Representation is more than willing to assist those people with the help of my esteemed colleague, and

the NHA is assuring us that they will do their best to fast-track the awarding of these applications.

REP. BROSAS. Thank you, Mr. Speaker, honorable Sponsor. Sana po ay kagyat nating masolusyunan ang mga ganitong problema. Kami naman po ay hindi kami nagkukulang sa pag-contact everytime at palagi naman po tayong nakikipag-usap. Minsan nga, kahit hindi tayo hinaharap ay nakikipag-usap pa rin tayo. Minsan, kahit matagal o kahit mag-rally na sa tapat ng National Housing Authority ang ginagawa natin ito ay para lang makipag-usap ang mga tao.

So, I hope you would do something about this, lalong-lalo na iyong mga naka tiwangwang na mga pabahay. Iyan po talaga, idle houses pa rin ang mga ito hanggang ngayon. Ano na ang solusyon ng gobyerno diyan? Tapos na po ang tatlong taon ng administrasyon na ito. Kung mayroon pong magagawa na mga pagbabago, dapat nagagawa na ang mga ito ngayon.

On to my next point, Mr. Speaker, honorable Sponsor, and this is about the SHFC po. Last year, the Commission on Audit has called out the Social Housing Finance Corporation in connection with the housing project worth P214 million in San Jose del Monte, Bulacan which remains idle despite its completion in 2017. The COA said the Department of the Interior and Local Government issued the certification on March 31, 2014, accrediting 546 member-borrowers as beneficiaries of the housing project in Barrio Panaklayan, Muzon. The project which is composed of 26 buildings, each a three-storey with a loft, was completed and turned over to the homeowners association on November 5, 2017. Now, Mr. Speaker, honorable Sponsor, ano po ang status ng pamamahagi ng housing units dito as of 2019?

REP. DAZA. Mr. Speaker, the SHFC is working on the water connection because the LWUA had insufficient funding. So, overhead water tanks were put in and to date, 90 percent is now occupied.

REP. BROSAS. Mr. Speaker, honorable Sponsor, hindi po ba nauna na iyong feasibility study para makita natin kung okay nga na pagtayaran o kung may problema sa tubig. May problema pala sa tubig, bakit hindi nauna iyong nakapag-conduct tayo ng feasibility study dito?

REP. DAZA. The DILG did a feasibility study. Nagkaroon ng drought, bumaba iyong tubig sa dam, so, unforeseen event po, Mr. Speaker.

REP. BROSAS. So, unforeseen events, Mr. Speaker, honorable Sponsor. Ano ang ginagawa ng SHFC ngayon kaugnay diyan?

REP. DAZA. Mr. Speaker, ang SHFC ay gumawa po ng mga overhead water tanks, kaya po ngayon 90 percent occupied na iyong housing project.

REP. BROSAS. Ninety percent, Mr. Speaker, honorable Sponsor, pero wala pang nakakalipat. Tama po ba, Mr. Speaker, honorable Sponsor? Wala pang occupants dito dahil ang problema nga ay ang kawalan ng water dahil nga ang sabi ninyo ay bumaba iyong tubig sa dam, at unforeseen event ito. Dapat, hindi ba, sa feasibility study ay nakita rin natin iyon? Dapat malinaw din sa atin na baka nga mangyari iyon?

REP. DAZA. Mayroon na po, 90 percent, dahil po nga ginawan na ng water tanks para may tubig and in fact, ngayon, the SHFC is now helping the local area to get additional funding to connect to LWUA. May kuryente na rin.

REP. BROSAS. Again, Mr. Speaker, honorable Sponsor.

REP. DAZA. So, to reiterate, Mr. Speaker, there were water tanks that were installed, and power has been connected. The SHFC funded the laying of the main water pipes to connect to the local water district and the SHFC is helping to increase the allocation for the water district from the LWUA. As of today, 90 percent po of the entire development ang occupied.

REP. BROSAS. So, Mr. Speaker, honorable Sponsor, kailan ito mangyayari?

REP. DAZA. Mr. Speaker, my esteemed colleague, tapos na po iyon.

REP. BROSAS. Ang ibig sabihin, 90 percent na iyong occupants? Ninety percent na ang occupied doon?

REP. DAZA. Occupied na po.

REP. BROSAS. Ang problema lang ay iyong patubig talaga, ano po. Okay. I hope you can do something about this, ano, sa SHFC kasi parang natapos na iyong proyekto, pagkatapos iyong problema ay dumating at hindi magawan ng paraan, ano. So, bakit nagkaganoon ang proyekto na ito?

Anyway, Mr. Speaker, honorable Sponsor, tungkol naman po ito sa nangyaring dialogue ngayon o kanina lang. Tiniyak na po namin na makausap kayo since nandito naman kayo. So, may mga representative na maralita mula sa Pandi, Bulacan na pumunta para makausap kayo nang direktso.

Mr. Speaker, honorable Sponsor, nitong hapon ay nagkaroon ng dayalogo ang Kinatawan na ito at ang

ilan sa Makabayan bloc sa mga kinatawan ng National Housing Authority, kasama ang mga organisayon ng maralita mula sa Pandi, Bulacan. Kabilang sa naging kaisahan kanina ay ang pagbibigay sa Kinatawang ito ng listahan sa ilalim ng 2019 actual occupancy verification na nakuha ko po sa wakas matapos ang ilang beses na pag-follow up. Kung naaalala ninyo po, tinanong ko rin ito sa Minority noon, noong nagkaroon po ng pag-uusap sa Minority. I was asking for the list at hindi po iyon naibigay. Ngayon lang naibigay. Isa na lang ang hindi po nasa-submit, ang 2017 master list of pre-qualified beneficiaries kasi nag PQ na daw po, so, may prequalified beneficiaries na. Maaasahan po ba natin na ma-submit ito sa pinakamabilis na panahon, distinguished Sponsor, Mr. Speaker?

REP. DAZA. Yes, we will submit by Monday.

REP. BROSAS. Second, hiling din ng Kinatawang ito, na sinang-ayunan naman ng mga humarap kanina na mga kinatawan ng NHA main office, NHA spokesperson, si Ms. Elsie Trinidad, at NHA Bulacan, si Engineer Paragas, na walang diskriminasyon sa pagpili ng mga benepisyaryo. Ina-affirm ba ito ng National Housing Authority at ng distinguished Sponsor? Ayaw na rin po nating makarinig ng reklamo mula sa komunidad na may pagkiling sa pag-prioritize sa mga benepisyaryo, Mr. Speaker, honorable Sponsor.

REP. DAZA. Yes, Mr. Speaker. We affirm that there would be no discrimination provided na qualified lang po.

REP. BROSAS. Lastly, Mr. Speaker, honorable Sponsor, I would like to formally get the commitment of the distinguished Sponsor and the National Housing Authority para sa pagpapabilis ng pag-proseso ng validation at pagbibigay ng certificate of award, entry pass and finally, the signing of the contract para sa mga benepisyaryong maralita na nakatira sa anim na proyektong pabahay sa Pandi, Bulacan, Mr. Speaker, Your Honor.

REP. DAZA. Yes, Mr. Speaker. We assure the distinguished Lady that all of that would be expedited and no less than the highest officials of the NHA are here to give that assurance.

REP. BROSAS. Maraming salamat po, G. Isponsor, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Rufus B. Rodriguez.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). Hon. Rufus Rodriguez is recognized to interpellate the Sponsor.

REP. RODRIGUEZ. Thank you, Mr. Speaker, distinguished colleague, distinguished Sponsor. To Secretary Ed Del Rosario and the family of the Department of Human Settlements and Urban Development, would the distinguished Sponsor accept some intervention from this Representation?

REP. DAZA. Yes, Mr. Speaker.

REP. RODRIGUEZ. Thank you, Mr. Speaker, distinguished colleague.

It is a fact, distinguished colleague, that our country today has a backlog of 5.7 million housing units. Is that a correct statement?

REP. DAZA. Roughly, yes, 1.4 million for the informal sector and about 5 million for future and recurrent demand for the formal sector.

REP. RODRIGUEZ. Is it correct to project that in the next 20 years, there will be a backlog of 22 million housing units for our people?

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

REP. RODRIGUEZ. Pope John Paul II stated that the main mission of the government is to heed the call of the poor and the marginalized, and that the "HEED" in his encyclical means: "H" is health, "E" is education, "E" is employment and "D" is dwelling. These are the basic needs of our people to have human dignity as enshrined in our Declaration of State Policies, that we should afford human dignity to all Filipinos. A Filipino may be healthy, has education, work, but if he has no dwelling of his own, he has no dignity. That is why I am standing here, Mr. Speaker, distinguished colleague, because I really lament the fact that of the P33 billion budget that the National Housing Authority submitted to the DBM, the DBM only gave a measly P3 billion in violation of our Declaration of State Principles and against the pronouncement of the late Pope John Paul II. It has only given to the National Housing Authority, P3.2 billion. What does the distinguished Sponsor say about this violation of our Constitution and the right of Filipinos to have human dignity?

REP. DAZA. Mr. Speaker, this Sponsor supports the comments of my esteemed colleague that the NHA, and not just the NHA but the entire Department of Human Settlements and Urban Development—the budget allocated is deficient, and if this country believes in nation-building, a critical part of that is to provide

adequate housing or shelter especially for the lowest income sector of our society—the neediest. I express my gratitude to my colleague who shares the same sentiment.

REP. RODRIGUEZ. Thank you, distinguished Sponsor, Mr. Speaker. That is why in this Congress today, we have seen the inadequacy of this particular budget for the NHA, together with the other attached agencies of the Department of Human Settlements and Urban Development. The NHA is close to my heart because on December 16, 2011 came the calamity of Sendong, killing 1,500 of my constituents, destroying more than 10,000 houses, and dislocating families and it was the NHA which was one of the agencies in the forefront, together with the DSWD and the Department of Public Works and Highways, in helping my constituents rise from this calamity. We have here the heroes of Cagayan de Oro. We have here AGM Froi Campitan (*Applause*) but Froi here is retiring, unfortunately. He is still very young but, you know, he just reached the age limit. These are the heroes, together with Gilda Abellera who is now the NHA Director for District II. Gilda, can you please stand up because you are the hero here. (*Applause*)

That is why, Mr. Speaker, if we will only give a measly P3.2 billion budget to the NHA, how can we serve our districts all over the country, like the district of Cong. Strike Revilla who is still with me here. How can we do that to our friends, Manny Lopez and all the others still present tonight? I am getting their names because when we increase the budget, those present tonight should be the first ones to receive the additional funds for their districts. So, can we get the names of those who are here, including Benny Abante, because we are going to fight for this.

I have talked to the Speaker about this and, of course, he also has the heart to help us. In the period of amendments—which will be held tomorrow because tomorrow is the last day, and the President has certified that this is an urgent measure, so, no more requirement for printing for three days—therefore, all of us are united so that we will be able to increase the budget of this Department and the NHA. If we do that, therefore, the request for my Second District of Cagayan de Oro of P3 billion—can you imagine, our request for Cagayan de Oro is P3 billion which is exactly the NHA budget—how can we give, for example, our on-site relocation in Macabalan—seven units, three storeys, medium-rise. In Barangay Gusa, the same socialized housing. Then I was able to get from the Department of Public Works and JICA, funding for the mega dike along the Cagayan de Oro River which shall protect the families along the riverbanks. We will relocate them because they will be hit by river water from that dike. Where are we going to bring our people? We cannot

finish our dike if we cannot have a relocation of about more than 5,000 families along the riverbanks, both in the First and Second Districts.

That is why it is very important, Mr. Speaker, that tonight, we are able to understand the need to increase the budget of the Department of Human Settlements and Urban Development and the National Housing Authority and, of course, also the HLURB because Commissioner Pintor is here. So, therefore, we would do this as a thank you to the NHA, as the NHA built 1,848 units for the Sendong victims fast. They are now in those houses and they are living normal lives. We in Cagayan de Oro refuse to be defined as calamity victims but we are defined by the resiliency of our people, with the help of the National Housing Authority and the other agencies.

So, with that, Mr. Speaker, distinguished Sponsor, in the proper period of amendments, I will be writing them down because there is no more oral presentation of the amendments. These will all be in writing and submitted tomorrow and I am going to surely include the increase in the budget of the Department of Human Settlements and the NHA because this is the mandate of our Constitution and what we Catholics believe, as the Catholic Church believes in the encyclical of the late Pope John Paul II.

Mr. Speaker, thank you very much. Distinguished Sponsor, thank you. I know that our debonair Chairman or the presiding distinguished Sponsor will always be the one to carry the cudgels of this Department to the Speaker, to our Appropriations head, and he will also be there in the bicameral committee to make sure that we will increase the entire budget of the Department of Human Settlements and Urban Development.

Thank you very much, Mr. Speaker, for this time. Again, thank you to the Department, and to the NHA and all the attached agencies, thank you very much and good evening.

THE DEPUTY SPEAKER (Rep. Gonzales, A.).
The Majority Leader is recognized. (*Applause*)

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Jose L. Atienza Jr. of BUHAY Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Gonzales, A.).
Hon. Lito Atienza of BUHAY Party-List is recognized to interpellate the Sponsor.

REP. ATIENZA. Mr. Speaker, thank you. Mr. Majority Leader, salamat po.

Again, we would like to ask the Gentleman defending the budget, if there is any, of the Human Settlements, including or especially the National Housing Authority—una, sino po ba ang talagang na-appoint na pinakapinuno ng Department of Human Settlements today? Mayroon po ba o wala pa?

REP. DAZA. Mr. Speaker, no other than the good-looking Gentleman behind me, Secretary Ed Del Rosario.

REP. ATIENZA. Secretary Del Rosario.

REP. DAZA. Yes.

REP. ATIENZA. Nabuo na po ba iyong Department at this point or hindi pa?

REP. DAZA. The Department is in a transition period and in fact, Mr. Speaker, ito po iyong pinakaunang budget ng Department. This is the maiden budget of the Department and they are hoping, with clearance from the DBM for the items in the budget for 2020, they will have a permanent office within the next few months.

REP. ATIENZA. According to their estimate for the year 2020, ilan po kaya ang mapo-produce ng ating Human Settlements Department in matters of housing? Do they have a projection that we can rely on, considering the runaway problem of housing in the country?

REP. DAZA. Was the query for the year 2020, Mr. Speaker?

REP. ATIENZA. It is for 2020 dahil tinitingnan ko po, I do not think they will be able to produce much this year. So, we will give them more time to organize and we will expect results coming in 2020.

REP. DAZA. Given the limited budget, we estimate that for 2020, there will be about 136,000 pero kulang-kulang pa rin po.

REP. ATIENZA. Natatawa po ako sapagkat magmimilagro siguro sila—the multiplication of housing in the Philippines like the multiplication of bread and fish in our biblical times. Anyway, ako ay hindi sumang-ayon sa pagbuo ng Departamento para bigyan ng solusyon ang problema ng housing dahil nakikita natin ngayon na tumigil ang production dahil bumoo tayo ng Housing and Urban Settlements Department. Para bagang ang solusyon sa isang problema ay bumuo ng isang department, samantalang tumigil ang production. Lumaki, lumobo—to quote my good friend, Congressman Lagman—I hope he is still around—“Lumolobo ang problema ng pabahay.” Every year that we stop production, the problem becomes even doubly bigger kaya, next year, if they project 100,000 housing, that would be quite impossible to attain. Why? They do not have the budget for it, it is as simple as that, and the production arm, which is the National Housing Authority, does not even have a budget too. So, who

will produce the housing units, Mr. Speaker, sino po ang bubuo ng 100,000 units by next year?

REP. DAZA. Mr. Speaker, the Sponsor will not second-guess the wisdom of the Seventeenth Congress pero tama po iyon na kulang ang budget para po makuha iyong ideal number. But given the P3.2 billion of the NHA, about P1 billion of SHFC, and with the continued support of Pag-IBIG, kaya po natin iyong 130,000 at kahit po binubuo iyong bagong departamento, tuloy-tuloy po iyong production ng NHA and the other agencies. Ang trabaho po nila ngayon, my distinguished colleague, because of the new law, the Department will be in charge of all housing-related planning and regulatory functions and find ways for all related agencies and corporations to become more efficient in their vision to produce more housing units. Tuloy-tuloy po iyon. Ang target po ng Pag-IBIG is 100,000 units, of which 22,000 will be for the informal settlers. This Sponsor is optimistic that with the new Department with a clearer focus on the housing priority, mas gaganda po iyong performance of the housing agencies.

REP. ATIENZA. Alam po ninyo, before the existence of the Department of Human Settlements and Urban Development, production was going on with the full participation of the private sector and with the full production capability of the National Housing Authority. Now, we are admitting that we have a bigger backlog and the promise of a bigger volume of housing to be built up to now has not been realized and I believe even in 2020, it will not change much. On the housing production, the private sector and the government were all working at one point in time. Andiyan po ang Pag-IBIG, andiyan po iyang HUDCC, mayroon na pong coordination ang lahat ng ahensiya. Hindi po namin maintindihan kung bakit tayo bumuo ng departamento na hindi makapagtatrabaho kaagad-agad kaya matitigil ang production natin?

The thing to do, Mr. Speaker, is to provide for the production arm of the government, and that is the National Housing Authority, and I take note that they cannot produce anything next year simply because their budget will not allow it. Alam po ba ninyo iyong P3.2 billion ay pang suweldo po iyon sa mga taga-National Housing Authority? In my estimate, hindi makakabuo ng mahigit 5,000 iyan even of row housing—ito po iyong dugtong-dugtong—na pinakamurang housing po iyan, and you are talking about 20,000 for the informal settlers next year? I do not think the informal settlers would expect anything next year because the production arm will not be able to provide them with the necessary decent housing. No matter how humble, how simple the design, it could still be, as my colleague said, “a dignified form of housing.” With only P3.2 billion, we will expect no production will happen from

the government's side next year. That means that the housing problem will not even be as we estimate it today because it will be magnified by the delay in production. Hindi ko po masakyan.

Alam po ninyo, ang Hong Kong, nakapagbuo ng daan-daang libong housing, na-solve nila iyong problema sa housing. Hindi sila bumuo ng departamento pero binigyan nila ng pondo ang kanilang national housing authority. Ang Singapore, a model of housing the poor, mayroon ding sufficient housing not by creating a department of housing, but by giving more funds for the production of their government through their national housing authority. Here in the Philippines, we already had a functioning National Housing Authority and a functional system of finance, guarantee, insurance and the like. Binigyan po ng pondo ang ating Home Savings Fund. Tinulungan pa ng gobyerno iyan sa pagdagdag ng daan-daang milyon upang magkaroon ng mas mabilis na produksiyon ang pribado. Ngayon, wala po silang production sapagkat binubuo pa natin iyong department.

I cannot understand, much less support, the situation. We created a dream, we created a fallacy that is not happening. We have a National Housing Authority which will not do much this year, and not much next year. So, kaawaawa po talaga tayo. Therefore, we should take note that the system is not working. It will create a bigger problem unless we fund the production arm of the government with more money. If we depend on the system to work, it will take them about two to three years. So, tapos na po administration ni Presidente Duterte, hindi pa rin po gagana iyan.

May I ask, what happened to the Housing and Urban Development Coordinating Council? Iyon po ba ay automatically abolished or is it still functioning?

REP. DAZA. Mr. Speaker, with the support of the distinguished Gentleman from Manila to augment the possible augmentation of the budget of the National Housing Authority, I am sure we can produce more units because, tama po ang inyong sinabi, ang P3 billion, kulang-kulang po.

Iyong dati pong HUDCC, ito na po iyong bagong department. Isinama po lahat noong mga related housing agencies like, we have the Socialized Housing Finance Corp., Pag-IBIG, National Home Mortgage, under sa isang umbrella. So, na-abolish na po iyong HUDCC and is replaced by the new department.

REP. ATIENZA. Mr. Speaker, I appeal to the wisdom of the Sponsor. Rather than defend this budget, the status quo, let us take note tonight, and I waited for this opportunity to put on record that housing will remain the biggest problem of the Filipinos simply because we committed an error. I call it an "error" because the system was working and there was no

need to fix it. Mayroong production ang gobyerno, may production ang pribado. Ngayon, wala silang production pareho. Up to now, the housing in Tacloban has not been finished because kulang ang kakayahan nang nagtatayo ng pabahay. Dito sa Metro Manila, dumami ang homeless. Tuloy-tuloy ang problema sapagkat walang bumubuo ng pabahay.

Mabuti pa noong mga nakaraang panahon, may nakatayo na ngayon sa Tondo, sa Sampaloc, sa Sta. Ana at sa marami pang panig ng ating kalunsuran. Why? Because the system was working, but now, we disrupted it. It will take time before it starts production. Meanwhile, our people are expecting because the promise of the President is that housing will be given priority in our government. Narinig ko po iyon. How can it be given priority when you overhauled the whole system, e wala namang problema? I did not see any problem before.

Alam po ninyo, ang National Housing Authority, pera lang ang kailangan at bubuo po iyan ng daan-daang libo. Maniniwala ako sa sinabi ninyong isang daang libo, magagawa nila iyan, pero kung iaasa ninyo, unang-una, sa pribado, walang pribadong nagtatayo ng socialized housing. Wala pong kontratista na mamumuhunan ng kanyang sarili at kanyang pagsisikap kung socialized housing. Helping the informal settlers sa housing, hindi papasukin ng pribado iyan. Nananaginip kayo sapagkat hindi dapat pagkakitaan iyan. Pinakamababa dapat iyan sa presyo ng pabahay.

I do not know how you want to untangle this whole mess, but I will keep my position very clear. We had a working system, we had a production in full blast. Today, all of these stopped simply because we tinkered with something that was working already and we just provided a panacea, a vision that will not deliver housing for our people. I do not think the Sponsor will be able to convince the country today on that, no matter how brilliant he is and I know he is, but the reality is, the system will not work. The National Housing Authority for our country was sufficient and we had the best technical men at the NHA at one time, but today, I am sorry to see that they are a frustrated lot dahil wala silang pera. Lumiit nang lumiit ang pondo, papunta na sa abolition ito. Then, the Human Settlements Department will provide it? Maybe in 10 years' time when we would have already faced crisis after crisis. Doon lamang siguro magsisimula mabigyan ng pabahay na makakayanan ng mahihirap.

So, I am putting it on record tonight, I join Cong. Rufus Rodriguez who has his mind and heart in the right place. I join him and I urge all of you to co-sign in the amendment that we genuinely provide housing and not a promise to our people. Hindi puwedeng ganito ang ating palulusuting budget. We have wasted all our time here. We have spent countless of hours, long hours, defining the pesos and centavos in this budget, pero

iyong housing, naniwala tayo, “Hindi, may Department na, maso-solve na iyan.”

Iyan, gagawa na naman tayo ng Department of OFW. May nagpo-propose, Department of Culture. May nagpo-propose Department of Storm Surges para ipagbawal na ang bagyo sa Pilipinas. This is how we handle our work. It is time to look at ourselves. Pagka mayroong talagang nagtatrabaho na sistema, huwag na natin pakialaman. Dagdagan natin ang pondo at pag-ingatan natin ang paggastos nito, subalit binuwag ninyo at ngayon, binubuo pa rin. Iyong nauulanan gabi-gabi, nauulanan ngayon dahil wala siyang bubong.

So, Mr. Speaker—nawala yata si Speaker.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). I am here.

REP. ATIENZA. Ayun siya. (*Laughing*)

THE DEPUTY SPEAKER (Rep. Gonzales, A.). I am listening.

REP. ATIENZA. I take note of this major defect in our budgeting. We say that housing is guaranteed by the Constitution. We say that housing is the major commitment of this government, but we did not put it in our budgeting system. The DBM would rather give P108 billion. Pinamimigay ang salapi pero ang production arm ng gobyerno, ang nakuha ay P3 billion. Nagbibiro ba tayo? Are we making our people mendicants? Sasalo na lang ng pera doon sa PPP Program, samantalang iyong productivity ay hindi natin tutulungan. There is something wrong, fundamentally, wrong. Kaya magsama-sama tayo at ipakita naman natin na ang Kongreso ay matuwid mag-isip. Huwag nating aprubahan ang budget na ito na walang amendments. Ang amendment na gagawin natin ay bigyan ng supisyenteng pondo ang production arm ng gobyerno habang binubuo ang Department of Human Settlements and Urban Development para magkaroon tayo ng sama-samang bisa ng pabahay. (*Applause*).

I will not question the budget of the Human Settlements Department because I know they are under budgeted. I will not question even the budget of the different agencies that are still functioning. I do not know how they relate it—the Home Guaranty, the National Home Mortgage. I do not know how they will relate. At one point in time, these agencies were already relating and they retained the production to be handled by the government but today, they no longer exist. We can correct that with this statement that the DBM and the Executive must listen to reason. Let us not create an expectation that will not happen even until 2022. May panahon pa. Bigyan ninyo ng pondo ang National Housing Authority. As I said, Singapore solved their housing problem with their national housing

authority. The Philippines, at one point in time, was fast catching up with our requirement. Hong Kong solved their problem of providing socialized housing for their poor and homeless citizens. Tayo ay umaasa sa ating binuo pero hindi ito mangyayari sa Kongresong ito. The Eighteenth Congress will not witness a full production of housing both from the private sector and the government if we insist on not helping them with the necessary funding. Let us give them what they wanted, give them P30 billion. Bawasan po natin iyong PPP Program. You do not give away money. Put it in housing and they become productive, as housing will make citizens productive. Just giving money away will not produce any productivity.

Alam po ninyo, alam naman po nating lahat iyon. Let us correct it and let us send a message to the DBM. Let us send a message to the government that Congress is not a fool, that we cannot be fooled. The reality is that we committed an error. Let us correct it now by giving them enough funds so that they can start producing this year, not three years from now. With that statement, we rest our case that the Department of Human Settlements and Urban Development is not a solution; it is an aggravation of the problem which will make the poor expect nothing from the government.

Kapag sinabi ninyong walang pera ay bakit mayroong P108 billion na ipamimigay? Iyong P50 billion doon ay ibigay natin sa NHA at maraming bahay tayong makikita, pero P3 billion for production and P108 billion to give away does not make sense. You manage your home, I manage mine, everybody has a home management or financing management system. We do things that way—you prioritize your budgeting so that the struggling families will survive. Right now, housing faces a bleak immediate and long-range future because the system is not working and it will not work in the near future pero mako-correct natin ito.

We greet the Speaker and we ask him to join us in this expression of concern. This Eighteenth Congress of the Philippines under the leadership of Speaker Cayetano will correct an anomalous situation (*Applause*) that housing will not be allowed to go unattended. With that, I hope I have contributed a little to the wisdom of this budget which we are rushing. Rushing for what? Rushing to perdition because people will be expecting and yet, getting none.

Maraming salamat po. Thank you, Mr. Sponsor, for your patience.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move to recognize Hon. France Castro of the ACT Teachers Party-List.

THE DEPUTY SPEAKER (Rep. Gonzales, A.). Hon. France Castro is recognized to interpellate the Sponsor.

REP. CASTRO (F.L.). Maraming salamat, Mr. Speaker. Gusto ko ring mag-express ng aking appreciation sa NHA, Mr. Speaker, G. Isponsor, sa pagbigay sa akin ng ilang mga hinihingi kong data noong nakaraang briefing.

Mayroon po ako dito, Mr. Speaker, G. Isponsor, policy question lang naman, mga policy questions. Anyway, nasabi na ni Cong. Lito Atienza ang ilang mga comments natin.

At this juncture, Deputy Speaker Gonzales (A.) relinquished the Chair to Deputy Speaker Johnny Ty Pimentel.

So, ito lang po. The Department of Human Settlements and Urban Development consolidates the functions of the HUDCC and the House and Land Use Regulatory Board, with the latter being reconstituted into the Human Settlements Adjudication Commission. The different housing agencies such as the NHA, the Social Housing Finance Corporation, the National Home Mortgage Finance Corporation, and the Home Development Mutual Fund or Pag-IBIG, will remain as attached agencies to be governed by a single board with the exception of Pag-IBIG. So, under the IRR, the Department is mandated with policy-making, regulatory and performance monitoring functions in three areas: environmental land use and urban planning and development, housing and real estate development, and the homeowners associations and community development.

So, do you agree to this, distinguished Sponsor?

REP. DAZA. Yes, Mr. Speaker.

REP. CASTRO (F.L.). So, una po, bagong-bago ang department na ito, sa last Seventeenth Congress lang ito, at ang Kinatawang ito ay tumutol nga, kasama ng Makabayan bloc, na magkaroon ng ganitong department dahil nakikita na nga natin na hindi iyong pagbubuo ng department o pagko-consolidate ng mga agencies na ito iyong solusyon, dahil ang problema talaga ay pabahay at saka iyong samu't saring problema kaugnay doon sa pabahay ng ating mga mamamayan.

So, ano po ba ang opinyon ng ating butihing Sponsor, Mr. Speaker? Sa tingin ninyo po ba iyong function ng iba't ibang ahensiya na nakapaloob dito sa Department ay epektibo pa rin po ba or may kulang?

REP. DAZA. Mr. Speaker, this Representation believes that the Seventeenth Congress made a very good policy decision to put together all the housing-

related units, the agencies and corporations, in one department. In fact, alam po ninyo, ang isang problema ng housing sector is the delay in securing permits and clearances, both from the LGUs and other national government agencies. I am very hopeful, Mr. Speaker, that with the new Department, where one of their mandates is to help the housing sector, both public and private, will streamline the processes and in fact, doon po sa batas, one of the mandates is to create a one-stop processing center.

Ang appeal ko po sa lahat ng Members of the Eighteenth Congress is to give a chance to the new Department. In fact, embedded in the law that created the Department is specifically stated a three-year transition period. So, alam po natin na maraming problema pero sa palagay ko po, we are moving in the right direction, the Seventeenth Congress and the President made good decisions and I think this is a step forward for the housing industry.

REP. CASTRO (F.L.). Mr. Speaker, Mr. Sponsor, so, nakikita nga natin iyong pagkakaroon ng separate department kaugnay nitong iba't ibang housing agencies, pero nakikita natin at nag-a-agree kayo na hindi naman ito pinondohan ng ini-expect nating mas malaking pondo sana para doon sa housing o iyong pabahay. In fact, Mr. Speaker, distinguished Sponsor, hindi natin nakikita doon sa budget ng DHSUD iyong housing o pabahay, at mas nakatuon sa urban development na hindi malinaw sa Kinatawang ito kung anong klase ito o para kanino. Halimbawa, Mr. Speaker, Mr. Sponsor, under the Support to Operations: Technical support to management on program, conceptualization and development, coordination and monitoring, P34,898,000, halos 91 percent ng pondo ay nasa Central Office.

So, puwede po bang malaman natin iyong magiging expenses dito sa 91 percent ng pondo ng departamento?

Okay, partikular po sa Operations, mayroon po tayong P46,995,000; Subdivision Survey of Proclaimed Lands for Socialized Housing, P13,063,000; and then, Development of Shelter Monitoring Information System, P1,917,000; Technical Advisory Services for LGUs in Shelter Planning, P23,116,000; National Drive Against Professional Squatters and Squatting Syndicates, P11,992,000; and so on. So, ang mga ito po ay nagto-total din ng 83.5 percent ng total na P373,172,000 budget. So, puwede ba, briefly, Mr. Sponsor, ay maipaliwanag natin iyong kongkretong magaganansiya ng ating mamamayan dito sa budget na ito? So, lahat po ito ay mga MOOE, tama po ba?

REP. DAZA. Tama po, mga MOOE po lahat iyan. Part ito ng mandate nila, ang magbukas po ng mga regional centers. Sa ngayon, we only have nine, so

kulang po ng seven regional centers, and the majority of the MOOE will go for setting up those centers.

REP. CASTRO (F.L.). Okay. Paano natin masisiguro, Mr. Sponsor, Mr. Speaker, na hindi magiging imbalance ang prayoridad kontra sa tunay na pangangailangan ng mayorya ng ating mamamayan which is pabahay. Ang functions ng DSHUD ay mostly policymaking. Nasaan dito sa NEP iyong mga programa para sa direktang pagpapatayo ng housing units o sa pag-ensure na magtatayo nga ang ibang ahensiya ng housing units? O gagamitin ng ibang ahensiya ang housing and relocation funds para doon sa ating mga mamamayan?

REP. DAZA. Mr. Speaker, of the total budget allocated for the Department, para lang po na we get a bigger and better picture, mayroon pong P3.2 billion na nasa NHA for housing subsidies. Iyong nabanggit po, I think what the distinguished Lady is referring to are the PS and MOOE of the Department for policymaking and allocations for the operations and setting up of regional offices. I want to assure the Lady na iyong para sa pabahay, mayroon po tayong P3.2 billion sa NHA, at ang sa Social Housing Finance Corporation is about P1.3 billion. So, the majority of the proposed allocation for the Department is really for the housing subsidies.

REP. CASTRO (F.L.). Okay. Thank you, Mr. Sponsor. So, we need a policy that is biased to the use of land for housing. So, hindi naman siguro condo kasi may budget din tayo dito para sa monitoring of subdivision and condo projects that were issued permits and licenses. Ito po ba ay functions din? So, nanggagaling po ito sa aling ahensiya?

REP. DAZA. Sa Office of the Secretary po iyon.

REP. CASTRO (F.L.). Sa Office of the Secretary iyong nagbibigay po ng license dito sa ating mga condo, malls and homeowners? Mayroon ding processing applications for permits and licenses pertaining to the development and sale of subdivision, condo and other real estate development projects and homeowners associations, P48,424,000 and then, P81,970,000.

REP. DAZA. Tama po iyon, sa Department na po iyong issuance ng mga permits and licenses.

REP. CASTRO (F.L.). Mayroon din dito, Mr. Speaker, Mr. Sponsor, iyong formulating and updating the standards and guidelines on land use planning, zoning, housing and real estate development projects and homeowners associations, P17 million. Ano po ang pagkakaiba noon doon sa binanggit natin kanina na monitoring of subdivision and condo projects?

REP. DAZA. Tama po na lahat po iyon ay sa Office of the Secretary, at iyong nabanggit po is technical assistance to the LGUs.

REP. CASTRO (F.L.). Okay. So, kailangan pa natin talaga pag-aralan iyong pagme-merge ng iba't ibang mga functions ng lahat noong mga ahensiya na napunta sa DHSUD, pero ang mahalaga po na mandato, siyempre, ay iyong pabahay para sa ating mga mamamayan. So, malaking pondo rin po iyong para sa tinatawag natin dito na National Drive against Professional Squatters and Squatting Syndicates, nagkakahalaga po ito ng P11,992,000, at P9 million mula dito po ay mapupunta sa MOOE. So, paano po natin nade-determine, Mr. Speaker, distinguished Sponsor, iyong sinasabi nating mga professional squatters, at gaano ba karami sila sa ngayon?

REP. DAZA. Tama po iyon. Iyong dating function ng HUDCC, nandito na sa bagong Department, saka sa definition po ng RA 7279, ito iyong pinagkakakitaan ang squatting.

REP. CASTRO (F.L.). So, mayroon po ba tayo, Mr. Speaker, Mr. Sponsor, na concrete data dito sa sinasabi nating mga professional squatters and squatting syndicates? Malaki po iyong pondo natin dito, P11,992,000, at ang MOOE ay P9 million. Sa kongkreto po, paano po ito mag-o-operationalize?

REP. DAZA. Mr. Speaker, we will submit the requested information to the distinguished Lady.

REP. CASTRO (F.L.). Okay, so, ano pong isa-submit nila, Mr. Speaker, Mr. Sponsor?

REP. DAZA. Iyong hinihingi po ninyo na list ng mga professional organizations na nabanggit, we can provide that information.

REP. CASTRO (F.L.). Ang sinasabi ko po ay, paano ninyo mao-operationalize itong sinasabi nating pondo para dito sa drive against professional squatters and squatting syndicates? Sa kongkreto po, nagawa na po ba ito ng ating mga ahensiya? Mayroon na po ba tayong na-apprehend o mayroon na po ba tayong nahuli? Para saan po ito?

REP. DAZA. Mr. Speaker, the usual process is investigation, dialogue, case buildup—ganoon po iyong usual o normal process.

REP. CASTRO (F.L.). So, may mga areas na po ba tayong natukoy kaugnay dito sa mga problema natin ng squatting? Magbigay nga po kayo ng example, Mr. Speaker, Mr. Sponsor. May mga areas po ba tayong

mga natukoy na kung saan mayroon po itong tinatawag nating mga professional squatters?

REP. DAZA. I am sorry, Mr. Speaker, can my esteemed colleague repeat the query?

REP. CASTRO (F.L.). So, iyong tinutukoy po natin dito ay kung paano po, sa kongkreto, Mr. Speaker, Mr. Sponsor, iyong operationalization o pagpa-function nitong National Drive against Professional Squatters and Squatting Syndicates? Mayroon po tayong pondong P11,992,000, most of it goes to MOOE.

Sinabi natin kanina, at tinatanong ko nga at hindi rin maayos na nasagot, paano ba natin kino-consider iyong professional squatters na ginagamit sa negosyo iyong pabahay na tinatayo po ng NHA? Ganoon po ba iyon? Sa kongkreto po, paano po natin ito gagawin? Mayroon na po ba tayong nagawa dito previously?

REP. DAZA. Thank you, Mr. Speaker, there is an inter-agency committee composed of the LRA, PNP and DOJ officials and also from the Department. They undertake seminars, initiate dialogues with the LGUs, and then if there is enough evidence, proceed with the investigation with due diligence, and then, eventually, after the workup and if appropriate, cases are filed.

REP. CASTRO (F.L.). Okay. Siguro, hihintayin ko na lang iyong report doon sa sinasabi nating pag-determine ng professional squatters at kung paano natin iyon naso-solve.

Last na lang po, Mr. Speaker, Mr. Sponsor. Dito sa 4,781 na sinabi nating—medyo strike na ito—illegally occupied by KADAMAY kasi parang mas lalo nating minamaliit iyong ating mga vulnerable na mga mamamayan na ang gusto lang talaga ay magkaroon ng pabahay. So, puwede na ba nating i-strike off itong word na “illegal”? Tinanggap na nga natin sila at in fact, kinonsidera na ng Pangulo na bigyan sila ng pabahay. Masama man iyong naging pamamaraan pero ang intensiyon po ay magkaroon ng pabahay, kaya dapat po ay tanggalin na natin iyong sinasabi nating “illegally occupied.” Habang sinasabi pong “illegally occupied” iyan, ang feeling ng Kinatawan na ito ay iyong pagtulong ay hindi natin talaga puspusan na ibinibigay.

May mga natatanggap po kaming mga reports—alam po ba ninyo ang mga pabahay na ito, iyong Villa Elise, Padre Pio, Pandi Residences, Villa Luis at Atlantica? I-report ko lang po ito. Nakakaranas sila ng militarisasyon dito, nakakaranas sila ng tokhang, araw-araw ay kinakatok sila dito, iyong mga mahihirap na nag-occupy noong pabahay. Puwede po ba, Mr. Speaker, Mr. Sponsor, na tanggalin na natin iyong salitang “illegal”? Tinanggap naman na ng NHA at tinanggap na rin ng Pangulo na dapat sila ay bigyan ng pabahay.

REP. DAZA. Tama po iyon, Mr. Speaker, sang-ayon po kami doon. In fact, mayroong 700 na nabigyan ng mga units at hinihintay na lang po ng NHA ang mga documentary requirements.

REP. CASTRO (F.L.). Okay. Salamat po. Narinig ko na naman kanina kay Congresswoman Brosas, at ito lang po iyong gusto kong malinaw dito. So, sana tinitignan natin iyong vulnerable na mga mahihirap natin na talagang gagawa at gagawa iyan ng ano, na kakapit sila sa patalim, hindi ba? So, tingnan na lang natin sila na mga mamamayan natin na nangangailangan ng pabahay, okay po? Tanggalin na natin dito iyong mga salitang “illegally occupied.”

Salamat po, Mr. Speaker. Salamat po, distinguished Sponsor.

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, I move to suspend the consideration of the proposed budget of the Department of Human Settlements and Urban Development, including its attached agency and corporations.

I so move, Mr. Speaker.

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

SUSPENSION OF CONSIDERATION OF H.B. NO. 4228

REP. BONDOC. Mr. Speaker, I move that we suspend the consideration of House Bill No. 4228, as contained in Committee Report No. 8.

I so move, Mr. Speaker.

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

REP. BONDOC. Mr. Speaker, I move that we recognize Hon. Paolo “Pulong” Z. Duterte from the First District of Davao City for his manifestation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Paolo Duterte is recognized.

REP. DUTERTE. Thank you, Mr. Speaker.

Mr. Speaker, distinguished colleagues, last Tuesday, September 17, I had planned on interpellating our esteemed colleague who is sponsoring the budget of the Department of Tourism to seek clarification on certain issues and concerns regarding what is happening now

in that Department under the leadership of Secretary Bernadette Romulo-Puyat. I planned to ask some questions because it came to my attention that there have been several complaints regarding the management style of Secretary Romulo-Puyat in relation to the approval of contracts and projects in her Department. However, as part of the pre-Plenary conference between agencies of the Executive Department and the House of Representatives, our honorable Speaker deemed it prudent that these issues be threshed out directly with Secretary Romulo-Puyat. Hence, following the established procedure in the House, I sat down with the Speaker and Secretary Romulo-Puyat to discuss my concerns regarding her Department. I wanted to clarify these issues because I believe it is my right and sworn duty as a Member of this esteemed Chamber to ask questions and thus, interpellate any of my fellow legislators on the floor. I would be remiss in my duty as a Representative of the people of Davao City's First District if I turn a deaf ear to the complaints and grievances that have reached my office regarding the Department of Tourism.

After I had discussed my concerns with the Secretary, taas ako ni, Puyat—napupuyat na ako dito sa babae na ito—in the presence of our Speaker, I thought that was the last of it. Bilang paggalang sa ating Speaker, pumayag akong kausapin si Secretary Puyat. Ang buong akala ko ay maganda ang ikakabunga ng aming pag-uusap. Iyon pala ay mauuwi lang sa sumbungan at mga maling paratang laban sa akin, at alam ninyo na, my esteemed colleagues, kung kanino. Ito lamang po, Mr. Speaker. Ako po ay naniniwala na dapat na ipabatid natin sa lahat ang mga pangyayaring ito nang sa gayon ay malaman ng ating mga kababayan ang tunay niyang character at pag-uugali.

Maraming salamat po, Mr. Speaker at mga kasamahan ko dito sa Kongreso. Thank you.

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, we note the manifestation of our esteemed colleague from the First District of Davao City.

CONSIDERATION OF H.B. NO. 4228

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. BONDOC. With that, Mr. Speaker, I move that we resume the consideration of House Bill No. 4228, and that the Secretary General be directed to read only the title of the measure.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). 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 measure.

THE SECRETARY GENERAL. House Bill No. 4228, 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, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we resume consideration of House Bill No. 4228—of the Department of Human Settlements and Urban Development.

I so move, Mr. Speaker.

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

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Paul Ruiz Daza of the First District of Northern Samar, Vice Chairperson of the Committee on Appropriations.

THE DEPUTY SPEAKER (Rep. Pimentel). The Honorable Daza is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Carlos Isagani T. Zarate of BAYAN MUNA Party-List.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Carlos Zarate is recognized.

REP. ZARATE. Thank you, Mr. Speaker.

To the good Sponsor and the family of the DSHUD, good evening. Will the good Sponsor entertain some questions in clarification on the budget of the DSHUD?

REP. DAZA. Yes, I yield to the Gentleman, Mr. Speaker.

REP. ZARATE. Thank you, Mr. Sponsor. My concern is with the National Housing Authority. Can the staff show the PowerPoint presentation? Thank you.

(*PowerPoint Presentation*)

In the early 2000, the National Housing Authority or NHA contracted R-II Builders, Inc. for the Smokey Mountain rehabilitation project. I do not know if this project was fully completed but suddenly, R-II Builders filed a case against NHA. In 2004, the NHA surprisingly issued Memorandum No. 4714 to pay R-II Builders the amount of P1,752,491,731 for its supposed obligation to R-II Builders. Again, I am not sure if the rehabilitation project was actually completed by this contractor, the R-II Builders. I am not also sure why NHA is obligated to it, but, Mr. Sponsor, Mr. Speaker, let us presume that the obligation is valid.

According to the Commission on Audit, the NHA paid the following to R-II Builders: It deposited in escrow for R-II Builders, P250 million. Then in 2007, it paid via a check, P56,685,655; then, again, in 2007, another check worth P500 million; then, in March 17, 2009, another NHA check worth, again, P500 million; on November 4, 2009, another NHA check worth P150 million; and finally, in February 4, 2010, a NHA check worth P295,804 million, for a total of P1.752489700 billion. Based on the payments cited, Mr. Sponsor, the NHA has fully paid its supposed original obligation of P1.752 billion. However, on October 2, 2018, the National Housing Authority, again, issued Board Resolution No. 6441, which obligated itself to make an additional payment to R-II Builders in the amount of P1,122,416,969.92. Worse, other than that payment, it also conveyed to R-II Builders, Inc. an additional five hectares of the Vitas property in the port area near the Smokey Mountain, which could probably amount to another billion pesos or more. I am sure, Mr. Sponsor, Mr. Speaker, since the NHA recently issued this Resolution No. 6441, all the Board Members of the NHA studied all the documents related to the said obligations as well as the COA findings on R-II Builders, and they are very familiar with the data on this issue. In fact, I think because they are familiar with this, it is sufficient for them to answer questions during this budget deliberation; otherwise, if the NHA is not familiar with the issue, it would have not issued the said Board Resolution No. 6441.

So, my first question, Mr. Sponsor, Mr. Speaker, did the NHA, indeed, recently issued Resolution No. 6441, correct, Mr. Sponsor?

REP. DAZA. Yes, Mr. Speaker.

REP. ZARATE. Thank you for the answer, Mr. Speaker. As another background, on December 13, 2017, the COA Auditor Elma P. Reverente, declared that the NHA has fully paid its obligations with R-II Builders. Now, why is NHA paying an additional P1.122 billion when, as already declared by the COA, it has already fully paid all its obligations to R-II Builders?

REP. DAZA. The NHA is not paying and for this particular issue, an executive summary has been made and has been forwarded to the Office of the President for the President to make a decision on these cases related to the Smokey Mountain Project, but please allow me to note that all resolutions and actions taken by the NHA have been shared with the DOF, the DOJ and other agencies.

REP. ZARATE. I will go into that later, Mr. Sponsor. Then again, even if there is no payment made yet because it is just a resolution, the question still persists as to why did the Board issue such a resolution ordering a payment of an additional P1.122 billion when there was already a declaration by the COA that such had already been fully settled? In addition to that, five hectares of the Vitas property was even included in the payment.

So, magbabayad na ng additional P1.122 billion, may binigay pa na lupa sa contractor, sa R-II Builders, na five hectares. Kung ang five hectares na iyon ay pinagawan na lang ng low-cost housing para sa ating mga kababayan—ito iyong pinag-uusapan natin dito, Mr. Sponsor, na maraming mga kababayan natin ang walang bahay, walang lupa, but here again, we are giving this contractor, the R-II Builders, a five-hectare lot. According to the Home Guaranty Corporation, actually, the HGC is the owner of that Vitas property, the five hectares, and this has now been turned over to R-II Builders and in fact, is now being occupied by R-II Builders without paying any rent. So, the question, Mr. Sponsor, Mr. Speaker, did the Home Guaranty Corporation object to the conveyance of this Vitas property? Did they object?

REP. DAZA. Mr. Speaker, can you repeat the question? Who objected?

REP. ZARATE. The Home Guaranty Corporation when it was conveyed to R-II Builders. We learned that the Home Guaranty Corporation objected to giving this five-hectare property to R-II Builders. Is that correct, Mr. Sponsor, Mr. Speaker?

REP. DAZA. There was no objection from the HGC, Mr. Speaker.

REP. ZARATE. Are you sure of that, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Let me clarify, Mr. Speaker. Mr. Speaker, to clarify that, the HGC itself did not express any objection to the compromise agreement and I am quoting this from the Court of Appeals case. So, for clarification, the HGC did not object.

REP. ZARATE. So, for the record, you are saying that the HGC, the Home Guaranty Corporation, acceded to conveying their property, because it is owned by the HGC, to R-II Builders as part of this payment. Is that correct, Mr. Sponsor, Mr. Speaker?

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

REP. ZARATE. At least, that is now on the record. Now, the Office of the Government Corporate Council or OGCC, in fact, also objected to this additional payment or, at least, did not support the additional payment. Is that correct, Mr. Sponsor, Mr. Speaker?

REP. DAZA. The OGCC did not object, but gave the NHA and the HGC the authority to decide on the matter.

REP. ZARATE. Is that non-objection or acquiescence of the OGCC given in writing, Mr. Sponsor, Mr. Speaker?

REP. DAZA. That was the official opinion, Mr. Speaker, and we can furnish you copies of that official document.

REP. ZARATE. So, just kindly furnish this Representation and this Committee with a copy of the opinion coming from the OGCC, if there is one.

REP. DAZA. Yes, Mr. Speaker, we will furnish.

REP. ZARATE. Thank you, Mr. Sponsor, Mr. Speaker. You know, I am raising this issue because our urban poor, ang mga mahihirap po natin, has been suffering due to lack of housing facilities and always, ang sinasabi ng NHA, sinasabi dito sa Kapulungang ito sa panahon ng budget hearings, that they do not have or the NHA does not have sufficient funds for their housing needs.

So, for my last question, Mr. Sponsor, Mr. Speaker, noong pinagdebatihan, na-deliberate probably, ng NHA Board itong paglabas nila ng Resolution No. 6441, saan po ba naisip ng Board kukunin iyong pambayad? Maliban doon sa five-hectare Vitas property, saan po ba nila kukunin ito? If the NHA does not have sufficient funds for the housing needs of our poor people, where is it going to get the funds for the additional payment of P1.122 billion, Mr. Sponsor, Mr. Speaker?

REP. DAZA. The original plan was to pay cash or property, *dacion en pago*, and there were identified properties but, for the record, that has not been consummated. As I have mentioned earlier, all of these cases have been put on hold and forwarded to the Office of the President for final disposition.

REP. ZARATE. Thank you for that answer, Mr. Sponsor, Mr. Speaker. If it was not put on hold, ang ibig ho bang sabihin ay kukunin iyan dito sa ating pinagdedebatihang budget for 2020, or ipo-propose na kukunin ito sa General Appropriations Act, Mr. Sponsor, Mr. Speaker?

REP. DAZA. There was no discussion on the source of payment when that resolution was done.

REP. ZARATE. Thank you, Mr. Sponsor, Mr. Speaker. Lilinawin ko lang po. There was this resolution already approved by the NHA Board and included in that resolution is the supposed additional payment to R-II Builders to the tune of P1.122 billion despite the COA already saying that the NHA already previously paid P1.752 billion to R-II Builders. In this new resolution, iyon nga, may additional payment na P1.122 billion plus five hectares of the Vitas property, which payment the good Sponsor said and admitted that it was not objected to by the Home Guaranty Corporation. In fact, the five hectares was already conveyed to the R-II Builders. So, at least, malinaw iyan on the record.

Mr. Speaker, my dear colleagues, according to the documents we reviewed, according to the COA findings, in fact, all these agencies were on the side of the NHA during the filing of the case against R-II Builders for the additional payment. The NHA, I believe, this Representation believes, has the duty to fight for its funds dahil pinaghirapan nilang ipaglaban iyan dito sa Kongreso, sinasabi nila dito “dagdagan ninyo ang aming pondo para mabigyan namin ng tamang pabahay ang mga mahihirap.” Kung ganito ang nangyayari ngayon, bayad na tayo at hindi ko alam kung bakit after nagbayad tayo, ay maniningil at magbabayad tayo uli.

So, a compromise resolution that allows more than a billion pesos in additional payment is, to this Representation, really obscene, considering the dire needs of our poor for houses. Ito iyong pinag-uusapan natin ngayong gabi—bahay, bahay, bahay. We approved the budgets of agencies like the NHA and the least the Members of this Congress are expecting is that all these agencies, especially the lead agencies sa ating pabahay like the NHA, should fight tooth and nail for the funds given to them, especially the NHA, instead of them just meekly acquiescing to pay alleged creditors for the Smokey Mountain project or all other projects which, from the looks of them, have not even been completed. Ganoon lang po ang gusto nating ipunto dito.

We have very limited resources and in fact, next year, for our P4.1 trillion budget, mangungutang po tayo ng mahigit isang trilyon para punuan ang ating deficit for next year. Sino ang magpapasan nitong utang long after all the officials of this administration will no longer be here? Tayong mahihirap. Sa katunayan, napakaraming nakalinyang mga panukalang batas para

magdagdag ng buwis, magpapataw ng buwis, dahil sa lumolobo nating utang. Kaya muli, Mr. Sponsor, Mr. Speaker, I think the message I really want to say here is, maging mapanuri po tayo sa paggamit ng pondo ng bayan dahil ito ay pondo ng ating mga mamamayan.

Maraming salamat, Mr. Sponsor. Maraming salamat, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize Hon. Ferdinand R. Gaité from BAYAN MUNA Party-List.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Ferdinand Gaité is recognized.

REP. GAITE. Maraming salamat po, Mr. Speaker. Pahihintulutan ba ang Kinatawang ito na makapagbigay ng ilang katanungan hinggil sa budget ng DHSUD o Department of Human Settlements and Urban Development, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Yes, Mr. Speaker.

REP. GAITE. Bago po ako magsimula, bagong-bago ang ating Departamento, itanong ko lang kung may plano na ba kung saan lilipat ang bagong Departamento, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Doon po sa HLURB building sa Quezon City.

REP. GAITE. Ito po ba iyong bagong gusali sa Kalayaan Road corner Elliptical Road, Mr. Sponsor?

REP. DAZA. Opo, iyong nasa NHA compound.

REP. GAITE. Originally, dapat office ito ng HLURB, tama po ba?

REP. DAZA. Yes, Mr. Speaker.

REP. GAITE. Buti pa ang Department of Human Settlements and Urban Development ay may bahay na pero marami pa sa ating mamamayan ay wala pa ring tahanan. Sa mga nabanggit na ng mga naunang nag-interpellate, ang isang kalunos-lunos na kalagayan po ay ang usapin ng budget na inilalaan para sa ating programang pabahay at iyong housing and community development. In 2018, according to the NEP, ang Expenditure Program by Sector, from P8.779 billion ngayon, for Fiscal Year 2020 ay nasa P6.879 billion na lamang. Bumaba, Mr. Sponsor, Mr. Speaker. Tama po ba?

REP. DAZA. Tama po, Mr. Speaker, overall ay bumaba.

REP. GAITE. Maraming salamat po. Ito iyong mga nabanggit na ng mga naunang nag-interpellate. Nagtayo tayo ng bagong Departamento sa paniniwalang matutugunan at tutugunan ang problema sa pabahay. Kanina, nakikinig ako sa inyong pambungad at ang sabi po ninyo, Mr. Speaker, “We would like to fulfill the dream,” and the dream to come true ay ang pagkakaroon ng sariling pabahay. Our question is, how will we attain the objective of housing and urban development when we do not have the wherewithal or the resources to provide our Filipino families affordable and decent public mass housing for the poor. Napakatayog ng ating layunin ngunit hindi naman binibigyan ng sapat na rekurso para po sa pangangailangan ng panustos sa pagpapatayo ng mga pabahay, pagbibigay ng sapat na serbisyong panlipunan at gayundin, ang sapat na mga kawani at manggagawa sa ahensiyang ito para matugunan ang nakababahalang bilang ng mga mamamayang walang tahanan.

Ayon sa NEDA, by 2022, the backlog for housing would have reached 6.8 million. Accordingly, may kulang pa palang two million as of 2016 and by the end of the term of President Duterte, we would have a total of 8.8 million housing backlog according to the data that we were able to get. Tama po ba, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Tama po, Mr. Speaker.

REP. GAITE. Kanina po nakikinig rin ako sa production rate ng pabahay ng ating housing agencies, particularly ang National Housing Authority. Medyo nadismaya na naman ako kasi po ang una kong nabasa na target ay dapat umabot ng 250,000 units ang maitayong bahay kada taon. Nadismaya ako kasi ang sabi po ninyo, ang aktwal lang na nagagawa ay 136,000 houses per year. Tama po ba, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Tama po, Mr. Speaker, dahil po sa pagkukulang noong pondo na binigay sa NHA, iyon ang projection, 130,000, which is kulang po doon sa ideal number.

REP. GAITE. Salamat po, Mr. Sponsor, Mr. Speaker. Kung kaya’t sa susunod na tatlong taon, gamitin na natin ang target na 250,000 units per year, makakalikha lang ng 750,000. Nasa high-end na po itong ating pinag-uusapan—750,000. Sa low-end naman, 400,000 units in the next three years until 2022. That would only mean that, if we have a total of 8.8 million units as backlog by 2022, mababawasan lang ng 750,000, based on the target production pero 8 million pa rin ang magiging backlog ng pabahay. Tama po ba, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Tama po, Mr. Speaker.

REP. GAITE. Kung gayon, nakakadismaya nga ito kaya iyong mga nauna sa ating mga nag-interpellate ay pare-pareho ang reaksiyon. Nabanggit na si DHSUD Sec. Eduardo Del Rosario requested for a P48.8 billion budget for 2020, but was only given P6.29 billion or a mere 12.8 percent. Doon sa Philippine Development Plan for 2017 to 2020, sa target na binabanggit na mabubuong pabahay, napakaliit lang pala ng aktwal na nabubuo kung kaya't talagang for 2020, 101,000 housing units lang ang target, but with the budget given, 12,000 lang pala ang maitatayong pabahay. The NHA also asked for P35.5 billion at sabi nga na P3.2 billion lamang ang naibigay.

Ang Social Housing Finance Corporation ay humingi ng P10.12 billion pero P1.3 billion lamang ang ibinigay. Kung kaya't paano, maging sa ating imahinasyon, magagawa ng ating DHSUD, isa sa pinakabagong ahensiya ng gobyerno, how in heaven's name will we see the DHSUD fulfill its mandate when it is given such a meager budget for the housing of the Filipinos, the poor and the homeless, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Mr. Speaker, I appreciate the observations of my esteemed colleague, and I think that is really the crux of the problem which was highlighted in the Seventeenth Congress and that is why a law was created to form the new Department.

Allow me to share that the Sponsor is optimistic because for the following year, for example, the NHA has agreed, after consultation with its Board and other parties in the Department, to fast-track projects. Many of the functions that are centralized will now be given to the regions, including procurement and administrative work. Second, we believe, both for the public and the private sectors, with the establishment of the one-stop shop by the Department, this will be able to help the housing industry with its problem in processing permits. Allow me to add that with the new Anti-Red Tape Authority, Mr. Speaker, the usual two to three-year process for the relevant permits and clearances that the NHA and even the private developers have to encounter, we are optimistic that this process will be drastically cut down.

If we could show better performance within the Department on the production, Mr. Speaker, I believe that the DBM and the national government will budget, in future years, bigger amounts for the Department, the NHA and the SHFC. My appeal to my colleagues this evening is to really give a chance to the Department to do its mandate as approved, as passed by this very Congress, of which many of my colleagues who are here tonight were Members of. I think we all realize that there are many problems that the industry is facing, and

that is why I appreciate the many good comments of my colleagues tonight. I am appealing that we all work together to solve the many problems that the housing industry is facing today.

REP. GAITE. Maraming salamat po, Mr. Sponsor, Mr. Speaker. Tama po na isang napakalaking concern ang problema ng pabahay. Tama po na tulad noong iba nating tagapagsalita, ang ating problema sa trabaho na kaugnay sa pagkakaroon ng isang decent, affordable—hindi naman nating sinasabing libre pero affordable—na pabahay ay isang tungkulin, isang direksiyon na dapat tinatahak ng ating gobyerno. Narinig ko po na binanggit ninyo na ang ilang paraan para mapunuan ang kakulangan sa budget para sa pabahay ay ang pribatisasyon ng serbisyong pabahay.

Ayon sa Republic Act No. 11201, ito po ang batas ng DHSUD, Section 5, V (a), sa ilalim ng General Powers of the DHSUD, ay nakasaad:

(a) Enter into contracts, joint venture agreements or understanding, public-private partnerships, and memoranda of agreement or understanding, either domestic or foreign, under such terms and conditions as the Department may deem proper and reasonable subject to existing laws.

Ito ang isang malaking concern ng Kinatawang ito kasi nga po sa dami ng problema natin sa usapin ng pribatisasyon—pribatisasyon ng kuryente, pribatisasyon ng tubig, pribatisasyon ng tollways, pribatisasyon ng pagkain at ngayon, pati pabahay—hindi necessarily napupunuan ang kakulangan. Alam naman natin sa pribadong developers, ang kanilang pangunahing motivation ay hindi serbisyo, kung hindi tubo. Kung kaya't paano natin matitiyak na ang ating mga maralitang mamamayan na walang tahanan, na walang bubong sa kanilang bumbunan, paano nila maa-afford ang pabahay na ginawang komersyalisado para sa negosyo at lumalaki pa ng tubo? Ang masakit nito, batay sa nakuha naming datos, private developers have been enjoying incentives that make it easier for them to earn profits from socialized housing. Mayroong binabawas na 30 porsiyento sa kanilang taxable income, which form part of the profit of private companies, when the real estate project is negotiated as part of the socialized housing compliance under the UDHA Act or the Urban Development Housing Act of 1992. Paano natin mare-reconcile ang ganitong sitwasyon na totoo at inaamin ng ating kagalang-galang na Sponsor na kulang ang budget? Totoo ba na ang solusyon ay public-private partnership, privatization na mas malaki ang papel na ito ay hindi na gagawing serbisyo kundi para sa tubo ng pribadong mga kumpanya, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Mr. Speaker, privatization is different from public-private partnership. If in the judgment of the Department, or any agency for that matter, that the public-private partnership is for the benefit of the public, it has the right under the law to implement the PPP. I would like to remind my colleagues that we always have the right of oversight; and should this Department or any department not fulfill the mandate which is to help the poorest of the poor to do socialized housing, the House can always intervene through our right of oversight and investigation. Tama po iyon, nasa mandate nila. Ako po, ang hiling ko, let us give them a chance to find solutions sa mga problema po natin na hinaharap.

REP. GAITE. Maraming salamat po, Mr. Sponsor, Mr. Speaker. Ang ikinababahala ng Kinatawang ito ay iyon lumalaking bayarin mismo ng NHA sa mga private contractors sa pag-develop ng socialized housing. Ang ating naunang nag-interpellate, bago ako, ay si Congressman Zarate at nabanggit niya na may mga bayarin na, sa tingin nga, ay hindi dapat binayaran pero noong 2016, the NHA also paid more than P15 billion to private contractors involved in socialized housing. Ang ilan sa mga key players diyan ay itong mga real estate giants such as the Ayala Land Incorporation (ALI), the PHINMA Property Property Holdings Corporation, at iba pa. Sinabi rin ng ating former, now Secretary Eduardo Del Rosario, dating taga-HUDCC pero ngayon ay nasa DHSUD, na iyong current budget of the government housing and urban development—"The government alone cannot move to solve the housing backlog without forging a strategic partnership with private developers." So, lumalabas iyong pagpuno ay through Public-Private-Partnership ngunit iyong effectivity ng pagpuno ng kakulangan sa budget, naniniwala ang Kinatawang ito ay hindi sa kapakinabangan ng ating mga maralita na kung saan ang DHSUD at iba pang ahensiya nito ay dapat binibigyan ng prayoridad o atensiyon.

Ito iyong isang sitwasyon na iyong ating rekurso o resources para pagpapatayo ng mga pabahay ay kulang na kulang at sa kabila, ang isang napakahalagang elemento pa para sa pagbibigay ng serbisyong pabahay ay hindi lamang po iyong financial resources. Ang isa ho ring problema ay iyong ating human resources. Tama po ba na ang dalawang ahensiyang kasama sa key shelter agencies ng gobyerno, dalawa dito, iyong HUDCC at iyong HLURB, ay essentially merged now and form part of the new agency? Tama po ba Mr. Sponsor, Mr. Speaker?

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

REP. GAITE. Batay doon sa notes na nakuha namin, ang kailangan na bilang ng Departamento ay 1,500 employees, tama po ba Mr. Sponsor, Mr. Speaker?

REP. DAZA. Tama po, Mr. Speaker.

REP. GAITE. Papaano po iyan? Ang staffing po ng ating DHSUD is only 332 permanent items, of which 289 are currently filled. Ibig sabihin ba nito ay tatakbo ang DHSUD with only a fifth of its intended staffing? Papaano magagawa ng DHSUD kung one-fifth lang ng kanyang personnel requirement ang nandiyan sa bagong ahensiya?

I would believe that many of these employees now would be the previously incumbent employees under the HUDCC and HLURB. So, paano po sa aktwal na maisasakatuparan iyong plano ng 250,000 units a year ay wala pang one-fifth na empleyado na kailangan ng DHSUD, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Tama po iyon and I thank my colleague for highlighting that and that is really part of the appeal, that is, to augment the budget of the Department but the plan po is to hire over that transition period of two to three years. So, the Department will do its best when they start up, but there would be additional hiring over the next few years.

REP. GAITE. Iyon po ba ang tamang timeframe, Mr. Sponsor, in two to three years ay mapupunan na iyong 1,500 total requirements of the agency? Iyon ho ba ang plano para mapunuan iyong kakulangan, more or less, na 1,000 na staff para sa DHSUD, Mr. Sponsor, Mr. Speaker?

REP. DAZA. Tama po, Mr. Speaker, three years po iyong plano to fill up the 1,500 requirement.

REP. GAITE. Salamat po sa kasagutan, Mr. Sponsor, Mr. Speaker. Tanong po—contractual ho ba o regular iyong mga empleyado?

REP. DAZA. Regular plantilla po iyong 1,500.

REP. GAITE. Maraming salamat po. Tulad ng nabanggit ko, iyong organisasyon nga na pinanggalingan ko, iyong COURAGE, ang unyon na kasama po natin diyan iyong NHA-CUE, NHA Consolidated Union of Employees. Noong na-reorganize sila noong nakaraan, nadagdagan naman iyong bilang ng empleyadong regular na dating 1,000 ay naging 2,000 na yata sila ngayon. Marami sa kanila diyan, ang tawag sa kanila "emergency hires." Tama po, Mr. Sponsor?

REP. DAZA. Tama po, Mr. Speaker.

REP. GAITE. Noong tinanong namin kung gaano na sila katagal na-hire, iyong emergency hires, ang sabi nga nila, 10, 15, 20 years na emergency hire sila. Ang sabi ko ay hindi na po emergency iyon—iyon po ay ICU

na—iyon po obviously ay isang regular function but because of the limitation of positions and other problems related to the budget, nananatiling emergency ang mga empleyado na dapat sana ay ginawang regular na. Sana po iyong plano na magkaroon ng regular na posisyon within two or three years ay maisakatuparan para iyong objective ng DHSUD, gayon din, ay matupad.

Panghuli po. Sa ganitong budget ng DHSUD, malinaw na walang aasahan ang mamamayan na mas mabuting serbisyong pabahay dahil sa napakalaking gap between what should be and what is. Nagtayo nga ng department, underfunded naman, understaffed naman, at lalo pang magtutulak ito ng pribatisasyon bilang paraan ng pagbibigay ng serbisyong pabahay na kailangan na kailangan pa naman ng ating mga naghihirap na mamamayan. Kung ganoon, isa lang ang conclusion ng Kinatawang ito—hindi totoong prayoridad ng administrasyong ito ang pabahay para sa ating mamamayan.

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

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move to recognize Hon. Sarah I. Elago of KABATAAN Party-List.

THE DEPUTY SPEAKER (Rep. Pimentel). Hon. Sarah Elago is recognized.

REP. ELAGO. Thank you, Mr. Speaker, distinguished Sponsor. Magandang gabi ho sa lahat.

First, Mr. Speaker, I would like to reiterate my request for a copy of the terms of reference of the role of the Department of Human Settlements and Urban Development in the Manila Bay Task Force, na hindi pa po natatanggap iyan ng Representasyon ng KABATAAN. Pangalawa, Mr. Speaker, I asked the DHSUD for an intervention on the reported demolition of houses, mga karinderya and other structures na for livelihood in relation to the road clearing operations as directed in DILG Memorandum Order No. 2019-121.

REP. DAZA. Mr. Speaker, as to the first request, we would provide the document. On the second, the DHSUD is not the one in charge of those clearing operations. The order was given by the DILG to be implemented by the LGU, so hindi po iyong Department.

REP. ELAGO. Yes, Mr. Speaker. Iyan po ay sinabi na natin doon sa budget briefing, na iyong DSHUD, hindi lang po ito tungkol sa housing pero tungkol din po ito sa urban development at human settlements.

Naipabatid po ng Representasyon na ito na apektado ang mga bahay, ang mga istruktura para sa pangkabuhayan, iyong mga karinderya na nasira o kaya naman po ay nawasak kaugnay ng pagpapatupad po ng road clearing.

Oo, may inilabas po na paglilinaw ang DILG na hindi dapat ginagamit itong memorandum na ito para sa road widening, ngunit tayo na nga po ay nanawagan na sa DSHUD na sila mismo ay dapat nang mag-intervene, na gumawa ng mga intervention, dahil marami pong mga hindi naman dapat nasasagasaan ang nasagasaan na. Kaya muli ay nanawagan po ako sa DSHUD at nais nating marinig doon sa kanilang pamilya na titingnan po nila ito kung ano iyong maaaring magawa ng DSHUD hinggil sa issue na ito. Mr. Speaker, mayroon po tayong mga natalang ilang mga lugar kung saan nangyari na ito. Maaari ninyo pong tingnan ang nangyari sa Task Force Baclaran. Mayroon po diyan isang barangay na kung saan ang road clearing ay ginamit para wasakin ang ilang mga kabahayan. Nandiyan din po ang isang pangyayari sa Samar at sa La Union. Kaya isa po itong usapin na nararapat lamang na bigyan din ng aksyon ng DSHUD.

Pangalawa, Mr. Speaker, nakasaad po sa housing target sa Philippine Development Plan ng Duterte administration na isa sa mga problema nila ay iyong paghahanap ng lupa para sa pabahay at sa mga resettlement areas. Mr. Speaker, may we know from the distinguished Sponsor as to where are we now in terms of building an integrated land and informal settler families information system? What are the concrete measures and actions taken by the DSHUD in identifying the government's idle land assets that can be used for socialized housing? It also said in the intended plan or target of the Department that it will also relocate informal settlers using government properties, forfeited properties, and also those in the hazard areas, to incentivize people to move out of hazard-prone areas. So, nasaan na po tayo pagdating sa mga planong ito, Mr. Speaker, distinguished Sponsor?

REP. DAZA. Mr. Speaker, the Department, once operationalized, will work with LRA and other agencies, and the LGUs to identify idle government lands that are suitable for housing. What is mandated in the law is within two years. So, we thank the distinguished Lady for bringing that out and that is something that is already being planned and which should be completed within two years from 2020.

REP. ELAGO. Mr. Speaker, kinakailangan din at mahalaga po itong pag-aayos ng mga problema natin sa land acquisitions doon sa hinahangad ng ating mga kababayan na makakaranas ng relocation nasa sa loob ng siyudad ang kanilang resettlement area o kaya naman doon lang mismo sa site sa barangay or town kung saan

po sila nakatira, on-site or sa in-city na mga resettlement plans. Mr. Speaker, paano po ninyo wini-welcome o tinatrato ng DSHUD ang mga efforts ng ating mga kababayan na makakaranas ng mga nakaabang na demolisyon sa kanilang mga panukalang natagurian na People's Development Plan? Mayroon po bang mga mekanismo ang DHSUD tungkol doon—iyong mga tao, sila na mismo iyong gumawa ng kanilang makakaya, sila na mismo iyong gumawa ng mga pagsisikap para doon sa on-site at in-city resettlement na kanilang hinahangad?

REP. DAZA. Mr. Speaker, mayroon po tayong Resettlement Action Plan at iyong nabanggit po na on-site redevelopment, mayroon din iyong program through the Social Housing Finance Corporation. Tama po iyon, ang problema palagi is land acquisition and that is something that the NHA, the SHFC and the Department are finding ways to fast-track iyong mga land acquisitions through partnerships with the LGUs.

REP. ELAGO. Mr. Speaker, kapag iyong tao na mismo iyong gumawa ng paraan para mayroon silang lipatan, saan po sila maaaring lumapit sa DHSUD upang mapaabot ang kanilang plano, upang maiparating ang kanilang pinaghirapan? Kung sila ay nakipag-ugnayan sa mga pamantasan, sa mga arkitekto, sa mga inhinyero, sa mga iba pang propesyunal na nais tumulong para sila ay magkaroon ng makatao at disente na panirahan, saan po sila maaaring lumapit sa DHSUD?

REP. DAZA. Mr. Speaker, doon po sa Social Housing Finance Corporation through various programs like the Community Mortgage Program.

REP. ELAGO. Ang Representasyon po na ito ay handang maging tulay pagdating sa pagpapaabot ng mga ginawa na iyan na People's Development Plan para hindi naman masasayang iyong kanilang pagsisikap. Kung sa tingin nila, medyo mabagal iyong kinakaharap nila na mga proseso, mayroon na silang mga hinanda na mga plano sa kung paano sila makakatulong doon sa development plan ng isang local government unit and at the same time, mayroon din pong maayos na lilipatan sila kung kinakailangan talaga na sila ay malipat.

Nagpapasalamat din po tayo sa ibinigay na affirmation ng DHSUD na wala tayong kababayan na makakaranas ng demolition at pagpapalayas sa kanilang mga bahay ng walang tiyak na lugar para sa reloksiyon at sa kabuhayan, ngunit nais ko rin pong marinig kung mayroon ba tayo sa ngayon ng mekanismo para naman tulungan o bigyan po ng proteksiyon iyong karapatan at kapakanan ng mga bata sa tuwing magkakaroon po ng mga paglilipat sa mga bata. Karaniwan po, isang halimbawa diyan, kapag may relocation, sa buwan

ng Hunyo, katulad po nang sa isang pagkakataon na lumapit po sa amin sa bayan ng Parañaque ang isang community dahil nangyari po iyong relocation sa kanila noong June. Marami sa mga bata doon sa lugar ay mga nag-aaral, pagkatapos, iyong lilipatan nila ay mas mataas sa minimum fare iyong kanilang gagastusin. Mayroon po bang mga programa para tulungan naman iyong mga pamilya na mayroon pong mga bata na nag-aaral at maapektuhan ang kanilang pag-aaral?

Nandiyan din po iyong mga wala pang permanent na lilipatan pero mayroong transitional shelter. Mayroon po ba tayong mekanismo para naman tulungan na matiyak na sila ay magkakaroon ng maayos na kalusugan at hindi magkakasakit?

REP. DAZA. Mr. Speaker, before the transfer, the normal procedure is to coordinate with the DepEd and also with the DSWD pati iyong pag-transfer, at iyong mga vehicles, pino-provide nila ang mga service vehicles.

REP. ELAGO. Mr. Speaker, so, tayo po ay nakakakuha ngayon ng affirmation mula sa ating distinguished Sponsor at sa DHSUD na tuwing magkakaroon ng mga reloksiyon, kapag may mga communities tayo na kailangan talagang lumipat, mayroon tayong mekanismo na nandiyan para protektahan iyong mga bata sa kanilang pag-aaral, sa kanilang kalusugan, para sa kapakanan ng mga bata, at sila po ay may pangsuporta rin na pangkabuhayan.

Iyong mga kababayan po natin ay handa naman na makipagtulungan pagdating sa mga ganyan na usapin. Ang pinakamahalaga pong nakita ko na sangkap pagdating sa makatao at sa pagtitiyak ng pagtatanggol ng disente na panirahan ay iyong pag-uusap at iyong pagbibigay po ng oras din doon sa ating mga kababayan pagdating sa pagharap sa mga ganitong sitwasyon. Paalala lang po sa lahat, hindi lang sa Representasyon na ito, sa DHSUD at sa mga kapwa natin Mambabatas, ang DHSUD ay hindi lang tungkol sa pabahay kundi sa pagbubuo ng mga komunidad kung saan ang lahat po ay may pagkakataon para mapaunlad ang kanilang buhay at magkaroon ng magandang kinabukasan.

Maraming salamat, Mr. Speaker. Maraming salamat, distinguished Sponsor.

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, I move that we recognize the Minority Leader, Hon. Bienvenido M. Abante Jr. for his interpellation.

THE DEPUTY SPEAKER (Rep. Pimentel). Minority Leader Benny Abante is recognized.

REP. ABANTE. Thank you, Mr. Speaker, distinguished Sponsor.

The new Department of Human Settlements and Urban Development, with its attached agencies, has a gargantuan job and we know that their mandate is bigger than themselves, but the budget given to them appears to be miniscule, P5.672 billion total. If in the biblical story the young and small David defeated the giant Goliath, then I believe that this Department can also be like David. This Representation believes that their budget should be increased so that they can address the almost insurmountable problem of housing. As long as there is proper accountability and integrity in the use of the people's fund and their pro-poor advocacy, there is no problem that cannot be solved.

With this final statement, Mr. Speaker, may I now move, there being no more questions from the Minority, to terminate the period of interpellation and debate on the budget of the Department of Human Settlements and Urban Development and its attached agencies.

I so move, Mr. Speaker. *(Applause)*

THE DEPUTY SPEAKER (Rep. Pimentel). The Majority Leader is recognized.

REP. DELOS SANTOS. Mr. Speaker, on the part of the Majority, we join the Minority in the motion to terminate the period of interpellation and debate on the proposed budget of the Department of Human Settlements and Urban Development.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Pimentel). There is a joint motion to terminate the period of interpellation and debate on the proposed budget of the Department of Human Settlements and Urban Development, including its attached agencies. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

The period of interpellation and debate on the proposed budget of the Department of Human Settlements and Urban Development is hereby terminated.

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF H.B. NO. 4228

REP. DELOS SANTOS. Mr. Speaker, I move that we suspend the consideration of House Bill No. 4228. I so move, Mr. Speaker.

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

SUSPENSION OF SESSION

REP. DELOS SANTOS. Mr. Speaker, I move to suspend the session until one o'clock tomorrow afternoon.

THE DEPUTY SPEAKER (Rep. Pimentel). The session is suspended until 1:00 p.m. of September 20, 2019.

It was 9:44 p.m.

