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BUDGET BRIEFINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Appropriations	Briefing by the Philippine Charity Sweepstakes Office (PCSO) on its operational and financial performance, contribution to the government social programs, and plans for 2018	<p>The Committee, chaired by Rep. Karlo Alexei Nograles (1st District, Davao City), started hearing the budget presentations of different government agencies after the culmination of the briefings of the Development Budget Coordination Committee (DBCC) on the proposed National Expenditure Program (NEP) for fiscal year 2018.</p> <p>First in line was the PCSO, with General Manager Alexander Balutan presenting the agency's operational and financial performance, contribution to the government social programs, and plans for year 2018. Following are the highlights of Balutan's report:</p> <ul style="list-style-type: none"> • PCSO generated a total of P39.6 billion in revenues from its Lotto, Lotto Express, Small Town Lottery (STL), and Sweepstakes games in 2016 and P24.4 billion for the first half of 2017; • PCSO paid P25.5 billion in taxes to the national government from 2014 to 2017; • PCSO's allocations to the Charity Fund from 2014 to June 2017 included the amount of P5.27 billion as part of mandatory contributions (required by law), P26.16 billion for health-related programs and projects, and P888 million for other programs and projects. <p>Charity Fund allocation is 30% of PCSO's net receipts; the rest go to Prize Fund (55%) and Operating Fund (15%).</p> <p>Balutan discussed the PCSO's charity programs and services, which include:</p> <ul style="list-style-type: none"> • Individual Medical Assistance Program – provides medical assistance to indigent patients and victims of calamities and national emergencies; • Institutional Partnership Program – provides financial grants to orphanages, homes for the aged, and homes for street children; • Endowment Fund Program – provides financial grants to government hospitals; and • Ambulance Donation Program – grants ambulance units to local government units and qualified hospitals and institutions. <p>Rep. Nograles inquired what action the PCSO has taken to stop the use of STL as front for illegal gambling activities in some provinces.</p> <p>PCSO Chair Jose Jorge Corpuz said that the PCSO terminates the contract of authorized agent corporations (AACs) found to be engaged in illegal gambling activities and forfeits cash bond paid in favor of the government.</p> <p>Established primarily to counter illegal gambling such as <i>jueteng</i> in the provinces, Corpuz said the PCSO expects that STL will become its major source of revenue, citing an aggressive revenue target of P36.6 billion for 2017 and P50 billion for 2018.</p>

<p>Continuation... Appropriations</p>		<p>On the query of Baguio City Rep. Mark Go, Balutan said that the House members' proposals on specific programs and projects that will be funded by the PCSO were already submitted to the PCSO through the Committee on Games and Amusements.</p> <p>Rep. Celso Lobregat (1st District, Zamboanga City) manifested that the financial assistance given by the PCSO to congressional districts be downloaded directly to the hospitals.</p> <p>Majority of the Members called on PCSO to establish more branches in other parts of the country so that people seeking medical assistance from the agency will not have to travel far.</p> <p>The PCSO promised to study the requests of the House Members including the provision of ambulance units in their respective districts and promised to submit the necessary documents requested.</p>
	<p>Briefing by the Philippine Amusement and Gaming Corporation (PAGCOR) on the agency's major accomplishments, contributions to nation-building, and plans and programs for 2018</p>	<p>The Committee listened to the briefing conducted by PAGCOR officials on the agency's operational and financial performance, contribution to the government's social programs, and plans and programs for 2018.</p> <p>PAGCOR Assistant Vice President for Corporate Communications Carmelita Valdez presented PAGCOR's major plans and programs for 2018, which include the following:</p> <ul style="list-style-type: none"> • Increase the agency's gross gaming revenues and contributions to the government coffers and to nation-building; • Improve products, services and operational efficiency; • Support major health programs and other priorities; and • Promote responsible gaming. <p>PAGCOR Assistant Vice President for Accounting Sharon Quintanilla presented PAGCOR's accomplishments for 2016 and for the 1st semester of 2017, as follows:</p> <ul style="list-style-type: none"> • PAGCOR's total income for 2016 increased to P55.06 billion from P47.21 billion in 2015, which enabled the agency to remit P37.54 billion to the government as its contribution to nation-building; • For the first half of 2017, PAGCOR generated a gross income of P29.84 billion, of which P20.03 billion was remitted to the government; • Total tax payments for 2016 reached P8.16 billion; and • Cash dividends remitted amounted to P1.18 billion also for CY 2016. <p>PAGCOR Assistant Vice President for Community Relations and Services Arnaldo "Arnel" Ignacio reported on other significant accomplishments of the agency, as follows:</p> <ul style="list-style-type: none"> • Completed the construction of 5,146 classrooms; 1,506 classrooms under construction; 73 classrooms under procurement process; and 203 classrooms for program of work preparation; • Allotted P50 million for public school feeding programs nationwide benefitting more than 7,500 students; • Provided P16.99 million cash incentives to Filipino athletes (and their coaches) who won in international competitions; • Allocated P22.4 million for the Pamaskong Handog Project benefitting 13,000 underprivileged individuals nationwide; and • Conducted relief operations and provided financial assistance to calamity stricken areas. <p>Asked by Iligan City Rep. Frederick Siao on the status of PAGCOR's School Building Project, PAGCOR Chair Andrea Domingo explained that the funding for the program was discontinued in line with the</p>

Continuation... Appropriations		<p>directive of President Rodrigo Duterte to focus on health programs for the poor. Another reason, Domingo said, was the Department of Education's (DepEd) stand not to use gambling-sourced money to fund school building projects. Domingo, nevertheless, said that PAGCOR may still finance the repair and rehabilitation of dilapidated school facilities as part of its socio-civic initiatives.</p> <p>Responding to the query of BAGONG HENERASYON Party-List Rep. Bernadette Herrera-Dy on what PAGCOR is doing to address gambling addiction, Domingo said that the agency has programs that encourage responsible gaming; has intensified its campaign against the holding of gambling activities near schools and churches; and has put emphasis on promoting casinos and other gambling sites for tourism purposes.</p>
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COMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Agrarian Reform	HB 5085	Rep. Baguilat	Regulating the establishment and implementation of agribusiness venture arrangements (AVAs) in agrarian reform lands	The Committee, chaired by Rep. Rene Relampagos (1st District, Bohol), will deliberate further on the two measures in another meeting.
	HR 919	Rep. Casilao	Inquiry into the impact of AVAs in the country, in light of the mounting demand of agrarian reform beneficiaries (ARBs), farmers and agricultural workers for its revocation	<p>Ifugao Rep. Teddy Brawner Baguilat Jr., author of HB 5085, said that his bill seeks to institutionalize the establishment and implementation of agribusiness venture arrangements (AVAs) to promote productive and collaborative ventures between the private sector and the agrarian reform beneficiaries (ARBs), transform the latter into farmer-entrepreneurs, and to maximize distributed agrarian lands without compromising the farmers' tenurial rights.</p> <p>AVAs refer to the entrepreneurial collaboration between the ARBs and private investors in the implementation of an agriculturally-related business venture involving lands distributed under the Comprehensive Agrarian Reform Program (CARP).</p> <p>On the other hand, ANAKPAWIS Party-List Rep. Ariel "Ka Ayik" Casilao, principal author of HR 919, underscored the need to review the policy on AVAs considering that a lot of ARBs and agricultural workers who have entered into AVAs lost their lands to the private investors as payment for their mounting debts. Saying that AVAs undermine the ARBs' rights to the awarded land under the CARP, Rep. Casilao called on the government to revoke all existing AVAs and focus on extending more support to the ARBs.</p> <p>Rep. Relampagos pointed out that while AVAs are intended to promote the welfare of the ARBs through productive and collaborative ventures with investors, it is imperative that the ARBs are protected from onerous agreements they enter into.</p>

Continuation... Agrarian Reform				<p>DAR Undersecretary Luis Meinrado Pangulayan disclosed that the Department is currently reviewing its administrative orders (AOs) governing AVAs. While the review is ongoing, DAR Secretary Rafael Mariano has suspended first the implementation of DAR AO No. 4 series of 2016, which provides for the rules on AVAs.</p> <p>Land Bank of the Philippines (LBP) Senior Vice President Alex Lorayes interposed no objection to the measures but made several recommendations, among which are: AVAs should not exceed the duration of the agricultural activity to be undertaken on the land; lease rental should at least be 25% of the average normal harvest, and the ARBs should retain ownership of the land.</p> <p>Representatives from the Cooperatives Development Authority (CDA), Land Registration Authority (LRA), Department of Justice (DOJ), <i>Bangko Sentral ng Pilipinas</i> (BSP), and National Irrigation Administration (NIA) expressed support for the measures.</p> <p>Also supportive of the measures were representatives from non-government organizations (NGOs) and civil society organizations (CSOs) present during the meeting. Farmer-representatives specifically registered their opposition to AVAs, lamenting that contracts under this scheme are often one-sided in favor of the investors.</p> <p>Pilipino Banana Growers and Exporters Association Inc. (PBGEA) Legal Counsel Charmian Gloria objected to the measures saying they are not necessary and will not foster better relations between the ARBs and investors.</p>
Aquaculture and Fisheries Resources	Draft Substitute Bill to HBs 2178 & 4015	Reps. Santos-Recto and Romero	Establishing the National Mariculture Program, and providing funds therefor	<p>The Committee, chaired by Rep. Luis "JonJon" Ferrer IV (6th District, Cavite), approved the Substitute Bill to HBs 2178 and 4015 subject to style and amendment.</p> <p>The bill shall be referred to the Committee on Appropriations for review of its funding provision.</p>
	HBs 1410 & 1411	Rep. Amante	Establishing fish ports in the Municipality of Buenavista and in the City of Cabadbaran, Province of Agusan del Norte, and appropriating funds therefor	<p>The Committee approved HBs 1410 and 1411 subject to style and amendment.</p> <p>The bills shall be referred to the Committee on Appropriations for review of their funding provisions.</p>
	HBs 1961, 1962, 3554, 3576, 4455, 4461 & 4680	Reps. Suansing (E.), Bravo (M.V.), Dalipe, Tupas, and Veloso	Establishing fish breeding farms and hatcheries in the City of Zamboanga and in the Provinces of Nueva Ecija, Masbate, Iloilo, and Leyte and appropriating funds therefor	<p>The Committee approved the 12 bills subject to style and amendment.</p> <p>The bills shall be referred to the Committee on Appropriations for review of their funding provisions.</p>

Ecology	HBs 142, 540 & 1528	Reps. Acosta-Alba, Yap (V.), and Gonzales (A.)	Providing for a comprehensive hazardous and radioactive wastes management and providing penalties for violations thereof	The Committee, chaired by Rep. Estrellita Suansing (1st District, Nueva Ecija), agreed to create a technical working group (TWG) to consolidate the six bills and deliberate further on the issues raised during the meeting.
	HB 2964	Rep. Macapagal-Arroyo	Prohibiting the disposal of electronic equipment at solid waste management facilities	Representatives from the Philippine Nuclear Research Institute (PNRI) and National Solid Waste Management Commission (NSWMC) expressed their full support for the measures.
	HB 3610	Rep. Lanete	Adopting an electrical and electronic equipment waste disposal program, establishing a mechanism therefor	On the other hand, Energy Development Corporation and Mother Earth Foundation Inc. signified their support for the bills specifically promoting an electronic waste management or disposal program.
	HB 5901	Rep. De Jesus	Promoting the environmentally sound management of e-waste in the Philippines	<p>On the query of 1-PACMAN Party-List Rep. Enrico Pineda about the system of collecting radioactive wastes, PNRI Senior Science Research Specialist Alfonso Singayan explained that the PNRI abides by the protocols set forth by the International Atomic Energy Agency (IAEA). He added that licensed operators deliver radioactive wastes to PNRI in specialized containers.</p> <p>IAEA is the world's central intergovernmental forum for scientific and technical cooperation in the nuclear field.</p> <p>Meanwhile, Marinduque Rep. Lord Allan Jay Velasco inquired about PNRI's waste storage capacity.</p> <p>PNRI Senior Science Research Specialist Editha Marcelo replied that the Institute's storage facility can accommodate more than a thousand drums of radioactive wastes. At present, only a total of 350 drums are stored in PNRI's facility since 1960s. Marcelo explained that the country only accumulates radioactive wastes of 2 to 3 drums per year.</p> <p>Rep. Suansing expressed concern that the PNRI may not be fully equipped to effectively collect and store radioactive wastes in the country.</p> <p>Representatives from PNRI admitted that the Institute has organizational, financial and personnel deficiencies.</p>
HB 4287	Rep. De Jesus	Prohibiting waste dumping and strengthening the existing system of waste control and management in the country, thereby amending Sections 4 (b), 13, 14 (a) (i) and 15 of RA 6969 or the Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990	The Committee will deliberate further on the two measures in its next meeting.	
HR 377	Rep. De Jesus	Inquiry into the increasing quantity of imported toxic and hazardous electronic waste in the country as permitted by the Department of Environment and Natural Resources (DENR) through DENR	<p>BAYAN MUNA Party-List Rep. Carlos Isagani Zarate, co-author of HR 377, expressed concern about the continued stay in the country of the container vans containing household and hospital wastes from Canada which were illegally shipped to the Philippines.</p> <p>Rep. Zarate stressed that DAO 2013-22, which allows importation of recyclable materials and hazardous wastes from other countries, has been abused.</p>	

Continuation... Ecology			<p>Administrative Order (DAO) 2013-22, and recommending measures that would impose stiffer penalty on illegal importation, and ensure proper handling, disposal and recycling of electronic waste</p>	<p>Sonia Mendoza, Chairperson of Mother Earth, agreed with Rep. Zarate adding that developed countries have been dumping their wastes into developing countries, like the Philippines, passing off the shipments as recyclable materials.</p> <p>Rep. Horacio Suansing Jr. (2nd District, Sultan Kudarat) urged the civil society and other non-government organizations to remain vigilant in detecting these violations to protect the interest of the country.</p> <p>Engr. Geri Sañez, chief of the Hazardous Waste Management Section of the Environmental Management Bureau (EMB), informed the Committee that a criminal case has already been filed against the importers of said waste materials from Canada.</p> <p>At the same time, Sañez disclosed that the Department of Justice (DOJ), in coordination with the Department of Foreign Affairs (DFA), is currently finding a diplomatic solution to the issue.</p> <p>Rep. Pineda called for the immediate solution to this problem as these waste materials may pose danger to the environment and to the health of the people.</p> <p>The Bureau of Customs (BOC) was requested to submit to the Committee a report on the contents of the waste containers from Canada as per their initial inspection, while the DENR was asked to provide a list of authorized importations of used batteries and other electronic equipment for the last three years.</p> <p>The Secretariat was also directed to invite key resource persons from the DOJ and the DFA in its next meeting.</p>
Labor and Employment	HBs 4706 & 5482	Reps. Vargas and Herrera-Dy	<p>Establishing a Labor Empowerment Assistance Program, amending PD 442, as amended, otherwise known as the Labor Code of the Philippines, appropriating funds therefor</p>	<p>The Committee, chaired by Rep. Randolph Ting (3rd District, Cagayan), agreed to create a technical working group (TWG) to consolidate HBs 4706 and 5482.</p> <p>The TWG will be chaired by Rep. Jose Christopher Belmonte (6th District, Quezon City).</p> <p>The bills seek to establish a Labor Empowerment Assistance Program (LEAP) which shall serve as a three-month bridging program for workers in between job periods and linked to the Technical Education and Skills Development Authority's (TESDA) skills training or upgrading during the workers' unemployment period.</p> <p>BAGONG HENERASYON Party-List Rep. Bernadette Herrera-Dy, author of HB 5482, underscored the importance of matching the skills of workers with the requirements of employers especially in light of the present</p>

Continuation... Labor and Employment				<p>administration's resolve to put an end to contractualization.</p> <p>Department of Labor and Employment's (DOLE) Bureau of Local Employment Director Dominique Tutay and Trade Union Congress of the Philippines (TUCP) Vice President Arthur Juego manifested their support for the bills.</p>
	HB 4363	Rep. Vargas	Providing financial literacy and entrepreneurship programs for workers	<p>The Committee agreed to create a TWG to fine-tune HB 4363.</p> <p>The TWG will be chaired by Rep. Raymond Democrito Mendoza (Party-List, TUCP).</p> <p>The bill mandates the DOLE to provide financial assistance to deserving worker-entrepreneurs to assist them in launching their small and medium enterprises, as well as to eligible entities (or employers) that will offer financial literacy and entrepreneurship programs to the worker-entrepreneurs.</p> <p>Department of Trade and Industry's (DTI) Bureau of Small and Medium Enterprise Development (BSMED) OIC-Assistant Director Alicia Opeña expressed DTI's support for the bill and its willingness to work with DOLE in designing the financial literacy and entrepreneurship program.</p> <p>People Management Association of the Philippines (PMAP) representative Noel Balsicas suggested that the bill be harmonized with existing laws that promote the development of micro, small and medium enterprises (MSMEs).</p>
	HBs 675 & 2229	Reps Aglipay-Villar and Revilla	Expanding the prohibited acts of discrimination against women on account of sex, amending for the purpose Articles 135 and 137 of PD 442, as amended	<p>The Committee agreed to create a TWG to consolidate HBs 675 and 2229.</p> <p>The TWG will be chaired by Dinagat Islands Rep. Kaka Bag-ao.</p> <p>Asked by Rep. Julieta Cortuna (Party-List, A TEACHER) if there were complaints filed with DOLE involving discrimination of women in the workplace, DOLE's Bureau of Workers with Special Concerns Director Ahmma Charisma Satumba replied in the negative, saying that DOLE imposes stringent policies against discrimination of women.</p> <p>Rep. Yedda Marie Romualdez (1st District, Leyte) inquired if the bills cover pre-employment rights of women.</p> <p>DIWA Party-List Rep. Emmeline Aglipay-Villar, author of HB 675, replied that the mandate of DOLE covers only cases involving employer-employee relationship and therefore it has no jurisdiction over pre-employment cases.</p> <p>Rep. Mendoza, however, clarified that the Labor Code has provisions governing pre-employment activities in which DOLE has a responsibility.</p>

National Defense and Security	HB 429	Rep. Macapagal-Arroyo	Adjusting the collateral entitlement of uniformed members of the Armed Forces of the Philippines (AFP) who are directly engaged in actual combat against members of the different national security threat groups	<p>The Committee, chaired by Rep. Amado Espino Jr. (5th District, Pangasinan), agreed to create a technical working group (TWG) to deliberate further on the four bills.</p> <p>Meanwhile, AFP Deputy Chief of Staff for Personnel Arnel Duco gave a briefing on the past and current salaries and allowances received by AFP officers and enlisted personnel.</p> <p>Duco also showed the monthly “provisional allowance” of AFP officers and men and the “officers’ allowance” of AFP officers provided for under Executive Order 201, series of 2016. EO 201 modified the salary schedule for civilian government personnel and authorized the grant of additional benefits for both civilian and military and uniformed personnel.</p> <p>MAGDALO Party-List Rep. Gary Alejano explained that instead of an increase in the base pay of military and uniformed personnel, EO 201 granted them a monthly provisional allowance. He added that any increase in the base pay will also correspond to an increase in the pension of AFP retirees, which will require a huge budget.</p> <p>Department of Budget and Management’s (DBM) Bureau D Assistant Director Evelyn Peralta informed the Committee that upon the instruction of the President, the DBM has submitted to the Office of the President (OP) its recommendation for the increase in the base pay of uniformed personnel.</p> <p>When asked by Rep. Espino to explain the details of DBM’s recommendation, Peralta begged off saying that the DBM’s Organization, Position Classification and Compensation Bureau (OPCCB), which drafted this recommendation, is in a better position to discuss the matter.</p> <p>The resource persons present during the meeting were requested to submit their respective position papers on the four bills.</p>
	HB 1490	Rep. Abayon	Providing for an automatic pay increase to any member of the AFP who is deployed away from the member’s permanent station, or in the case of a member of a reserve component of the armed forces, the member’s home of record, once the deployment period exceeds 180 days of continuous duty	
	HB 5532	Rep. Romero	Increasing the longevity pay of all officers and enlisted men of the AFP, providing additional payment for their substantive duties and responsibilities	
	HB 5592	Rep. Espino	Increasing the quarters allowance of officers and enlisted personnel of the AFP	
Transportation	HBs 4085, 4669, 4891 & 6009	Reps. Bernos, Castelo, Batocabe, and Nograles (J.)	Regulating the transportation network vehicle service (TNVS), imposing and authorizing fees, providing penalties for violations thereof	<p>The Committee, chaired by Catanduanes Rep. Cesar Sarmiento, agreed to create a technical working group (TWG) to consolidate the eight measures.</p> <p>Rep. Sarmiento underscored the need to regulate the operations of TNCs and TNVS as a new mode of public transportation.</p> <p>Reps. Joseph Sto. Niño Bernos (Lone District, Abra), Winston "Winnie" Castelo (2nd District, Quezon City), and Jericho Jonas Nograles (Party-List, PBA), authors of HBs 4085, 4669 and 6009, respectively, said that their bills aim to create a regulatory framework for TNCs and TNVS to prevent unfair practices by unscrupulous service providers, and to promote and protect the safety and welfare of the riding public.</p>
	HR 403	Rep. Agarao	Investigation into the operations of the existing transportation network companies (TNCs) (Uber, Grab and U-Hop), particularly the legality of their existence, safety of transporting passengers, abuses committed by their accredited TNVS and their liabilities, and most importantly, the absence of congressional franchise as a significant prerequisite for their operations	
	HR 573	Rep. Panganiban	Investigation into the accreditation given by the Land Transportation Franchising and Regulatory Board (LTFRB) to TNCs and the operations of Uber, Grab and U-Hop	

Continuation... Transportation	HR 1140	Rep. Antonio	Inquiry on the process being followed by the LTFRB in granting franchises to TNVS providers	AKO BICOL Party-List Rep. Rodel Batocabe, author of HB 4891, said that his bill requires TNCs to acquire franchise from Congress and for LTFRB to regulate the fare imposed by these TNCs.
	HR 1151	Rep. Sarmiento (E.)	Inquiry into the appropriate regulatory framework for TNCs and TNVS	<p>Asked by Rep. Sarmiento on the current policy of the LTFRB concerning this on-line enabled transportation service pending the enactment of a regulatory law, LTFRB Chair Martin Delgra III said that the TNCs and TNVS will still be allowed to operate in accordance with the Department of Transportation's (DOTr) Department Order 2015-011. To be sure, he said the importance of this app-based ride-sharing system as a means to improve mobility is recognized, but it needs to be regulated to address the issues of accountability and dynamic pricing, also known as fare surging.</p> <p>Rep. Vicente "Ching" Veloso (3rd District, Leyte) likewise said that TNVS and TNCs are considered public utility companies and therefore should be required to secure a legislative franchise. A mere accreditation by the LTFRB at this point cannot be used by TNCs as basis for public conveyance.</p> <p>AKO BICOL Party-List Rep. Alfredo Garbin Jr. inquired on the liability of TNCs and TNVS to passengers should accidents occur. Uber Philippines' Government Relations and Public Policy Head Yves Gonzalez said that passengers of Uber are covered by insurance. He added that Uber is ready to provide the necessary support and assistance to passengers in case of accidents involving its vehicles.</p> <p>The Securities and Exchange Commission (SEC) was requested to submit data pertaining to these TNCs' capitalization. On the other hand, resource persons from the government side and from various transport groups were requested to submit their respective position papers on the measures.</p>
Ways and Means	<i>Motu Proprio</i> Investigation		Investigation into the alleged smuggling of high grade "Shabu" through the express lane of the Bureau of Customs (BOC) which was consequently seized by the Bureau's agents together with the National Bureau of Investigation (NBI)	<p>The Committee, chaired by Quirino Rep. Dakila Carlo Cua, will deliberate further on the circumstances surrounding the smuggling of P6.4 billion worth of shabu by the EMT Trading.</p> <p>At the outset, Rep. Cua emphasized that aside from trade facilitation and revenue collection, it is incumbent upon the BOC to protect and secure the country against the entry of prohibited products, especially illegal drugs. Deputy Speaker Sharon Garin (Party-List, AAMBIS-OWA) agreed, adding that the BOC should have an efficient risk management system in place.</p> <p>Rep. Cua went on to say that the inquiry intends to achieve the following objectives:</p>

<p>Continuation... Ways and Means</p>				<ul style="list-style-type: none"> • To rectify the erroneous restructuring in the BOC that in effect nullifies the process of check and balance; • To harmonize the Customs Administrative Orders (CAOs) and Customs Memorandum Orders (CMOs) issued by the BOC with the provisions of RA 10863, or the Customs Modernization and Tariff Act (CMTA); and • To recommend the prosecution in court of those who violate the CMTA and of BOC officials and employees involved in the recent smuggling of a huge volume of shabu, which were seized by government operatives in a warehouse in Valenzuela City. <p>BOC Commissioner Nicanor Faeldon was again peppered with questions as to how the shabu shipment consigned to EMT Trading escaped the attention of customs officials and why it was routed to the green lane or express lane.</p> <p>Faeldon explained that the Bureau's Risk Management Office (RMO) failed to input in its selectivity system key information – EMT being a new importer and a sole proprietor – that could have required the shipment to pass through the “red lane” for physical inspection or x-ray examination. Because of the lack of such information, Faeldon said that the system routed this particular shipment to the “green lane” allowing the immediate release of the shipment.</p> <p>BOC Deputy Commissioner Gerardo Gambala rejected the suggestion that BOC's selectivity system might have been automatically or deliberately set to yield green, adding that shipments routed to the green lane still go through a random inspection process.</p> <p>Speaker Pantaleon "Bebot" Alvarez (1st District, Davao del Norte) chided Faeldon for creating a Command Center in BOC without an administrative order coming from the Department of Finance (DOF). This, according to the Speaker, is illegal. The Command Center under the present setup has the sole authority to issue alert orders that would allow the inspection of questionable shipments.</p> <p>Sought to comment on the accusations that he failed to encode vital parameters in the BOC's system that would have routed the illegal shipment to the red lane, BOC RMO Chief Larribert Hilario denied that he was remiss in his duties. He narrated that upon observing that there was something wrong with the valuation and the value added tax (VAT) paid on several shipments, including the shabu shipment consigned to the EMT, he promptly informed the Command Center and</p>
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<p>Continuation... Ways and Means</p>				<p>recommended to Director Milo Maestrecampo, chief of the BOC Import Assessment Services (IAS), that an alert be issued on the subject EMT shipment.</p> <p>Maestrecampo, however, claimed he could not have issued an alert order because the value of the shipment uploaded by EMT's customs broker Teejay Marcellana was below the value that could trigger a red flag.</p> <p>Majority Leader Rodolfo Fariñas (1st District, Ilocos Norte) was wondering why those behind the smuggling did not claim the drugs shortly after the cargo was released on May 23. He also questioned the alleged request of the Chinese customs authority to allow the team of Col. Neil Anthony Estrella, chief of BOC's Customs Intelligence and Investigation Service (CIIS), to "protect" the warehouse owner identified as Richard Chen when the latter should have been considered as a suspect.</p> <p>Estrella said that drug syndicates usually wait for a while to make sure that they are not pursued by the authorities. But, in this case, he said that his group was able to seize the contraband before the drug syndicate could bring them out of the warehouse.</p> <p>On the query of Deputy Speaker Romero "Miro" Quimbo (2nd District, Marikina City), customs broker/middleman Mark Ruben Taguba II admitted giving his contacts in the BOC P27,000 per container for the release of shipment he handles, including that of the EMT Trading. Taguba sought for legislative immunity, which the Members were inclined to grant provided he will reveal the names of his contacts in the Bureau.</p> <p>Meanwhile, Deputy Speaker Fredenil "Fred" Castro (2nd District, Capiz) and several other House Members pressed Faeldon to name the 10 legislators who allegedly tried to influence the BOC's board of promotions to consider their recommendees, as revealed during his media interview.</p> <p>However, Faeldon refused to disclose the names, and instead simply extended his apologies. But, should an official investigation or executive meeting on the matter be conducted, Faeldon said he would be willing to reveal the names of the concerned lawmakers.</p> <p>Minority Leader Danilo Suarez (3rd District, Quezon) urged the DOF to fully implement the provisions of RA 9335 or the Attrition Act of 2005, which provides for a system of reward and punishment for BOC and BIR officials, depending on their performance.</p> <p>The Committee directed the NBI to obtain the affidavits of the driver and helper of the</p>
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Continuation... Ways and Means				<p>trucking service that delivered the container with shabu to the warehouse in Valenzuela City owned by Richard Chen; and to meticulously examine the circumstances of Kenneth Dong, the suspected ultimate recipient of the shipment.</p> <p>The Committee likewise instructed the BOC to submit the following:</p> <ul style="list-style-type: none"> • Names and designation of those who comprise the BOC Command Center and its legal team; • Names of RMO personnel when Hilario was acting head thereof; • Total number of containers involved in the 652 import entries filed by EMT; • Names and profiles of consignees serviced by Marcellana; and • The 201 Files of several technical assistants appointed to the BOC.
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COMMITTEE MEETING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Special Committee on Bases Conversion jt. w/ Ad Hoc Committee on the North and Central Luzon Familiarization and Inspection Trip	Inquiry into the conflicting provisions of RA 7227, otherwise known as the Bases Conversion and Development Act of 1992, and EO 340, reorganizing the Board of Directors of the Subic Bay Metropolitan Authority (SBMA) and defining the powers, functions and duties of the chairman of the Board of Directors and the SBMA administrator	<p>The Special Committee on Bases Conversion, chaired by Pasay City Rep. Emi Calixto-Rubiano, and the Ad Hoc Committee on the North and Central Luzon Familiarization and Inspection Trip, chaired by Speaker Pantaleon "Bebot" Alvarez (1st District, Davao del Norte), terminated the joint inquiry into the purported conflicting provisions of RA 7227 and EO 340.</p> <p>Senior Deputy Executive Secretary Menardo Guevarra reported that the Office of the Executive Secretary already recommended to the President the repeal of EO 340. He explained that EO 340 contradicts RA 7227.</p> <p>The issue at hand pertains to the legality of EO 430, issued by then President now Rep. Gloria Macapagal-Arroyo (2nd District, Pampanga) in August 2004, which separated the powers and duties of the SBMA administrator and chairman. EO 340 supposedly contradicts RA 7227 which is clear that there is only one position for the SBMA chair and administrator.</p> <p>The Committee asked SBMA Chair Martin Diño and SBMA Administrator and Chief Executive Officer (CEO) Wilma Eisma to respect the status quo, pending the decision of the Office of the President on the proposal to repeal EO 340.</p>

TECHNICAL WORKING GROUP MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Government Reorganization jt. w/ Science and Technology (Technical Working Group)	Draft Substitute Bill to HBs 3637, 4275, 4367 & 4623	Reps. Aumentado, Nieto, Salceda and Rodriguez (M.)	Establishing the Philippine Space Development and Utilization Policy and creating the Philippine Space Agency (PhilSA) and defining the purpose and scope of its activities	The joint technical working group (TWG), co-chaired by Rep. Christopher V.P. de Venecia (4th District, Pangasinan), for the Committee on Government Reorganization, and BUHAY Party-List Rep. Mariano Michael Velarde Jr., for the Committee on Science and Technology, approved

Continuation... Government Reorganization jt. w/ Science and Technology (Technical Working Group)				<p>the draft substitute bill subject to style and amendment.</p> <p>The substitute bill will be submitted to the Joint Committee for its consideration and approval together with the draft Committee Report.</p> <p>Among the amendments agreed upon by the Joint TWG are as follows:</p> <ul style="list-style-type: none"> • PhilSA shall be under the Department of Science and Technology (DOST) instead of the Office of the President (OP) (Section 6); • 100% of PhilSA's income shall be remitted to the National Treasury (Sec. 20); and • The Bases Conversion and Development Authority (BCDA) shall be among the agencies that will promulgate the implementing rules and regulations (IRR) of the proposed law (Sec. 23).
Public Works and Highways (Technical Working Group)	HBs 163, 348, 1346 & 5805	Rep. Belmonte (F.), Deputy Speaker Quimbo, Reps. Acop and Villafuerte	Institutionalizing and strengthening public-private partnerships (PPP)	<p>The technical working group (TWG), chaired by Rep. Joey Sarte Salceda (2nd District, Albay), instructed PPP Center Executive Director Ferdinand Pecson to draft a substitute bill to the seven measures, taking into consideration the comments and recommendations of the resource persons. Thereafter, the substitute bill will be presented to the TWG for its deliberation.</p> <p>The TWG agreed to the proposal of Rep. Luis Raymund "LRay" Villafuerte Jr. (2nd District, Camarines Sur), author of HB 5805, to include Section 7 (Approval of PPP Projects) sub-section c (Local Projects) and Section 9 (Unsolicited Proposals) of his bill in the draft substitute bill.</p> <p>The TWG also agreed to exclude mining projects from the coverage of the proposed law.</p> <p>Pecson informed the TWG that the PPP Center and the National Economic and Development Authority (NEDA), together with other stakeholders, have convened an inter-agency TWG to discuss the provisions of the seven measures.</p>
	HB 778	Rep. Salceda	Creating the Public-Private Partnership Authority, further amending RA 6957, as amended by RA 7718, or the Build-Operate-Transfer (BOT) Law	
	HB 1944	Rep. Santos-Recto	Authorizing PPP	
	HB 2727	Rep. Alejano	Encouraging more PPP projects, creating the PPP Guaranty Fund, thereby amending RA 6957, as amended by RA 7718	

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