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COMMITTEE MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy	HB 942	Rep. Tiangco	Removing the allowable systems loss from private utility companies and reducing the cap of recoverable system losses of rural electric cooperatives from 14% to 5%, amending for the purpose RA 7832, as amended	<p>The Committee, chaired by Marinduque Rep. Lord Allan Jay Velasco, will deliberate further on the bills in its next meeting.</p> <p>Ivanna dela Peña, first vice president and head of the Manila Electric Company's (Meralco) Regulatory Management Office, presented to the Committee the power industry's supply chain from power generation, transmission, distribution and supply to end-users.</p> <p>Likewise, Dela Peña focused her discussion on the components of the unbundled electric bill which consist of the following: generation, distribution, transmission, universal charges, and system loss.</p>
	HB 2297	Rep. Rodriguez (M.)	Prohibiting private electric utilities from collecting system losses from the consumers and reducing the cap of recoverable system losses of rural electric cooperatives to a maximum of 5%, amending for the purpose RA 7832, as amended	<p>Dela Peña said that if the aim is to lower the cost of electricity, the Committee should take a hard look at the generation charges which account for about 54% of the average electric bill and not just the system loss which only comprises 4% of the electric bill.</p>
	HB 6341	Rep. Batocabe	Prohibiting power distribution utilities (DUs) from collecting system losses from consumers, amending for the purpose RA 7832, as amended	<p>On the observation of the Committee Members that residential users are subjected to a higher system loss rate than the industrial users, Dela Peña explained that residential users are connected to a secondary voltage thus subjected to a higher system loss rate at 7.6%, which translates to about P0.44 per kilowatt hour (kWh). On the other hand, industrial users are connected to primary voltages and are subjected to system loss rates ranging from 1% (P0.05/kWh) to 3.4% (P0.18/kWh).</p> <p>For its next meeting, the Committee tasked the ERC to present its cost-benefit analysis on system loss cap which will be validated later on by the Congressional Policy and Budget Research Department (CPBRD) of the House of Representatives (HRep).</p> <p>The Committee also asked Powersolv, Inc., a private company engaged in power system engineering and software development, to conduct a briefing on the possible removal of the cap on distribution system loss as well as on the establishment of a performance incentive scheme for power distribution efficiency.</p>

Continuation... Energy				Likewise, Power Electric Planters Owners Association (PEPOA) was requested by the Committee to conduct a briefing on how power distribution system loss may be lowered.
Good Government and Public Accountability	HR 1212	Rep. Nograles (J.J.)	Inquiry into the alleged purchase and installation of fake train safety equipment on the Metro Rail Transit (MRT)-Line 3	<p>The Committee, chaired by Rep. Johnny Ty Pimentel (2nd District, Surigao del Sur), terminated its inquiry relative to HR 1212 subject to the submission of certain documents by the Department of Transportation (DOTr), to include the following:</p> <ul style="list-style-type: none"> • Report on the result of the systems audit on the train parts/equipment purchased; • Copy of the September 12 memorandum of Engineer Oscar Bongon, the chief of the DOTr's Engineering Division, on the audit of the train equipment called the Vehicle Logic Unit (VLU); and • Record of blacklisted suppliers. <p>Rep. Pimentel mentioned that issues affecting MRT-Line 3, including those discussed in the Committee's previous hearings, must already be resolved in order for the MRT-Line 3 operations to return to normalcy, and to ease the traffic and the burden of the commuting public in Metro Manila.</p> <p>Rep. Jericho Jonas Nograles (Party-List, PBA), author of HR 1212, sought answers to the following questions:</p> <ul style="list-style-type: none"> • Whether the train safety equipment purchased in 2016 were fake and not purchased from an authorized supplier and distributor; and • Whether the government's contract with Busan Universal Rail, Inc. (BURI), the maintenance provider of MRT-Line 3, is still valid. <p>Rep. Nograles believes that the contract with BURI is invalid right from the start considering that the authorized signatory at that time, then Department of Transportation and Communications (DOTC) Secretary Joseph Emilio "Jun" Abaya, did not sign the contract but instead allowed former DOTC Undersecretary Edwin Lopez to sign on his behalf, which is contrary to law.</p> <p>In response, Department of Transportation (DOTr) Assistant Secretary for Railways Timothy John Batan explained that the rail system was originally supplied by Bombardier Transportation, Inc. As such, the train parts must come from Bombardier itself for compatibility and safety reason or be purchased from the original equipment manufacturer, Batan added.</p> <p>DOTr Legal Affairs and Procurement Undersecretary Reinier Paul Yebra agreed with the observation of Rep. Nograles that the government's contract with BURI is null and void. He said he also agreed with the recommendation of the Solicitor General to bring the case to Singapore, where it will be reviewed by an impartial and independent body that has more technical knowledge and expertise on the issue.</p>

Continuation... Good Government and Public Accountability				<p>On the other hand, Commission on Audit's (COA) Research and Policy Studies Director Janet Nacion admitted that COA was not able to inspect the parts purchased by BURI due to the non-receipt of documents pertinent to the purchase. However, Nacion said that her office is already coordinating with the DOTr on the matter.</p> <p>On another matter, the Committee took cognizance of the alleged P8.7 million road scam in General Santos City pursuant to HR 1551, authored by Rep. Pedro Acharon Jr. (1st District, South Cotabato and General Santos City).</p>
Information and Communications Technology	Substitute Bill to HBs 929, 2556, 2874, 2907, 3629 & 4241	Reps. Abaya, Castelo, Yap (V.), Sandoval, and Belaro	Providing for the establishment of the no calls and no text registration system	The Committee, chaired by Rep. Victor Yap (2 nd District, Tarlac), approved the Committee Report on the Substitute Bill to the six bills.
	Substitute Bill to HBs 590, 931, 1193, 1258, 2328, 2648, 2809, 3649, 3661, 4014, 4404, 4646, 5382 & 5591	Reps. Velarde, Abaya, Loyola, Biazon, Antonino, Gatchalian, Castelo, Rodriguez (M.), Sandoval, Lazatin, Almario, Lopez (M.L.), and Tambunting	Requiring the registration of all users of subscriber identity module (SIM) cards	The Committee approved the Substitute Bill to the 14 bills subject to style and amendment.
	HB 6736	Rep. Cua	Systemizing spectrum user fees imposed on all allocated and assigned radio frequency bands, amending for the purpose RA 7925, otherwise known as the Public Telecommunications Policy Act of the Philippines	<p>The Committee will deliberate further on the three measures in its next meeting.</p> <p>Minority Leader Danilo Suarez (3rd District, Quezon), author of HR 1570, called on the government to scrutinize properly the entry of China Telecom Corporation Ltd. into the country's telecommunications industry as he expressed concern over possible national security implications for allowing a Chinese company to engage in a sensitive industry such as telecommunications.</p>
	HR 1338	Rep. Yap (V.)	Investigation into the management and administration of the country's radio frequency spectrum by the National Telecommunications Commission (NTC)	<p>The Minority Leader acknowledged the pronouncement made in the past by President Rodrigo Duterte about the need to bring in a third player in the telecommunications industry to foster competition and force the country's telecommunications companies (telcos), particularly Smart Communications and Globe Telecom, to improve their services.</p>
	HR 1570	Minority Leader Suarez	Investigation into the potential security issues with the entry of China Telecom Corporation Ltd. in the Philippine telecommunications industry	<p>However, Rep. Suarez said, other countries without "diplomatic incidents" with the Philippines should have been given their fair chance at participating in the industry as well. He cited China's disregard of the ruling of the UN Permanent Court of Arbitration at The Hague in Netherlands which recognizes the Philippines' exclusive sovereign rights over the West Philippine Sea.</p>

Continuation... Information and Communications Technology				<p>Department of Information and Communications Technology (DICT) Undersecretary Eliseo Rio explained that the third telco provider will have to interconnect with Globe and Smart, which have their own cybersecurity and where access to information is limited to authorized personnel only.</p> <p>Reacting to the comment of the DICT Undersecretary that Globe and Smart are using Chinese software and hardware products anyway, GLOBE Telecom's Policy Division head Atty. Ariel Tubayan and Smart Communications' Legal and Regulatory Manager Atty. Sherwin de Joya explained that they do not have much options because such Chinese products are readily available in the market and have lower prices. But both underscored that it does not affect their respective companies' security protocols.</p> <p>Rep. Prospero Pichay Jr. (1st District, Surigao del Sur) asked the telcos on the number of subscribers they have at present and the number of cell sites needed to fully serve their customers.</p> <p>Tubayan said that Globe is catering to about 50% of over 60 million subscribers in the country, which require at least 50,000 cell sites to ensure better connection. Currently, Globe has 10,000 cell sites and is planning to invest P50 billion to upgrade its system and install more cell sites.</p> <p>De Joya agrees with Tubayan's data on the number of subscribers and cell sites.</p> <p>Rep. Pichay urged Globe and Smart to immediately implement their expansion plans in order to meet the growing demands of the telecommunications industry. He also requested them to provide the Committee with a copy of these plans.</p> <p>Party-List Reps. Virgilio Lacson (MANILA TEACHERS) and Anthony Bravo (COOP-NATCCO) recommended that Congress should revisit the franchise granted to telcos to ascertain their commitment to provide quality service to the people.</p>
Public Order and Safety	HB 6354	Rep. Bagatsing	Institutionalizing the enforcement of the Fire Code of the Philippines in the economic zones and automatically instituting the Crisis Management Council (CMC) in a given crisis situation, thereby amending Section 9 of RA 7916, otherwise known as the Philippine Economic Zone Authority (PEZA) Law	<p>The Committee, chaired by Rep. Romeo Acop (2nd District, Antipolo City), agreed to draft a Substitute Bill to HBs 6354 and 6372.</p> <p>The meeting was presided over by Rep. Leopoldo Bataoil (2nd District, Pangasinan).</p> <p>PEZA Deputy Director General for Operations Mary Harriet Abordo manifested that the amendatory measures may be redundant at this point, considering that PEZA has already entered into a memorandum of agreement (MOA) with the Bureau of Fire Protection (BFP) relative to the enforcement of the RFCP.</p>
	HB 6372	Rep. Acop	Harmonizing the functions of government agencies concerned in the implementation of RA 9514, otherwise known as the Revised Fire Code of the Philippines (RFCP), in economic and tourism zones in the Philippines	<p>However, Rep. Acop stressed that MOAs are temporary in nature. Thus, a law must be enacted</p>

Continuation... Public Order and Safety				<p>to institutionalize the implementation of the RFCP inside the economic zones.</p> <p>The other resource persons present in the meeting made no objection to the measures, including BFP and Tourism Infrastructure and Enterprise Zone Authority (TIEZA).</p> <p>Meanwhile, the Committee decided to issue a show cause order to BFP Chief Leonard Bañago for his failure to attend today's meeting despite the notice given.</p>
	HR 763	Rep. Acop	Inquiry into the manifest breakdown of discipline in the Philippine National Police (PNP) in light of the recent high-profile criminal incidents allegedly involving officers and members of the organization	<p>The Committee terminated its inquiry relative to HR 763. The Secretariat was directed to prepare the corresponding Committee Report.</p> <p>Rep. Acop chided the PNP division heads for their failure to submit on time the documents requested of them by Congress. He said that their slow response to a simple directive reflects the current state of discipline and responsiveness in the PNP.</p> <p>Only the Philippine Public Safety College (PPSC) was able to submit the required documents before the deadline which was December 12, 2017.</p> <p>The Committee gave the PNP division heads until the end of the week to submit the required documents, including their recommendations to solve the breakdown of discipline in the PNP.</p>

IMPEACHMENT PROCEEDINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Justice	Determination of probable cause in relation to the verified complaint for impeachment against Supreme Court Chief Justice Maria Lourdes Sereno, filed by Atty. Lorenzo G. Gadon, and endorsed by 25 House Members	<p>The Committee, chaired by Rep. Reynaldo Umali (2nd District, Oriental Mindoro), will continue its hearing on the determination of probable cause with regard to the impeachment complaint against the Chief Justice in its next meeting.</p> <p>In today's hearing, the Committee focused its discussion on the following allegations against Sereno:</p> <ul style="list-style-type: none"> • Betrayal of public trust in the hiring of Helen Perez-Macasaet, an IT Consultant, with an excessive compensation; • Extravagant use of public funds by staying in opulent hotels when attending conferences within the Philippines and abroad and flying on business or first class together with her staff and security; and • Obstruction and perversion of justice by meeting with Presiding Justice and Associate Justices of the Court of Appeals (CA) and instructing them not to comply with the processes of the House of Representatives in relation to the detention of the six Ilocos Norte provincial officials. <p>Several House Members inquired about the circumstances surrounding the hiring of Macasaet who was given excessive compensation to assess and implement the Enterprise Information Systems Plan (EISP) and other automation and</p>

Continuation...
Justice

information and communications (ICT) projects of the Judiciary.

Supreme Court (SC) Deputy Court Administrator and Bids and Awards (BAC) Chair Raul Villanueva explained that the hiring of Macasaet was done through a negotiated procurement because the service she provided was highly technical in nature and was therefore exempted from public bidding under the 2009 Revised Implementing Rules and Regulations (IRR) of RA 9184 or the Government Procurement Reform Act. As such, it was not BAC but the Office of the Chief Justice which procured the services of Macasaet.

Villanueva admitted that Macasaet's consultancy fee was the highest so far that was given to any consultant in the history of the SC. The initial contract of Macasaet, which took effect on October 1, 2013, entitled her to a salary of P100,000. After six months, her contract was renewed raising her monthly salary to P250,000. Her service contract was renewed several more times until 2016, Villanueva added.

Rep. Jose Christopher Belmonte (6th District, Quezon City) suggested that the SC's Management Information Systems Office (MISO) Acting Chief Carlos Garay be invited in the next meeting to provide information on the market rates for the position in question to determine whether the compensation given to Macasaet was indeed excessive.

Deputy Speaker Gwendolyn Garcia (3rd District, Cebu) reminded the Supreme Court's BAC that it has the responsibility of looking into the contracts being entered into by the SC.

Commission on Audit (COA) Team Leader Meriam Yu-Ansama, assigned in the SC, was asked to comment on the SC's choice of Shangri-La Boracay Resort as venue of the 3rd meeting of judiciary leaders from the member-states of the Association of Southeast Asian Nations (ASEAN) in 2015 without undergoing the required public bidding.

According to Ansama, the documents submitted by the SC show that the entire event, which lasted for three days, cost almost P2.1 million. She noted that there was no indication that a Presidential Villa, allegedly costing P280,000 per night, was paid during the event.

On the query of Rep. Eugene Michael de Vera (Party-List, ABS) if the SC was able to comply with the requirements of the IRR of RA 9184 particularly the need to have at least three quotations from hotels in the area, Ansama answered in the negative. Ansama said that COA will require the SC to submit its explanation on the matter and will consult with the Government Procurement Policy Board (GPPB) to determine the appropriate action.

On the allegations of obstruction and perversion of justice, CA Associate Justice Remedios Salazar Fernando testified that SC Associate Justice Andres Reyes Jr., who was then CA Presiding Justice, called a series of executive meetings among CA Justices informing them of his conversations with Sereno wherein the latter was giving suggestions on what actions to take regarding the detention of the so-called "Ilocos Six" and if ever the House issues show cause orders against three members of the CA's Special 4th Division.

Continuation... Justice		<p>The so-called Ilocos Six were detained in May 2017 due to their refusal to answer questions of the House Committee on Good Government and Public Accountability relative to the alleged illegal use of the province's share in tobacco excise taxes.</p> <p>When asked if she felt the Chief Justice's actions were inappropriate, Fernando said that she personally would refrain from doing the same as it might cause people to question her impartiality and might even lead to administrative cases being filed against her.</p> <p>The SC was instructed to submit copies of SC en banc resolutions approving the travels of the Chief Justice from 2012-2017. It was likewise asked to submit a list of security personnel officially assigned to Sereno.</p> <p>A subpoena duces tecum will be issued to Shangri-La Boracay to produce copies of all documents relative to the 3rd ASEAN Chief Justice's Meeting.</p>
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TECHNICAL WORKING GROUP MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Human Rights (Technical Working Group)	Substitute Bill to HBs 79, 1556, 3312 & 3541	Reps. Aglipay-Villar, Villafuerte, Bagao, and Deputy Speaker Garin	The Comprehensive Anti-Discrimination Act	The technical working group (TWG), presided by Committee Secretary Fely Parcon, discussed several issues related to the two substitute bills previously approved by the Committee.
	Substitute Bill to HBs 491, 576, 3468 & 3895	Reps. Turabin-Hataman, Panganiban, Tan (S.), and Escudero	Anti-Racial, Ethnic and Religious Discrimination Act	<p>The resource persons from the following government agencies and international organizations gave their respective comments and recommendations on the proposed law: Department of Justice (DOJ), Department of Labor and Employment (DOLE), Commission on Human Rights (CHR), Philippine National Police (PNP), Commission on Higher Education (CHED), Department of Education (DepEd), Amnesty International, United Nations Convention on the Rights of Persons with Disabilities (UNCRPD), and The Church of Jesus Christ of Latter-day Saints.</p> <p>Parcon said these comments and suggestions will be discussed with the Committee Chair, Members and the bills' authors.</p>
Small Business and Entrepreneurship Development (Technical Working Group)	HBs 5618, 5701, 6227 & 6476	Reps. Yap (V.), Gatchalian, Villafuerte, and Yap (A.)	Adopting innovation as vital component of the country's development policies to drive inclusive development, promote the growth and national competitiveness of micro, small and medium enterprises (MSMEs), appropriating funds therefor	<p>The technical working group (TWG), chaired by Rep. Dennis Laogan (Party-List, ANG KABUHAYAN), will deliberate further on the proposed measures in its next meeting.</p> <p>The TWG agreed to use HB 5618, authored by Rep. Victor Yap (2nd District, Tarlac), as the working draft.</p> <p>Rep. Luis Raymund "LRay" Villafuerte Jr. (2nd District, Camarines Sur), author of HB 6227, recommended to reword Section 2 (Declaration of Policies) of the working draft to read as: "It is hereby declared the policy of the</p>

<p>Continuation... Small Business and Entrepreneurship Development (Technical Working Group)</p>				<p>State to foster innovation as a vital component to national development and sustainable growth pursuant to the provision of the Constitution and in accordance with the ASEAN declaration on innovation that recognizes it as a foundation in driving the growth and competitiveness of industries and declares the need for policies to strengthen the impact of science, technology and innovation.”</p> <p>Rep. Villafuerte likewise proposed the inclusion of additional three sections in the bill, namely: Section 21 - Development Credit and Financing System; Section 22 - Credit Quota; and Section 26 - Declaration of National Innovation Day every 21st day of April.</p> <p>Atty. Avvy Alba of the Organization, Position Classification and Compensation Bureau (OPCCB) of the Department of Budget and Management (DBM) opined that the creation of the National Innovation Council (NIC) under Section 9 of the bill may no longer be necessary since there is already an existing Micro, Small and Medium Enterprises Development (MSMED) Council and Bureau of Small and Medium Enterprise Development (BSMED) under the Department of Trade and Industry (DTI) both of which are mandated to strengthen the growth and development of MSMEs in the country.</p> <p>Lita Suerte Felipe, legislative liaison officer of the Department of Science and Technology (DOST), added that the proposed NIC will impinge upon the research and development function of the DOST.</p> <p>Rep. Villafuerte, however, explained that the NIC is envisioned to consolidate all efforts of government agencies on innovation policies and programs, which is not a mandate of DOST.</p> <p>Commenting on Section 20 of the bill, DBM's Budget and Management Bureau-A Assistant Director Grace delos Santos recommended that the initial funding of P1 billion for the proposed Innovation Fund may be sourced from the Contingency Fund of the Office of the President instead of sourcing it from government savings. (The Innovation Fund is proposed to be used to strengthen entrepreneurship and enterprises engaged in developing innovative solutions benefitting the poorest of the poor.)</p> <p>Representatives from the Departments of Information and Communications Technology (DICT), Education (DepEd), and Labor and Employment (DOLE) expressed support for the bill.</p> <p>The resource persons were requested to submit their position papers on the bill.</p>
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AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
East ASEAN Growth Area (Special Committee)	Briefing by the Mindanao Development Authority (MinDA) on the recent developments in the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA)	<p>The Committee, chaired by Davao del Sur Rep. Mercedes “Didi” Cagas, listened to the presentation of MinDA Deputy Executive Director Romeo Montenegro on the recent developments in BIMP-EAGA.</p> <p>The presentation of Montenegro includes an overview of the overall economic performance of BIMP-EAGA; key achievements and milestones under the BIMP-EAGA’s strategic pillars; institutional implications of the implementation of the BIMP-EAGA Vision 2025 (BEV 2025); and the status of cooperation with BIMP-EAGA partners.</p> <p>Montenegro also discussed the possible interventions of the Committee in relation to the implementation of programs and projects in EAGA, which include:</p> <ul style="list-style-type: none"> • Filing a House Resolution requesting the Office of the President to issue a memorandum circular directing EAGA lead agencies in the Philippines to set aside a separate budget for BIMP-EAGA related activities, as well as to support the policy reforms intended for BIMP-EAGA; and • Supporting the review of the law prohibiting right hand driving in the Philippines (specifically for areas with RORO linkages with EAGA focus areas, like the Palawan-Kudat, Malaysia and Davao-Gensan-Bitung, Indonesia). <p>MinDA Secretary Datu Abul Khayr Dangcal Alonto emphasized the need to provide infrastructure in Mindanao to encourage growth in the region. Likewise, he asked the support of Congress to transfer the supervision of the Mindanao Railway Project to MinDA, explaining that given the authority and funding, MinDA can finish the project in three years. At present, the Mindanao Railway Project is being handled by the Department of Transportation (DOTr).</p> <p>Expressing support for Alonto’s proposal, Rep. Maximo Rodriguez Jr. (2nd District, Cagayan de Oro City) asked Alonto to submit his written recommendation to the Committee so that it can serve as basis for the filing of a bill urging the transfer of the Mindanao Railway Project to MinDA.</p> <p>Meanwhile, Rep. Isagani Amatong (3rd District, Zamboanga del Norte) asked Alonto to come up with an economic development plan for Mindanao, integrating the visions and strategies laid out in BEV 2025.</p> <p>On the query of Rep. Cagas on the participation of the Department of Trade and Industry (DTI) in the government’s efforts towards rehabilitating the war-stricken Marawi City, DTI Assistant Secretary Abdulgani Macatoman said that the Department has set aside P50 million to fund the implementation of its Shared Service Facilities (SSF) project in Marawi. DTI will also seek additional budget to fund the provision of livelihood starter kits, micro loans, mobile rice mills, and tricycles, and the construction of public markets in Marawi.</p> <p>Asked about DTI’s efforts in promoting and developing the local <i>halal</i> industry, Macatoman said the DTI, through the Philippine Halal Export Development and Promotion Board, has lined up various initiatives for that purpose. Macatoman also cited the huge opportunities for local halal products and services in the global halal market, which is currently estimated to be a \$2.6 trillion industry.</p>

Comments, suggestions and requests for copies may be sent to the Committee Publication Staff, Committee Management Support Service I, 3rd Floor, Ramon V. Mitra, Jr. Bldg., Batasan Complex, Constitution Hills, Quezon City. Tel. Nos. 9326118; 9315001 local 7122. Also available at <http://www.congress.gov.ph>