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BICAMERAL CONFERENCE COMMITTEE MEETING

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Bicameral Conference Committee	HB 7652 & SB 1636	Rep. Yap (V.) and Sen. Gatchalian	Requiring public telecommunications entities to provide nationwide mobile number portability to subscribers	<p>The Bicameral Conference Committee, co-chaired by Rep. Victor Yap (2nd District, Tarlac), Chair of the House Committee on Information and Communications Technology, and Sen. Sherwin Gatchalian, Chair of the Senate Committee on Economic Affairs, approved the harmonized version of HB 7652 and SB 1636.</p> <p>Other conferees who were present during the bicameral conference committee meeting were the following: On the part of the House, Reps. Eric Olivarez (1st District, Parañaque City) and Virgilio Lacson (Party-List, MANILA TEACHERS); on the part of the Senate, Sen. Maria Lourdes Nancy Sombillo Binay.</p>

COMMITTEE MEETINGS

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Banks and Financial Intermediaries	HB 8301	Rep. Ong	Providing for the protection of financial consumers	<p>The Committee, chaired by Rep. Henry Ong (2nd District, Leyte), approved HB 8301 subject to style.</p> <p>The bill seeks to protect consumers against fraud and abuse in financial services transactions and provides financial regulators such as the Bangko Sentral ng Pilipinas (BSP), Insurance Commission (IC), and Securities and Exchange Commission (SEC) ample powers in the area of rulemaking, surveillance and inspection, market monitoring, and enforcement.</p> <p>Representatives from the BSP, IC and SEC expressed their support for the bill.</p> <p>BSP's Inclusive Finance Advocacy Office managing director Pia Roman Tayag stated that RA 7394 or the Consumer Act of the Philippines lacks legal, regulatory and supervisory framework for consumer protection in the field of financial services. She emphasized the importance of putting in place</p>

Continuation... Banks and Financial Intermediaries				a framework that embodies transparent, fair and sound practices, and fair and effective handling of complaints and disputes.
Local Government	Substitute Bill to HBs 6338 & 8221	Reps. Garcia (J.E.) and Villafuerte	Establishing and institutionalizing the Seal of Good Local Governance (SGLG) for local government units (LGUs), and allocating for this purpose the SGLG Fund	The Committee, chaired by Rep. Pedro Acharon Jr. (1 st District, South Cotabato and General Santos City), approved the Substitute Bill to HBs 6338 and 8221 subject to style and amendment.
Overseas Workers Affairs	HR 2291	Rep. Manalo	Inquiry into the protection being afforded to Filipino seafarers against abandonment by foreign employers by government agencies such as the Department of Labor and Employment (DOLE), Philippine Overseas Employment Administration (POEA), Overseas Workers Welfare Administration (OWWA), Department of Foreign Affairs (DFA), and Maritime Industry Authority (MARINA) in light of the abandonment of 21 Filipino seafarers in Kakinada Port in India	<p>The Committee, chaired by Rep. Jesulito Manalo (Party-List, ANGKLA), will deliberate further on the issues raised in HR 2291 in its next meeting.</p> <p>John Rio Bautista, officer-in-charge of POEA's Legal Research, Docket and Enforcement Branch, and Enrico Fos, executive director of DFA's Office of Migrant Workers Affairs, gave an update on the status of the 21 Filipino seafarers, who were crew members of a Liberian-flagged bulk carrier, and who are now stranded in India after they were abandoned by their Greek employers in June.</p> <p>According to Bautista, the POEA is constantly coordinating with Evic Human Resources Management Inc., the Philippine manning agency which recruited the seafarers, for the latter's immediate repatriation. Bautista added that the repatriation of the stranded seafarers will be undertaken as soon as clearance from the immigration and custom authorities in India is issued. Nevertheless, Bautista gave assurance that the seafarers are receiving the necessary assistance while in India.</p> <p>Replying to the query of Rep. Rodel Batocabe (Party-List, AKO BICOL), Bautista explained that the standard procedure in cases of abandonment by shipowners is for the concerned manning agency to report the incident to POEA within five days. Thereafter, the POEA has to coordinate with the DFA and OWWA, as well as the manning agency, to ensure the welfare and protection of the seafarers and their eventual repatriation. Bautista revealed that the POEA only knew of the incident through the social media early October of this year.</p> <p>Capt. Raul Panizal, operations and crewing manager of Evic Human Resources Management Inc., said his company first came to know about the plight of the 21 seafarers when they notified the company of the failure of their foreign employer to pay their salary for the month of June this year. Panizal admitted that the Evic management did not immediately report the matter to government authorities hoping to resolve the issue by themselves and avoid any penalty that may be imposed on them by the government.</p>

Continuation... Overseas Workers Affairs				<p>Rep. Manalo chided the manning agency for not reporting the incident immediately to government authorities which could have jeopardized the safety and welfare of the seafarers.</p> <p>The Committee instructed the DFA, POEA, OWWA, and Evic Human Resources Management Inc. to submit updates on the status of the 21 seafarers until they are back to the Philippines.</p>
	HR 2292	Rep. Manalo	<p>Inquiry into MARINA's decision to suspend the conduct of theoretical examinations for seafarers from 29 December 2018 to 30 April 2019, and its impact on the deployment of seafarers</p>	<p>The Committee will deliberate further on the issues raised in HR 2292 in its next meeting.</p> <p>MARINA's OIC-head Narciso Vingson Jr. clarified that the scheduled theoretical examinations for seafarers from January to March 2019 will only be rescheduled in April 2019 and onwards.</p> <p>Moreover, Vingson explained that MARINA intends to institute corrective measures in the theoretical examinations and practical assessment of seafarers in view of the negative report by the European Maritime Safety Agency (EMSA) during its inspection last year.</p> <p>Rep. Manalo stressed that the audit report of EMSA should not be used as a ground for the suspension of examinations but rather as a guide to improve the existing assessment system. He said that the Philippine seafarers are highly sought after in the international maritime industry which proves their global competitiveness.</p> <p>Stakeholders from the maritime industry requested that the theoretical examinations should not be suspended as it will delay the deployment of the Filipino seafarers for several months. (Seafarers must be able to regularly take MARINA's theoretical and practical examinations to increase their rank and salaries.)</p> <p>Vingson said that MARINA will conduct consultations with the stakeholders and evaluate their recommendations.</p> <p>MARINA was instructed to report to the Committee within five days its final decision on whether or not it will push through with the suspension of the theoretical examinations.</p>
Ways and Means	HBs 8252 & 8323	Reps. Suansing (E.) and Villafuerte	<p>Amending certain sections of RA 8424, otherwise known as the National Internal Revenue Code of 1997, as amended (by redesigning the financial sector taxation into a simpler, fairer, more efficient, and revenue neutral tax system)</p>	<p>The Committee, chaired by Rep. Estrellita Suansing (1st District, Nueva Ecija), agreed to create a technical working group (TWG) to fine-tune the bills.</p> <p>Rep. Suansing, who is also the principal author of HB 8252, explained that the bill, which covers Package 4 of the</p>

Continuation... Ways and Means				<p>Comprehensive Tax Reform Program (CTRP), intends to address the complicated tax structure of the financial sector by undertaking the following reforms:</p> <ul style="list-style-type: none"> • Reduction in the number of rates of withholding taxes; • Unification of tax rates for interests, dividends, and capital gains; • Harmonization of business taxes; • Removal or minimization of barriers to capital market development; and • Adoption of a regionally competitive tax system. <p>Department of Finance (DOF) Undersecretary Karl Kendrick Chua added that the measures aim to cut in half the number of capital income rates, reduce transaction taxes, and repeal 22 out of 41 special laws, ultimately enlarging the capital market. He also presented that the poor and the middle class will have a net gain while the rich will have a net loss from the measures, albeit minimal.</p> <p>The resource persons were requested to submit their respective position papers on the bills.</p>
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TECHNICAL WORKING GROUP MEETINGS				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Human Rights (Technical Working Group)	HB 1617	Rep. Zarate	Defining certain rights of human rights defenders and providing penalties for violations thereof relative to the implementation of the 1998 United Nations (UN) Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally-Recognized Human Rights, otherwise known as the UN Declaration on Human Rights Defenders	<p>The technical working group (TWG), chaired by Rep. Jose Christopher Belmonte (6th District, Quezon City), terminated its deliberation on HBs 1617 and 8128.</p> <p>The Secretariat was directed to draft the substitute bill to the two measures. The substitute bill will be presented to the mother Committee for its consideration and approval.</p> <p>Expressing their support for the bills were the Commission on Human Rights (CHR) and the Department of Social Welfare and Development (DSWD). Civil society organizations such as the Alliance for the Advancement of People's Rights (Karapatan), National Union of People's Lawyers (NUPL), Kalikasan People's Network for the Environment (Kalikasan PNE), Families of Victims of Involuntary Disappearance (FIND), and the National Council of Churches of the Philippines (NCCP) also expressed their support for the bills.</p> <p>On the other hand, the Philippine National Police (PNP) and the Armed Forces of the Philippines (AFP) expressed reservation on the bills arguing that the State already provides enough mechanisms for the</p>
	HB 8128	Rep. Lagman	Defining the rights and fundamental freedoms of human rights defenders, declaring the State's responsibilities and instituting effective mechanisms for the protection and promotion of these rights and freedoms	

<p>Continuation... Human Rights (Technical Working Group)</p>				<p>protection of human rights and fundamental freedoms based on existing laws.</p> <p>Meanwhile, the Department of Justice (DOJ) presented to the TWG its initial comments on the bills and promised to submit its final position once completed.</p> <p>DOJ State Counsel Lorena Calo does not favor the provision in the bill which grants the right to establish a sanctuary to human rights victims and their families, and prohibits government personnel, military or paramilitary unit or asset from entering the area. Calo expressed concern that the provision might run contrary to government's existing policies.</p> <p>However, both Reps. Belmonte and Carlos Isagani Zarate (Party-List, BAYAN MUNA), principal author of HB 1617, clarified that the provision only covers those who provide sanctuary to human rights victims and their families which is similar to the witness protection program of the government.</p> <p>Karapatan Secretary General Cristina Palabay suggested that non-government organizations should also be given the right to provide sanctuaries to human rights victims.</p> <p>As for the proposed creation and composition of the Human Rights Defenders Protection Committee, Atty. Jomaher Asalan of the CHR Human Rights Advisory Council informed the TWG that while there may be a redundancy of functions between the proposed committee and the CHR, the creation of the committee is favorable as it could focus on providing added mechanisms for the protection of human rights defenders given that the CHR is already burdened with extensive work and duties.</p> <p>The resource persons were requested to submit their inputs and recommendations for the TWG's reference in drafting the substitute bill.</p>
<p>Transportation (Technical Working Group)</p>	<p>HBs 72, 706, 3642, 6117, 6636, 7269, 7318 & 8397</p>	<p>Reps. Vargas, Angara-Castillo, Laogan, Salo, Olivarez, Villafuerte, Siao, and Nieto</p>	<p>Institutionalizing the grant of student fare discount privileges on public transportation</p>	<p>The technical working group (TWG), chaired by Catanduanes Rep. Cesar Sarmiento, will deliberate further on the nine bills in its next meeting.</p> <p>Rep. Ron Salo (Party-List, KABAYAN), author of HB 6117, said that the bill was filed in response to complaints of students against drivers who refuse to grant the 20% student discount prescribed under the Land Transportation Franchising and Regulatory Board (LTFRB) Memorandum Circular No. 2017-024. Enacting a law granting a fare discount to students will command better compliance.</p> <p>Representatives from government transportation agencies such as the</p>
	<p>HB 2477</p>	<p>Rep. Castelo</p>	<p>Granting 15% fare discount to every bona fide student on transportation fares/rates charged by taxis, SUVs, jeepneys, buses, light rail transits, metro rail transits or similar land transport systems</p>	

<p>Continuation... Transportation (Technical Working Group)</p>				<p>Department of Transportation (DOTr), Civil Aeronautics Board (CAB), Light Rail Transit Authority (LRTA), Philippine National Railways (PNR), and Maritime Industry Authority (MARINA) expressed support for the bills.</p> <p>Also supportive of the proposed law were representatives of Grab Philippines, Federation of Jeepney Operators and Drivers Association of the Philippines (FEJODAP), Provincial Bus Operators Association of the Philippines (PBOAP), Alliance of Transport Operators and Drivers Association of the Philippines (ALTODAP), and Alliance of Concerned Transport Organizations (ACTO). FEJODAP President Zenaida Maranan suggested that the proposed law should require students to present a valid proof of identity to avail themselves of the discount.</p> <p>Meanwhile, representatives of the Philippine Airlines, Cebu Pacific, and Air Asia said that they are already offering a wide range of discounted or promotional fares to the riding public including students, persons with disabilities (PWDs), and senior citizens.</p> <p>Department of Finance (DOF) Chief Tax Specialist Miriam Tasarra objected to the provision under Section 9 of HBs 7318, 7269 and 8397, which will allow public transport companies to claim the discounts granted under the proposed law as tax deduction. She explained that it runs counter to the recently enacted tax reform law.</p> <p>Rep. Rodel Batocabe (Party-List, AKO BICOL) expressed his concern over the effect of these discounts on the income of jeepney and tricycle drivers. He suggested that they be given some form of relief or subsidy similar to the ones given to the aviation and maritime sectors. The stakeholders supported Rep. Batocabe's proposal.</p> <p>The TWG agreed that the mechanics on the grant of such relief or subsidy be threshed out in the drafting of the proposed law's implementing rules and regulations (IRR).</p>
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AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Banks and Financial Intermediaries	Briefing by the Bangko Sentral ng Pilipinas (BSP) on "financial technology for financial inclusion"	<p>The Committee, chaired by Rep. Henry Ong (2nd District, Leyte), listened to the presentation of BSP's managing director of the Inclusive Finance Advocacy Office Pia Roman Tayag on "financial technology for financial inclusion."</p> <p>As presented by Tayag, the use and application of technology in financial services will achieve financial inclusion for being able to serve and reach out to a larger population including those who lack</p>

<p><i>Continuation...</i> Banks and Financial Intermediaries</p>		<p>effective access to formal financial services and those in the lower income group.</p> <p>Tayag defines financial technology, also referred to as FinTech, as a “technology-enabled innovation in financial services that could result in new business models, applications, processes or products with an associated material effect on the provision of financial services.” On the other hand, “financial inclusion” is defined as a “state wherein there is effective access to a wide range of financial products and services by all.”</p> <p>Based on the BSP’s 2017 financial inclusion survey, the current situation in the country can be gauged by the following statistics: 48% of adults in the country have savings but 7 out of 10 keep their savings at home which opens them to the risks of theft and damage from calamities; only 23% of the adult population have formal accounts; 22% of adults have outstanding loans but 4 out of 10 obtain such loans from informal sources; and 551 out of 1,634 cities and municipalities are unbanked or have no bank branch or office in the area.</p> <p>However, Tayag said opportunities for digital financial inclusion in the Philippines are high considering that 63% of the population are social media and internet users, 6 out of 10 Filipinos have mobile phones, and one-third of the population are millennials. All these and similar statistics indicate that the potential for delivering financial services to more people through the use of technology is highly evident.</p> <p>Tayag also discussed briefly some of BSP’s recent policy issuances promoting digital financial inclusion such as democratizing access to a transaction account, wherein a consumer can open an account with only P100 as initial deposit, with no maintaining balance, and no dormancy charges. Other similar policies implemented by BSP include the following: allowing banks to use third party cash agents as a cost-effective service delivery channel particularly in far-flung areas; and establishment of the National Retail Payment System wherein the BSP supervised financial institutions (BSFIs) are required to adopt transparent and fair market pricing of electronic payments.</p>
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