

# Committee Daily Bulletin

17<sup>th</sup> Congress  
Second Regular Session

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BUDGET BRIEFINGS		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Appropriations	<p>Briefing on the proposed FY 2018 budget, plans and programs, and major accomplishments of the following government agencies:</p> <ul style="list-style-type: none"> <li>Department of Energy (DOE)</li> </ul>	<p>The Committee, chaired by Rep. Karlo Alexei Nograles (1st District, Davao City), listened to the presentations on the proposed FY 2018 budget, plans and programs, and major accomplishments of the Department of Energy (DOE) and the Department of the Interior and Local Government (DILG) and their attached agencies.</p> <p>Committee Vice Chair Celso Lobregat (1<sup>st</sup> District, Zamboanga City) sat as presiding officer during the DOE's budget briefing.</p> <p>Energy Secretary Alfonso Cusi was present in the hearing but it was DOE Undersecretary Felix William Fuentesbella who presented the DOE's 2018 proposed budget.</p> <p>Fuentesbella said the DOE's proposed budget for next year amounting to P2.659 billion increased by less than 1% or P1.33 million compared to its budget this year of P2.657 billion.</p> <p>The bulk of the DOE's 2018 proposed budget will go to maintenance and other operating expenses (MOOE), P1.84 billion; while the rest go to personnel services (PS), P480.50 million; capital outlay (CO), P291.30 million; and retirement and life insurance premiums (RLIP), P42.28 million.</p> <p>Fuentesbella also reported on the DOE's strategic directions from 2017-2040; nine-point agenda; short-term targets for 2017-2018; and accomplishments from 2016 to the first half of 2017.</p> <p>The DOE's attached agencies took turns in presenting their respective FY 2018 proposed budgets, as follows:</p> <ul style="list-style-type: none"> <li>Power Sector Assets and Liabilities Management (PSALM) Corporation - P 179.03 billion;</li> <li>National Power Corporation (NPC) - P 24.6 billion;</li> <li>National Electrification Administration (NEA) - P4.9 billion;</li> <li>National Transmission Corporation (TransCo) - P 1.98 billion; and</li> <li>Philippine National Oil Company and Subsidiaries (PNOC) - P1.7 billion.</li> </ul> <p>KABAYAN Party-List Rep. Harry Roque Jr. inquired about the P25 billion unliquidated Malampaya funds as reported by the Commission on Audit (COA).</p> <p>Fuentesbella said that the DOE does not have a hand in the disbursement of the fund, explaining that the DOE directly remits to the Bureau of Treasury (BTr) the money collected from Malampaya.</p> <p>The Malampaya fund consists of the government's share in the proceeds from the Malampaya natural gas project that has been operating off the shores of Palawan.</p> <p>BAYAN MUNA Party-List Rep. Carlos Isagani Zarate said that the</p>

<p>Continuation... Appropriations</p>	<ul style="list-style-type: none"> <li>Department of the Interior and Local Government (DILG)</li> </ul>	<p>DOE should have at least investigated the matter.</p> <p>Rep. Lobregat read a letter from COA stating that the unliquidated amount is now down to P154 million.</p> <p>Meanwhile, ACT TEACHERS Party-List Rep. Antonio Tinio asked whether there was truth to reports that Chinese nationals have been conducting seismic surveys in areas surrounding the Malampaya Gas Field.</p> <p>DOE Undersecretary Donato Marcos said that Chinese fishing vessels have been spotted in the area and that the Philippine Coast Guard (PCG) has been doing its job in driving away vessels suspected of carrying equipment used in conducting seismic surveying.</p> <p>On the query of Rep. Wilter “Sharky” Wee Palma II (1<sup>st</sup> District, Zamboanga Sibugay), Cusi explained that the interconnection of the Luzon, Visayas and Mindanao grids will provide a reliable source of power to all the regions in the country resulting to more stable electricity prices.</p> <p>SAGIP Party-List Rep. Rodante Marcoleta suggested that the DOE take advantage of the recently enacted Philippine Competition Act (RA 10667) to foster a level playing field for all players in the energy sector, which will redound to cheaper cost of electricity that will benefit the consumers.</p> <p>Recognizing the importance of a reliable energy sector, some House Members expressed support for an increase in the DOE’s proposed 2018 budget.</p> <p>Committee Vice Chair and Nueva Vizcaya Rep. Luisa Lloren Cuaresma sat as the presiding officer during the DILG’s budget briefing.</p> <p>DILG Undersecretary for Local Government Austere Panadero said that under the 2018 National Expenditure Program (NEP), the DILG and its attached agencies will get a total budget of P170.73 billion, which is 15% higher than its current budget of P148.03 billion.</p> <p>The DILG’s proposed budget for 2018 is distributed as follows:</p> <ul style="list-style-type: none"> <li>Office of the Secretary (OSEC) – P6.73 billion;</li> <li>Philippine National Police (PNP) – P131.26 billion;</li> <li>Bureau of Fire Protection (BFP) - P14.75 billion;</li> <li>Bureau of Jail Management and Penology (BJMP) – P14.29 billion;</li> <li>Philippine Public Safety College (PPSC) – P1.79 billion;</li> <li>National Police Commission (NAPOLCOM) – P1.65 billion; and</li> <li>Local Government Academy (LGA) – P249.06 million.</li> </ul> <p>By expense class, the DILG’s budget is distributed as follows: personnel services (PS), P137.92 billion; maintenance and other operating expenses (MOOE), P25.53 billion; and capital outlay (CO), P7.27 billion. The 2018 budget allocation for PS increased by 81% for next year compared to the current year, which will cover the compensation adjustment for the 3<sup>rd</sup> tranche of the Salary Standardization Law; filing up of vacant positions at the BFP, BJMP and PNP; and payment of additional allowances and other benefits.</p> <p>Panadero said that the 2018 budget of the DILG shall be utilized to wage a relentless drive against illegal drugs, criminality and other threats to peace and security; further strengthen its internal capacity to effectively perform its mandate; further deepen the drive for good local governance; and improve local government unit (LGU) disaster</p>
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<p>Continuation... Continuation... Appropriations</p>		<p>preparedness and response as well as climate change adaptation and mitigation.</p> <p>Majority Leader Rodolfo Fariñas (1st District, Ilocos Norte) recommended a review of the criteria for the seal of good housekeeping (SGH) program of the Department, citing the Commission on Audit's (COA) adverse finding on the alleged millions of cash advances of the Provincial Government of Ilocos Norte for the purchase of vehicles using the Province's share of excise tax from Virginia-type cigarettes, and without the benefit of public bidding.</p> <p>Asked on the status of firetrucks purchased from Austria and China, BFP Chief for Programs and Plans Geoffrey Agcampot said that, of the 152 Rosenbauer firetrucks procured from Austria, 76 were already delivered in 2013 and distributed to different LGUs, while the remaining 76 are currently in the Port of Batangas. Agcampot added that there were also 469 Kolonwel firetrucks procured from China in 2014.</p> <p>DILG's head of legal service Atty. Romeo Benitez disclosed that a case is pending before the Supreme Court for the allegedly overpriced Rosenbauer firetrucks from Austria.</p> <p>Due to the absence of DILG OIC-Secretary Catalino Cuy and PNP Chief Ronald "Bato" dela Rosa, the Committee agreed to continue its deliberations on the 2018 budget of the DILG during its pre-plenary conference. The DILG was requested to submit a status report on its "war" against drugs.</p>
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TECHNICAL WORKING GROUP MEETING				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Government Reorganization jt. w/ Overseas Workers Affairs (Technical Working Group)	Draft Substitute Bill to HBs 192, 227, 288, 543, 822, 1936, 2334, 3255 & 4899	Rep. Bertiz, Deputy Speaker Singson, Reps. Romero, Arenas, Yap (A.), Villar, Cojuangco, Aglipay-Villar, and Castelo	Creating the Department of Migration and Development (DMD), defining its powers and functions, appropriating funds therefor	<p>The technical working group (TWG), chaired by ACTS-OFW Party-List Rep. Aniceto "John" Bertiz III, terminated its discussion on the draft substitute bill.</p> <p>The Secretariat was directed to finalize the substitute bill, incorporating in it the pertinent recommendations of the resource persons, and to report out the same to the Joint Committee.</p> <p>Rep. Bertiz announced the election of ANGKLA Party-List Rep. Jesulito Manalo as the new chairperson of the Committee on Overseas Workers Affairs.</p> <p>The Maritime Industry Authority (MARINA) was requested to submit a copy of its Maritime Industry Development Plan (MIDP).</p>