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| BUDGET BRIEFINGS | | |
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| COMMITTEE | SUBJECT MATTER | DISCUSSIONS |
| Appropriations | <p>Briefings/hearings on the proposed FY 2021 budget of various government agencies, plans and programs, and their previous years' performance</p> <ul style="list-style-type: none"> Department of National Defense (DND) | <p>The Committee, chaired by Rep. Eric Go Yap (Party-List, ACT-CIS), listened to the presentation on the proposed FY 2021 budget, plans and programs, and major accomplishments of the DND and DENR.</p> <p>Committee Vice Chairpersons, Reps. "Kuya" Jose Antonio Sy-Alvarado (1st District, Bulacan) and Manuel Jose "Mannix" Dalipe (2nd District, Zamboanga City), alternately presided over the deliberations on the proposed budget of the DND.</p> <p>At the outset, Defense Secretary Delfin Lorenzana said that the DND's program thrusts for 2021 will be focused on sovereignty and territorial integrity of the state; internal stability; highest standard of capability and preparedness on disasters; operations in support to global peace and security; and good governance.</p> <p>Lorenzana said the Department of Budget and Management (DBM)-recommended FY 2021 budget for DND and its line agencies is P283.26 billion. This amount will be allocated to the Pension and Gratuity Fund, P74.55 billion (26%), and to the Regular Fund, P208.71 billion (74%).</p> <p>In terms of budget allocation by office, the bulk of the P208.71 billion Regular Fund will go to the Armed Forces of the Philippines (AFP) in the amount of P203.26 billion. The rest will go to the following DND civilian bureaus/agencies: Veterans Memorial Medical Center (VMMC), P1.75 billion; Government Arsenal (GA), P1.3 billion; Office of Civil Defense (OCD), P1.19 billion; Philippine Veterans Affairs Office (PVAO), P595.3 million; DND Proper, P502.37 million; and National Defense College of the Philippines (NDCP), P97.2 million.</p> <p>Philippine Air Force Commanding General Allen Paredes requested that some important programs not included in the 2021 National Expenditure Program (NEP) be funded such as the 15% initial payment for the procurement of five C-130J military aircraft.</p> <p>Several Members assured the DND of their support for the Department's budget as well as for the various legislative measures pending before the House aimed at protecting the country's security and territorial integrity.</p> <p>Rep. Geraldine Roman (1st District, Bataan) suggested increasing the budget of the VMMC. She lamented that the P2 daily budget to sustain the medical needs of the veterans is highly unacceptable. Rep. Roman is the Chairperson of the Committee on Veterans Affairs and Welfare.</p> <p>Rep. Rozzano Rufino Biazon asked DND to consider declaring certain areas of the public domain as strategic areas for defense and security which cannot be used for other purposes. Lorenzana expressed no objection to the suggestion.</p> <p>Rep. Rufus Rodriguez (2nd District, Cagayan de Oro City) expressed his apprehension on the contract signed by Lorenzana with Dito Telecommunity Corporation (Dito), which would allow this telecommunications company to build cell sites inside Philippine military camps. Rep. Rodriguez stressed that it poses security threats and is inimical to the interest of the country.</p> |

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Appropriations

Lorenzana said that the DND deferred signing the contract in 2019 because opposition Senators asked for a copy of the agreement so they can review the same. However, Lorenzana said that the Senators did not give their recommendations about the contract.

Dito, formerly known as Mindanao Islamic Telephone Company, Inc. or Mislattel, is the newest major telecommunications provider in the Philippines. It is a joint venture company comprised of Udena Corporation (led by Davao businessman Dennis Uy), Chelsea Logistics Holdings Corp., and state-run China Telecommunications Corporation.

On the other hand, some Members questioned the increase in certain budget items of the DND.

Rep. France Castro (Party-List, ACT-TEACHERS) asked about the significant increase in DND's budget for personnel benefits. Lorenzana replied that the proposed increase will be utilized for the DND's hiring of military and civilian personnel as well as for the increase in salaries and benefits of soldiers.

Rep. Arlene Brosas (Party-List, GABRIELA) inquired about the rationale for increasing the budget for the sovereignty fund when President Rodrigo Duterte himself ordered that Philippine troops should not be involved in any naval joint drills with other countries within the disputed areas in the West Philippine Sea (WPS). The sovereignty fund received an amount of P33.96 billion under the 2020 General Appropriations Act (GAA), but this is being increased to P41.4 billion under the 2021 NEP.

Explaining that the Philippines continues to assert its sovereignty over the WPS, Lorenzana said that the Philippine military regularly patrols the country's territories in the WPS and those within the Philippines' exclusive economic zone (EEZ). Lorenzana also confirmed the presence of Chinese military troops in the WPS and their continued construction of artificial islands. In line with this, the Philippines, he said, has already filed diplomatic protests against China.

Still, Rep. Brosas emphasized that the DND should at all times uphold the country's sovereignty and territorial integrity.

The DND was requested to submit reports on the latest incursions, provocative or not, of any foreign military vessels in the country's territorial waters and the actions taken by the government on the matter.

Rep. Carlos Isagani Zarate (Party-List, BAYAN MUNA) observed that the DND's maintenance costs keep on rising through the years and asked DND to clarify the matter. Lorenzana explained that it is costly to maintain old and second hand military aircraft and ships which the DND bought from other countries. Nevertheless, he informed the Committee that the DND plans to purchase new military aircraft and ships which are more economical than maintaining old ones.

Meanwhile, Lorenzana denied the allegations of Rep. Eufemia "Ka Femia" Cullamat (Party-List, BAYAN MUNA) that the Philippine military is forcibly occupying areas where Lumad communities are residing and committing human rights violations against the indigenous peoples.

Rep. Sarah Jane Elago (Party-List, KABATAAN) criticized the DND for using its official social media accounts in red-tagging and purveying fake information about her. Lorenzana asserted that the social media posts published by the AFP and the Presidential Communications Operations Office (PCOO) are based on factual information.

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| <p>Continuation... Appropriations</p> | <ul style="list-style-type: none"> Department of Environment and Natural Resources (DENR) | <p>Rep. Elago condemned the DND's use of public funds for disseminating fake news. She maintained that the negative posts about her on the AFP website are fabricated and have no factual basis.</p> <p>Rep. Dalipe sat as the presiding officer during the deliberations on the DENR's FY 2021 budget.</p> <p>In the interest of time, the Committee agreed to dispense with the DENR's presentation. Based on the FY 2021 NEP, the DENR is set to receive a budget of P25.55 billion which is slightly higher than this year's budget of P25.49 billion. By expense class, the DENR's proposed budget will be distributed as follows: maintenance and other operating expenses (MOOE), P9.7 billion (38%); personnel services (PS), P9.33 billion (37%); and capital outlay (CO), P6.52 billion (25%).</p> <p>Several lawmakers raised their concern about the dumping of artificial white sand along the Manila Baywalk, which received criticisms from environmental groups and some citizens due to its alleged health hazards. Some are of the opinion that it is an unnecessary use of public funds during this time of pandemic.</p> <p>DENR Secretary Roy Cimatu assured the Committee and the public that the use of dolomite sand from Cebu is safe. He explained that dolomite is not listed as a carcinogen by the Mines Safety and Health Association, Occupational Safety and Health Association, or even by the International Agency for Research of Cancer. What is hazardous, according to Cimatu, is the fine silica quads in some dolomite in the form of dust that is generated during crushing and screening.</p> <p>The dust particles are only 10 to 15 microns and are hazardous if inhaled for long periods of exposure without personal protective equipment. However, the size of the dolomite being used in the Manila Bay is bigger than the dust particles, hence cannot be suspended in the air and inhaled. Cimatu also said that dolomite sand is being used in other parts of the world and in some establishments. Aside from its aesthetic benefits, dolomite sand is also useful in lowering the pH level of the water in the Bay. (pH is a measure of how acidic/basic water is). Cimatu promised that measures will be put in place to ensure that the dolomite sand will not be washed away by the waves and that efforts at improving the water quality of the Bay will be undertaken.</p> <p>DENR Undersecretary for Priority Programs Jonas Leones clarified that the dolomite sand costs only P28 million and not P389 million as reported in several news reports. Leones explained that the P389 million was the total amount allocated for the entire "beach nourishment" project or the process of adding large quantities of sand or sediment to beaches to combat erosion and increase beach width. The beach nourishment project is part of the Manila Bay Rehabilitation Program which includes cleanup, desilting, as well as other geological interventions to restore the water quality of the Bay.</p> <p>DENR Undersecretary for Legal, Administration, Finance, Human Resources and Information Systems Ernesto Adobo Jr. informed the Committee that the funding for the program was sourced from the President's 2019 Contingency Fund and not from the Department's budget.</p> <p>Deputy Speaker Luis Raymund "LRay" Villafuerte Jr. (2nd District, Camarines Sur) and Rep. Elpidio Barzaga Jr. (4th District, Cavite) expressed their support for the Baywalk project.</p> <p>On the DENR's budget proposal for the National Greening Project (NGP) amounting to P5.1 billion, Deputy Speaker Loren Legarda (Antique) and Rep. Christopher de Venecia (4th District, Pangasinan)</p> |
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| <p>Continuation... Appropriations</p> | | <p>support the allocation. Deputy Speaker Legarda even called for an increase in the budget of the NGP to allow the Department to adequately protect the 107 protected forest areas.</p> <p>On the other hand, Rep. Zarate told the Committee that the Commission on Audit (COA) has, on numerous occasions, flagged the DENR concerning the NGP. He believes that the DENR's proposed budget for the NGP should not be approved until the Department is able to address the COA findings. Reps. Abdullah Dimaporo (2nd District, Lanao del Norte) and Arnolfo "Arnie" Teves Jr. (3rd District, Negros Oriental) were likewise against the approval of the DENR's budget proposal because according to them the Department has failed to fulfill its mandate on several occasions.</p> <p>Rep. Arlene Brosas (Party-List, GABRIELA) and Nueva Vizcaya Rep. Luisa Lloren Cuaresma asked to be clarified on the status of OceanaGold's operations. The multinational mining company should have ceased its operations in the country when its Financial or Technical Assistance Agreement (FTAA) lapsed in June 2019. Reps. Brosas and Cuaresma said that they received reports that the company is still operating albeit on a limited capacity.</p> <p>DENR Director for the Mines and Geosciences Bureau (MGB) Wilfredo Moncano assured the Committee that OceanaGold has ceased its operations. He explained that activities in the mines are limited to the operation of dewatering pumps which prevent the mines from being flooded.</p> <p>Rep. Robert Ace Barbers (2nd District, Surigao del Norte) asked about the government's current policy on mining. Moncano said that the MGB promotes the utilization of the country's mineral resources. According to Moncano, the country has trillions of dollars' worth of mineral endowments waiting to be extracted.</p> <p>Rep. Barbers agreed and said that reopening mining companies, which were previously closed down by the late former DENR Secretary Regina "Gina" Lopez, may provide the country with the economic stability it needs amidst the pandemic. He, however, clarified that mining activities should be undertaken while observing strict adherence to laws and in consideration of best practices of mining companies around the world.</p> <p>The DENR was asked to submit a list of mining companies that were allowed to reopen after being shut down. The Department was also asked to submit documents pertinent to the NGP including its annual budget and audit reports on the program from 2015 to 2020.</p> |
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| TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES | | | | |
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| COMMITTEE | MEASURES | | SUBJECT MATTER | ACTION TAKEN/ DISCUSSION |
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| Dangerous Drugs (Technical Working Group) | HBs 73 & 3233 | Reps. Barbers and Sarmiento | Instituting the Magna Carta of benefits for the officers and personnel of the Philippine Drug Enforcement Agency (PDEA) | The technical working group (TWG), chaired by Rep. Edgar Mary Sarmiento (1 st District, Western Samar), terminated its discussions on the three bills. |
| | HB 2248 | Rep. Cabochan | Granting hazard pay to eligible PDEA personnel | <p>The Secretariat was directed to prepare a substitute bill, incorporating therein the pertinent recommendations of the stakeholders present during the meeting.</p> <p>The substitute bill will be presented to the mother Committee for its consideration and approval.</p> |

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| <p>Continuation... Dangerous Drugs (Technical Working Group)</p> | | | | <p>At the outset, Rep. Sarmiento noted that the proposed law has no counterpart bill in the Senate.</p> <p>PDEA Director General Wilkins Villanueva said that PDEA is coordinating with the offices of Senators Panfilo "Ping" Lacson and Ronald "Bato" dela Rosa, for possible sponsorship of the bill in the Senate.</p> <p>The Committee discussed thoroughly HB 73, authored by Rep. Robert Ace Barbers (2nd District, Surigao del Norte).</p> <p>Rep. Barbers proposed to adopt Section 6 (Organizational Set-Up) of the bill which provides for the creation of a Medical and Dental Service in PDEA.</p> <p>This, after Villanueva conveyed to the Committee the desire of PDEA to establish its own Medical and Dental Service, and create plantilla positions for this office, to directly serve its personnel.</p> <p>Department of Budget and Management (DBM) Director Jocelyn dela Cruz, however, said that the creation of a Medical and Dental Service in PDEA cannot be given consideration, explaining that it does not form part of the core functions of the agency. Dela Cruz suggested that PDEA can just outsource the said services instead.</p> <p>With regard to Section 19 (Basic Salary), Dela Cruz commented that the entry level in government offices is at Salary Grade (SG) 11. However, Dela Cruz continued that if PDEA desires to elevate the entry level to SG 14, it should be indicated in the bill that the qualification standards for this salary grade level should be complied with by whoever will be appointed to this position.</p> <p>Villanueva explained that PDEA's intention is to bridge the gap between the salary of its operatives and that of the uniformed personnel of the Philippine National Police (PNP) and the Armed Forces of the Philippines (AFP). He added that the proposed Magna Carta should include a complete compensation package to attract applicants to the agency.</p> <p>Rep. Barbers agreed that applicants for the position must meet the qualification standards required under the Salary Standardization Law.</p> <p>Villanueva proposed the inclusion of non-intelligence officers, who are actually involved in the conduct of anti-drug operations, among those who shall be granted hazard duty pay under Section 23 of the bill.</p> <p>On Section 24 pertaining to combat pay, Villanueva explained that PDEA operatives</p> |
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| <p>Continuation... Dangerous Drugs (Technical Working Group)</p> | | | | <p>should also be entitled to combat pay like that of the PNP and AFP personnel since these operatives are also engaged in fighting or combatting dangerous drug syndicates which put their lives on the line daily.</p> <p>Villanueva noted that since PDEA's separation from the PNP Narcotics Division, its agents ceased to receive combat pay despite multiple perilous encounters during anti-drug operations.</p> <p>Reps. Barbers and Narciso Bravo Jr. (1st District, Masbate) agreed that PDEA deserves to be granted combat pay, the same level as what the AFP and PNP are receiving since they perform similar functions.</p> <p>On the longevity pay under Section 26, Dela Cruz stated that employees receiving longevity pay shall no longer be entitled to step increments, otherwise it will result to double compensation or double recovery of benefit.</p> <p>GSIS lawyer Giovannae Lyn Quicoy-Marín proposed that the retirement age under the GSIS Law which is 65 for compulsory retirement and 60 for optional retirement be adopted in the bill. (The proposed law provides for optional and compulsory retirement at the age of 55 and 56, respectively, for drug enforcement officers (DEOs) and 60 and 65 years old for non-DEOs.)</p> <p>Rep. Sarmiento directed the Secretariat to write the concerned bureau in the DBM and request it to comment on Section 54 of the bill relative to the setting up of Provident Fund in PDEA. Earlier in the meeting, Dela Cruz was asked to comment on this provision but she said that a different bureau in the DBM handles this matter.</p> |
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| AGENCY BRIEFING | | |
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| COMMITTEE | SUBJECT MATTER | DISCUSSIONS |
| <p>Suffrage and Electoral Reforms</p> | <p>Briefing by the Commission on Elections (COMELEC) on its preparations for the 2022 national and local elections</p> | <p>The Committee, chaired by Rep. Juliet Marie Ferrer (4th District, Negros Occidental), listened to the presentation of the COMELEC on its preparations for 2022 national and local elections.</p> <p>COMELEC Executive Director Bartolome Sinocruz Jr. discussed the timeline of the activities leading to the conduct of the 2022 Automated Election System (AES) which include the following: conduct of transmission survey for problematic areas; delivery of machines; bidding of election forms and supplies; filing of certificates of candidacy; installation of data centers and transmission facilities; printing of official ballots; and conduct of mock elections, among others. He also apprised the body that 94% of the existing vote counting machines (VCMs) are in good working condition.</p> <p>Sinocruz also informed the body of the following electoral statistics for the 2022 national and local elections:</p> <ul style="list-style-type: none"> • Legislative Districts - 248; |

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Suffrage and Electoral
Reforms

- Provinces - 83;
- Cities - 146;
- Municipalities - 1488; and
- Barangays - 42,046.

Statistics for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) are not yet available because a copy of the Bangsamoro Electoral Code, which will be COMELEC's basis for the statistics, has not been submitted yet, Sinocruz said.

As for the registration of in-country voters, Sinocruz said that it started in January but was suspended due to the COVID-19 pandemic and has resumed last September 1. As of July 20, preliminary reports indicate that the number of registered in-country voters is at 57,640,380.

Meanwhile, the number of registered overseas Filipino voters as of July 20 is 1,316,990. Registration overseas and in designated registration centers in the Philippines for overseas Filipinos was opened on December 16, 2019. The registration overseas is continuing except for occasional suspensions or stoppages due to lockdowns or fortuitous events. By September 30, 2021, the COMELEC estimates that the number of registered voters including overseas voters will reach 65,304,719.

With regard to the proposed FY 2021 budget of COMELEC, Finance Services Department Director Maria Lea Alarcon reported that the original budget proposal of COMELEC is P23.07 billion but the Department of Budget and Management (DBM) only approved a budget of P10.04 billion. The P10.04 billion proposed budget will be distributed by expense class as follows: personnel services (PS), P608.24 million; maintenance and other operating expenses (MOOE), P9.43 billion; and none for capital outlay (CO).

Deputy Speaker Henry Oaminal (2nd District, Misamis Occidental) and Rep. Elpidio Barzaga Jr. (4th District, Cavite) inquired if COMELEC has remaining balance or savings from its previous annual appropriations which it could use to fund certain projects and expenses that will no longer be funded under the 2021 proposed budget. Alarcon said there is none.

Deputy Speaker Evelina Escudero (1st District, Sorsogon) asked COMELEC if it can still proceed with the 2022 elections given its reduced budget for 2021, which means it may not be able to undertake some activities in preparation for the elections.

Commissioner Marlon Casquejo said the COMELEC will still be able to hold the elections but it may mean reusing old VCMs, reclustered of voting precincts from the existing 800 voters per precinct to 1,000, and extending the elections from one day to two days in case there is still a pandemic in order to avoid overcrowding.

He said that the P13 billion scrapped from the FY 2021 proposed budget of COMELEC is intended for important expense items namely: the lease of new machines (6% of the VCMs are already defective); setting up the transmission of results; and the purchase of ballot papers.

Rep. Barzaga emphasized the need for COMELEC to prepare a comprehensive report showing the detailed costs or breakdown of expenses for leasing the machines, transmission of results, purchase of ballot papers, and other operating requirements to justify an increase in its budget to its original proposal of P23.07 billion. He promised to support and defend COMELEC's proposed budget during the plenary debates if the increase is justified.

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| <p>Continuation... Suffrage and Electoral Reforms</p> | | <p>Minority Leader Bienvenido Abante Jr. (6th District, Manila) asked COMELEC on its current plans to make voting for senior citizens (SCs) and persons with disabilities (PWDs) more convenient. He likewise asked the estimated number of new registrants for the 2022 elections.</p> <p>COMELEC Director Teopisto Elnas Jr. replied that three million new voters are expected in 2022 which will bring the total number of voters to more than 60 million Filipinos at an estimated 78% to 80% voter turnout based on percentages in the past elections.</p> <p>In answer to the Minority Leader's first question, Rep. Ferrer said that on June 2, the House of Representatives approved on Third and Final Reading HB 6470, authored by Rep. Stella Luz Quimbo (2nd District, Marikina City), which authorizes COMELEC to designate accessible polling places exclusively for PWDs and SCs. These polling places should also have special features to ensure the safety and comfort of SCs and PWDs.</p> <p>Deputy Speaker Mujiv Hataman (Basilan) asked COMELEC if VCMs can be manipulated to rig the elections.</p> <p>Commissioner Casquejo answered that it is not possible to alter the entries once the ballot is inserted into the machine up to the transmission of results. He said that while there are numerous allegations about possible manipulation of results, he said there has been no substantial evidence to validate or support such allegations.</p> <p>On the issue of vote buying and other forms of cheating such as the supposed shading of all the ballots in one precinct by just one person to favor a candidate, Casquejo maintained that these should be investigated and prosecuted, although these are problems not related to an automated election system.</p> <p>Rep. Mohamad Khalid Dimaporo (1st District, Lanao del Norte) underscored the need for the Bangsamoro Transition Authority (BTA) Parliament to already pass the BARMM Electoral Code so that it will be able to prepare well for the 2022 elections. He also recommended the use of biometrics to validate the identity of each voter before being handed the ballot to prevent cheating during elections.</p> |
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