



Republic of the Philippines
SENATE
Pasay City

JOURNAL

SESSION NO. 60
MONDAY, 13 MARCH 2023



NINETEENTH CONGRESS
FIRST REGULAR SESSION

PREPARED BY THE
LEGISLATIVE JOURNAL SERVICE
SENATE OF THE PHILIPPINES

SESSION NO. 60
Monday, March 13, 2023

CALL TO ORDER

At 3:05 p.m., the Senate President, Hon. Juan Miguel “Migz” F. Zubiri, called the session to order.

PRAYER

Sen. Loren Legarda led the prayer, to wit:

Panginoon naming lumikha, kami ay lumalapit sa Iyo na may papuri at pasasalamat.

Isa pong biyaya ang pagkakataong mapaglingkuran po namin Kayo at ang aming mga kababayan. Kami ay lumalapit sa Inyo, humihingi ng Inyong patuloy na patnubay upang magampanan namin nang tama ang aming sinumpaang tungkulin at hangarin sa ngalan Ninyo.

Nais ko pong ialay ang panalangin na ito para sa lahat ng kababaihan bilang paggunita sa Buwan ng Kababaihan.

Pagpalain Ninyo po ang lahat ng kababaihan na araw-araw ay nagsisikap na magdala ng kapayapaan at kaunlaran sa kanilang mga komunidad, tahanan, at kanilang mga puso.

Bigyan Ninyo po kami ng lakas upang patuloy na gawin ang mga layuning itinalaga Ninyo sa amin.

Idinadalangin namin ang lahat ng kababaihan na nahaharap sa kaapihan at hindi pagkapantay-pantay. Tulungan Ninyo po kaming makita at harapin ang diskriminasyon sa kababaihan at labanan ang mga pang-aabuso sa lahat ng iba't-ibang anyo nito—pisikal, emosyonal, sikolohikal, o pang-ekonomikal. Ipinagdarasal namin na ang Inyong kaginhawaan ay mapasakanila.

Itinataas din po namin sa Inyo ang lahat ng kababaihang nabubuhay sa kawalan ng pag-asa, kahirapan, karahasan, trafficking, at pagka-alipin. Nawa ang liwanag ng Inyong pag-ibig ay maghatid sa kanila ng pag-asa.

Ipinagdarasal din namin ang lahat ng kababaihan na nabubuhay sa takot sa kanilang mga kabiyak, ama, iba pang kalalakihan, at mga puwersang kumukontrol sa kanilang buhay. Tulungan Ninyo po silang magkaroon ng katapangan at kapag-yarihan upang tumindig para sa kanilang mga sarili sa pamamagitan ng Inyong walang hanggang pag-ibig at pananampalataya.

Para sa aming mga mambabatas, kami ay humihingi ng dunong at gabay na maisulong namin ang mga patakaran at programa na angkop upang tugunan ang ano mang uri ng paghihirap na nararanasan ng bawat kababaihan.

Aming Panginoon, hindi kami karapat-dapat, ngunit kami po ay sumasamo sa Inyo na gantimpalaan Mo ng tagumpay at dinggin ang panalangin ito.

Amen.

NATIONAL ANTHEM

The Bulacan State University Saring Himig Chorale led the singing of the national anthem and thereafter rendered the songs, entitled “*Senadong Marangal*” and “*Dugong Pilipino*.”

ROLL CALL

Upon direction of the Senate President, the Deputy Secretary for Legislation, Atty. Edwin B. Bellen, called the roll, to which the following senators responded:

Angara, S.	Padilla, I. R.
Dela Rosa, R. B. M.	Pimentel III, A. K.
Ejercito, J. V. G.	Poe, G.
Escudero, F. J. G.	Revilla Jr., R. B.
Estrada, J. E.	Tolentino, F. T. N.
Gatchalian, W.	Tulfo, R. T.
Go, C. L. T.	Villanueva, J.
Hontiveros, R.	Villar, C. A.
Lapid, M. L. M.	Villar, M. A.
Legarda, L.	Zubiri, J. M. F.
Marcos, I. R.	

With 21 senators present, the Chair declared the presence of a quorum.

Senator Cayetano (A) was attending to official business in Singapore (March 13 to 15, 2023) as indicated in the March 12, 2023 letter of the senator’s chief of staff.

Senator Cayetano (P) was in Manama, Bahrain for the 146th Inter-Parliamentary Union Assembly (March 13 and 14, 2023) as the Head of Delegation for the Philippines as indicated in the March 13, 2023 letter of the senator’s chief legislative officer.

Senator Binay was absent.

BIRTHDAY GREETING

At the instance of Senator Villanueva, the Body greeted Senator Tulfo who celebrated his birthday on March 12, 2023.

SUSPENSION OF SESSION

Upon motion of Senator Villanueva, the session was suspended.

It was 3:17 p.m.

RESUMPTION OF SESSION

At 3:27 p.m., the session was resumed.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

Senator Villanueva acknowledged the presence in the gallery of the following guests:

- Eumir Marcial, bemedalled Filipino boxer, and his wife, Princess Marcial;
- Mayor Al Taculad of Duero, Bohol;
- Mr. Peter Barnett, head of Energy Systems Asia;
- Ms. Jacqueline Tao, Analyst at TransitionZero;
- Messrs. JM Llamas, Francis Pantino, and Jeck Fernandez from the Fraternal Order of Eagles;
- Mayor Rhodessa Revita, the local government officials of Caibiran, Biliran; and
- Mayor Jesus Dureza Jr. and local government officials of Hagonoy, Davao del Sur.

Senate President Zubiri welcomed the guests to the Senate.

APPROVAL OF THE JOURNAL

Upon motion of Senator Villanueva, there being no objection, the Body dispensed with the reading of the Journal of Session No. 59 (March 8, 2023) and considered it approved.

REFERENCE OF BUSINESS

The Deputy Secretary for Legislation read the following matters and the Chair made the corresponding referrals:

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

Letter from the House of Representatives, informing the Senate that on 28 February 2023, the House of Representatives designated the following as members of the House Panel in the Philippine Congress-Bangsamoro Parliament Forum: Rep. Yasser Alonto Balindong as chairperson; and Reps. Mohamad Khalid Q. Dimaporo, Ziaur-Rahman "Zia" Alonto Adiong, Munir N. Arbison Jr., and Lorenz R. Defensor as members.

To the Committee on Rules

Letter from the House of Representatives informing the Senate that on 1 March 2023, the House of Representatives adopted House Concurrent Resolution No. 9, entitled

CONCURRENT RESOLUTION GRANTING CONSENT TO MR. DELFIN N. LORENZANA, BASES CONVERSION DEVELOPMENT AUTHORITY

CHAIRMAN AND FORMER SECRETARY OF THE DEPARTMENT OF NATIONAL DEFENSE, AND MR. GAMALIEL ASIS CORDOBA, CHAIRMAN OF THE COMMISSION ON AUDIT, AND FORMER COMMISSIONER OF THE NATIONAL TELECOMMUNICATIONS COMMISSION, TO RECEIVE THE AWARDS TO BE CONFERRED ON THEM BY THE GOVERNMENT OF JAPAN FOR THEIR CONTRIBUTIONS TO PHILIPPINE-JAPAN RELATIONS;

in which it requested the concurrence of the Senate.

To the Committee on Rules

Letter from the House of Representatives, informing the Senate that on 6 March 2023, the House of Representatives passed the following House bills in which it requested the concurrence of the Senate:

Resolution of both Houses No. 6, entitled

RESOLUTION OF BOTH HOUSES CALLING FOR A CONSTITUTIONAL CONVENTION TO PROPOSE AMENDMENTS TO, OR REVISION OF, THE 1987 CONSTITUTION OF THE REPUBLIC OF THE PHILIPPINES

To the Committees on Constitutional Amendments and Revision of Codes; and Electoral Reforms and People's Participation

House Bill No. 7241, entitled

AN ACT STRENGTHENING THE PROCEDURE FOR REGISTRATION OF VOTERS AND ADOPTING A SYSTEM OF ONLINE REGISTRATION, AMENDING FOR THE PURPOSE SECTIONS 2, 3, 8, 9, 10, 12, 13, 22, 23, 24, 29, 32, 33 AND 45 OF REPUBLIC ACT NO. 8189, OTHERWISE KNOWN AS THE "VOTER'S REGISTRATION ACT OF 1996"

To the Committees on Electoral Reforms and People's Participation; and Finance

House Bill No. 7325, entitled

AN ACT INSTITUTING THE MAGNA CARTA OF FILIPINO SEAFARERS

To the Committees on Migrant Workers; and Finance

House Bill No. 7327, entitled

AN ACT INSTITUTIONALIZING THE TRANSITION OF THE GOVERNMENT TO E-GOVERNANCE IN THE DIGITAL AGE, CREATING FOR THE PURPOSE THE PHILIPPINE INFOSTRUCTURE MANAGEMENT CORPORATION AND APPROPRIATING FUNDS THEREFOR

To the Committees on Science and Technology; Civil Service, Government Reorganization and Professional Regulation; and Finance

House Bill No. 7354, entitled

AN ACT ESTABLISHING EVACUATION CENTERS IN EVERY CITY AND MUNICIPALITY, AND APPROPRIATING FUNDS THEREFOR

To the Committees on National Defense and Security, Peace, Unification and Reconciliation; Public Works; and Finance

House Bill No. 7027, entitled

AN ACT PROVIDING PREFERENTIAL APPOINTMENT TO APPOINTIVE OFFICERS AND EMPLOYEES HOLDING VALID APPOINTMENTS TO THE NEW POSITIONS IN THE APPROVED STAFFING PATTERN FOLLOWING A GOVERNMENT REORGANIZATION, AMENDING FOR THE PURPOSE, SECTION 4 OF REPUBLIC ACT NO. 6656

To the Committee on Civil Service, Government Reorganization and Professional Regulation

House Bill No. 7208, entitled

AN ACT DECLARING JANUARY 22 OF EVERY YEAR A SPECIAL WORKING HOLIDAY IN THE ENTIRE COUNTRY TO BE KNOWN AS "NATIONAL FARMER'S DAY"

To the Committee on Agriculture, Food and Agrarian Reform

House Bill No. 7209, entitled

AN ACT DECLARING THE FOURTH THURSDAY OF NOVEMBER OF EVERY YEAR AS "NATIONAL THANKSGIVING DAY"

To the Committees on Civil Service, Government Reorganization and Professional Regulation; and Labor, Employment and Human Resources Development

House Bill No. 7292, entitled

AN ACT CREATING A VAT REFUND MECHANISM FOR NON-RESIDENT TOURISTS, ADDING FOR THE PURPOSE A NEW SECTION 112-A TO THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED

To the Committee on Ways and Means

House Bill No. 7311, entitled

AN ACT SETTING STANDARDS FOR THE CONTRACTING OF LOANS AND GRANTS WITH BILATERAL AND MULTILATERAL PARTNERS, AMENDING FOR THE PURPOSE SECTIONS 2, 3, 4, 7, AND 9 OF REPUBLIC ACT NO. 8182, AS AMENDED BY REPUBLIC ACT NO. 8555, OTHERWISE KNOWN AS THE "OFFICIAL DEVELOPMENT ASSISTANCE ACT OF 1996"

To the Committees on Economic Affairs; Finance; and Ways and Means

House Bill No. 7355, entitled

AN ACT ESTABLISHING THE NEGROS ISLAND REGION, AND APPROPRIATING FUNDS THEREFOR

To the Committees on Local Government; and Finance

House Bill No. 3092, entitled

AN ACT ESTABLISHING A MULTI-SPECIES MARINE HATCHERY IN THE MUNICIPALITY OF LILOY, PROVINCE OF ZAMBOANGA DEL NORTE, AND APPROPRIATING FUNDS THEREFOR;

House Bill No. 7295, entitled

AN ACT ESTABLISHING A CENTRAL MULTI-SPECIES MARINE HATCHERY IN THE MUNICIPALITY OF CARLES, PROVINCE OF ILOILO, AND APPROPRIATING FUNDS THEREFOR;

House Bill No. 7296, entitled

AN ACT ESTABLISHING A COASTAL AQUACULTURE CENTER TO SUPPORT AND REHABILITATE THE BUREAU OF FISHERIES AND AQUATIC RESOURCES NORTHERN MINDANAO BRACKISH WATER AQUACULTURE FISH FARM IN THE MUNICIPALITY OF LALA, PROVINCE OF LANA DEL NORTE, AND APPROPRIATING FUNDS THEREFOR;

House Bill No. 7297, entitled

AN ACT ESTABLISHING A SATELLITE MULTI-SPECIES MARINE HATCHERY IN THE MUNICIPALITY OF SAN FERNANDO, PROVINCE OF CAMARINES SUR, AND APPROPRIATING FUNDS THEREFOR;

House Bill No. 7299, entitled

AN ACT ESTABLISHING A SATELLITE MULTI-SPECIES MARINE HATCHERY IN THE MUNICIPALITY OF PASACAO, PROVINCE OF CAMARINES SUR, AND APPROPRIATING FUNDS THEREFOR;

and House Bill No. 7300, entitled

AN ACT ESTABLISHING A SATELLITE MULTI-SPECIES MARINE HATCHERY IN THE MUNICIPALITY OF MINALABAC, PROVINCE OF CAMARINES SUR, AND APPROPRIATING FUNDS THEREFOR.

To the Committees on Agriculture, Food and Agrarian Reform; and Finance

House Bill No. 6932, entitled

AN ACT DECLARING LA MESA DAM ECOPARK, LOCATED IN BARANGAY FAIRVIEW, QUEZON CITY, A TOURISM DESTINATION;

and House Bill No. 6372, entitled

AN ACT DECLARING THE RUINS OF COTTA DE SAN JOSE LOCATED IN THE MUNICIPALITY OF CORCUERA, PROVINCE OF ROMBLON, A TOURISM SITE.

To the Committees on Tourism; and Finance

House Bill No. 7302, entitled

AN ACT DECLARING THE PROVINCE OF MARINDUQUE AS THE HOME OF THE MORIONES FESTIVAL

To the Committee on Tourism

House Bill No. 7304, entitled

AN ACT DECLARING BANGA CAVES, LOCATED IN THE MUNICIPALITY OF RAGAY, PROVINCE OF CAMARINES SUR, AN ECOTOURISM DESTINATION

To the Committees on Tourism; Environment, Natural Resources and Climate Change; and Finance

House Bill No. 7235, entitled

AN ACT CONVERTING THE CEBU TECHNOLOGICAL UNIVERSITY-DUMANJUG EXTENSION CAMPUS IN THE MUNICIPALITY OF DUMANJUG, PROVINCE OF CEBU, INTO A REGULAR CAMPUS OF THE CEBU TECHNOLOGICAL UNIVERSITY, TO BE KNOWN AS THE CEBU TECHNOLOGICAL UNIVERSITY-DUMANJUG CAMPUS, AND APPROPRIATING FUNDS THEREFOR

To the Committees on Higher, Technical and Vocational Education; and Finance

House Bill No. 7303, entitled

AN ACT ESTABLISHING THE MINDANAO STATE UNIVERSITY-LANAO DEL NORTE AGRICULTURAL COLLEGE ARBORETUM IN BARANGAY RAMAIN, MUNICIPALITY OF SULTAN NAGA DIMAPORO, PROVINCE OF LANAO DEL NORTE, AND APPROPRIATING FUNDS THEREFOR

To the Committees on Environment, Natural Resources and Climate Change; Higher, Technical and Vocational Education; and Finance

House Bill No. 7156, entitled

AN ACT ESTABLISHING A SATELLITE OFFICE OF THE DEPARTMENT OF LABOR AND EMPLOYMENT IN THE MUNICIPALITY OF RODRIGUEZ (FORMERLY MONTALBAN), PROVINCE OF RIZAL, AND APPROPRIATING FUNDS THEREFOR

To the Committees on Labor, Employment and Human Resources Development; and Finance

and House Bill No. 7234, entitled

AN ACT RE-NUMBERING THE CEBU FIRST, SECOND, THIRD AND FOURTH DISTRICT ENGINEERING OFFICES TO CONFORM AND CORRESPOND, RESPECTIVELY, WITH THE NUMBERING OF THE LEGISLATIVE DISTRICTS IN THE PROVINCE OF CEBU THEREBY REPEALING REPUBLIC ACTS NUMBERED 9043 AND 9218.

To the Committee on Public Works

Letter from the House of Representatives, informing the Senate that on 28 February 2023, the House of Representatives adopted House Concurrent Resolution No. 10, entitled

CONCURRENT RESOLUTION ESTABLISHING AND MAINTAINING AN INTEGRATED AND SECURE DIGITAL LEGISLATIVE MANAGEMENT SYSTEM FOR THE CONGRESS OF THE PHILIPPINES TO BE KNOWN AS THE eCONGRESS,

in which it requests the concurrence of the Senate.

To the Archives

Letter from the House of Representatives, informing the Senate that on 1 March 2023, the House of Representatives adopted Senate Concurrent Resolution No. 7, as amendment to the House Concurrent Resolution No. 10, entitled

CONCURRENT RESOLUTION ESTABLISHING AND MAINTAINING AN INTEGRATED AND SECURE DIGITAL LEGISLATIVE MANAGEMENT SYSTEM FOR THE CONGRESS OF THE PHILIPPINES TO BE KNOWN AS THE eCONGRESS.

To the Archives

ADDITIONAL REFERENCE OF BUSINESS

BILLS ON FIRST READING

Senate Bill No. 1981, entitled

AN ACT MANDATING ALL BARANGAYS TO CREATE A REGISTRY OF SKILLED WORKERS, TO PROVIDE FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Lapid

To the Committees on Labor, Employment and Human Resources Development; and Local Government

Senate Bill No. 1982, entitled

AN ACT DECLARING THE MALABON HERITAGE DISTRICT IN THE CITY OF MALABON A NATIONAL HISTORICAL - CULTURAL HERITAGE ZONE, TO APPROPRIATE FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Lapid

To the Committees on Culture and the Arts; and Finance

Senate Bill No. 1983, entitled

AN ACT DECLARING SITIO TIMOGA IN BARANGAY BURU-UN IN THE CITY OF ILIGAN, PROVINCE OF LANA DEL NORTE, AN ECOTOURISM ZONE TO BE KNOWN AS THE TIMOGA ECOTOURISM ZONE, AND APPROPRIATING FUNDS THEREFOR

Introduced by Senator Marcos

To the Committees on Tourism; and Finance

Senate Bill No. 1984, entitled

AN ACT SEPARATING THE JOSE ABAD SANTOS NATIONAL HIGH SCHOOL - TABAYON EXTENSION IN BARANGAY TABAYON, MUNICIPALITY OF JOSE ABAD SANTOS, PROVINCE OF DAVAO OCCIDENTAL FROM THE JOSE ABAD SANTOS NATIONAL HIGH SCHOOL, CONVERTING IT INTO AN INDEPENDENT NATIONAL HIGH SCHOOL TO BE KNOWN AS TABAYON NATIONAL HIGH SCHOOL AND APPROPRIATING FUNDS THEREFOR

Introduced by Senator Marcos

To the Committee on Rules

Senate Bill No. 1985, entitled

AN ACT CREATING BARANGAY PAG-ASA IN THE MUNICIPALITY OF KALAMANSIG, PROVINCE OF SULTAN KUDARAT

Introduced by Senator Marcos

To the Committee on Rules

Senate Bill No. 1986, entitled

AN ACT PROMOTING GENDER-NEUTRAL UNIFORMS IN SCHOOLS, COLLEGES, AND UNIVERSITIES

Introduced by Senator Tulfo

To the Committee on Women, Children, Family Relations and Gender Equality

Senate Bill No. 1987, entitled

AN ACT PROVIDING FOR THE FORMULATION AND INSTITUTIONALIZATION OF A COMPREHENSIVE INFRASTRUCTURE DEVELOPMENT MASTER PLAN

Introduced by Senator Villanueva

To the Committees on Economic Affairs; and Finance

RESOLUTION

Proposed Senate Resolution No. 538, entitled

RESOLUTION DIRECTING THE COMMITTEE ON ENVIRONMENT, NATURAL RESOURCES AND CLIMATE CHANGE AND OTHER APPROPRIATE COMMITTEE/S OF THE SENATE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ORIENTAL MINDORO OIL SPILL AND ITS EFFECTS

ON THE ENVIRONMENT, FOOD SECURITY AND LIVELIHOOD OF THE
PEOPLE IN THE AFFECTED AREAS

Introduced by Senator Villanueva

To the Committee on Environment, Natural Resources and Climate Change

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Villanueva acknowledged the presence in the gallery of the following guests:

- Mayor Joseph Caingcoy of Miripipi, Biliran;
- Mayor Annaliza Kwan of Guiuan, Eastern Samar;
- Vice Mayor Aubrey Fondevilla of Corcuera, Romblon; and
- Vice Mayor Diven Dimaala of Odiongan, Romblon.

Senate President Zubiri welcomed the guests to the Senate.

PROPOSED SENATE RESOLUTION NO. 494

Upon motion of Senator Villanueva, there being no objection, the Body considered Proposed Senate Resolution No. 494, entitled

RESOLUTION CONGRATULATING AND COMMENDING EUMIR FELIX
MARCIAL FOR HIS FOURTH STRAIGHT PROFESSIONAL BOXING VICTORY
AFTER CONQUERING A MIDDLEWEIGHT MATCH IN SAN ANTONIO,
TEXAS, USA,

taking into consideration Proposed Senate Resolution No. 256.

With the permission of the Body, only the title of the resolution was read without prejudice to the insertion of its full text into the *Record of the Senate*.

Thereupon, the Chair recognized Senator Villanueva for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR VILLANUEVA

In sponsoring Proposed Senate Resolution No. 494, Senator Villanueva delivered the following speech:

It is my honor and privilege to sponsor Proposed Senate Resolution Nos. 256 and 494, congratulating and commending Tokyo Summer Olympics bronze medalist Eumir Felix Marcial for his third and fourth straight professional boxing victories after conquering middleweight matches in the Unites States of America.

On October 8, 2022, Eumir won against American Steven Pichardo in a six-round middleweight match held in Carson, California. This is despite the accidental headbutt cut he suffered above his right eye during the second round of the fight. Eumir showcased his superior boxing skills to shut down his opponent.

Just last month, he won again against Argentinian Ricardo Ruben Villalba in an eight-round middleweight bout in San Antonio, Texas, USA.

Indeed, Eumir once again showcased to the world the exceptional skills and talent of the Filipino athlete. *Isa po siyang inspirasyon hindi lamang sa ating mga Pilipino at sa mga kapwa niya boksingero kundi sa mga libo-libong atleta at milyon-milyong kabataang Pilipino na nagsisikap na makamit ang kanilang mga pangarap.*

We would like to congratulate our *kababayan*, my fraternity brother, Eumir.

Mabuhay ka, and we will cheer for you in all your next matches.

COSPONSORSHIP SPEECH OF SENATE PRESIDENT ZUBIRI

Pursuant to his manifestation that his cosponsorship speech on Proposed Senate Resolution No. 494 be inserted into the *Journal and Record of the Senate*, the following is Senate President Zubiri's speech, to wit:

It is my pride and honor to stand here today to cosponsor our resolution commending Eumir Felix Marcial on his fourth straight professional boxing victory, after a knockout win at the Alamodome in San Antonio, Texas, just last month.

In a match that lasted just two rounds, Eumir dominated his Argentinian opponent Ricardo Villalba. He wowed audiences with his dynamism and power, and he showed the world the unmatched skill of Filipino boxers.

All of us from Mindanao are immensely proud of Eumir, our homegrown Olympian from Zamboanga City. Like our beloved Pambansang Kamao, Sen. Manny Pacquiao, he carries our flag proudly, and he is testament not only to the amazing athleticism of Filipino boxers, but to their humility, discipline, and gracious sportsmanship as well.

At the moment, he is the only professional Filipino boxer in the middleweight category, and we fully support his journey as he strives to compete for us once again at the 2024 Paris Olympics.

Eumir's victory is a victory for the country, for Mindanao, and for every aspiring young Filipino athlete. *Saludo po ang buong Senado kay Eumir Marcial. Thank you.*

COSPONSORSHIP SPEECH OF SENATOR GO

In cosponsoring Proposed Senate Resolution No. 494, Senator Go likewise delivered the following speech:

As the chairperson of the Senate Committee on Sports, it is my distinct honor and privilege to stand before you today to express my support and cosponsor the Senate resolution congratulating and commending Eumir Felix Marcial for his fourth straight professional boxing victory after conquering middleweight matches in San Antonio, Texas, USA.

Eumir Felix Marcial's recent win in an eight-round middleweight bout at Alamodome in San Antonio, Texas, USA is nothing short of impressive. Marcial has once again proven his exceptional skills and talent as a boxer by achieving his second knockout in the professional ranks after stopping the more experienced opponent just 48 seconds into the second round. This victory of Eumir Felix Marcial speaks volumes about his dedication and commitment to the sport.

Kahit na naka-cast daw iyong kanang kamay niya, ang sabi niya okey lang daw na mag-cast na naman iyong kaliwa. Kukunin daw niya ang ginto sa 2024 Olympics.

Ang sabi niya na bahala na raw mag-cast muli iyong kaliwang kamay niya basta makuha niya iyong ginto para sa ating bayan. Taga-Mindanao rin po itong si Eumir Felix Marcial, from Zamboanga.

Marcial has brought home several victories for the Philippines including the gold medal at the Southeast Asian Games and a bronze medal at the Asian Games, among others.

As the chairperson of the Senate Committee on Sports, I believe sports play a crucial role in our society as it is not only a form of entertainment and recreation but also as a means of fostering unity and national pride. As such, I place great importance on the development of sports



in our country. Through our combined efforts, we will be able to continue to inspire and empower our Filipino athletes to achieve greater heights and bring honor and glory to our country.

Eumir, once again, I would like to extend my sincerest congratulations on your historic accomplishment. Your unwavering determination and dedication have set a remarkable example for all of us, demonstrating what can be achieved through hard work and perseverance.

We look forward with great anticipation to your future achievements and continued success.

Mabuhay ka, Eumir. Narito lamang kami sa Senado na handang sumuporta sa inyong lahat.

COSPONSORSHIP SPEECH OF SENATOR REVILLA

Pursuant to the manifestation of Senator Villanueva that Senator Revilla would submit his cosponsorship speech on Proposed Senate Resolution No. 494 for insertion into the *Journal and Record of the Senate*, following is the latter's speech, to wit:

I join our colleagues with great pride as we honor our champion boxer and Olympian medalist, Eumir Felix Marcial for his professional boxing victory in the Middleweight Division.

Eumir may have just recently started his professional career, but he has long arduously championed his boxing bouts for more than a decade already. He started his boxing interests at age 7. *Tunay na inspirasyon sa bawat batang nangangarap na maging boksingero o atleta.* We have a promising pool of the world's best punches.

His professional boxing record is powerfully excellent. He had 4 wins - 0 losses, and 2 Knockouts. He remains unbeaten as of the date, despite competing against other more experienced boxers. *Tuloy tuloy ang kanyang tagumpay. Patuloy tayong pinapahanga.* Eumir remains among our best bets for our next Olympic gold medal for boxing.

Sa bawat suntok, bawat jabs and uppercuts, ang aming pagsaludo. Kasama mo kami sa iyong paglalayag sa malawak na arena. Indeed, Eumir is the next big thing in the global boxing stage.

ADOPTION OF PROPOSED SENATE RESOLUTION NO. 494

Upon motion of Senator Villanueva, there being no objection, Proposed Senate Resolution No. 494, taking into consideration Proposed Senate Resolution No. 256, was adopted by the Body, subject to style.

COUTHORS

Senator Villanueva manifested that all senators present that day were coauthors of Proposed Senate Resolution No. 494.

SUSPENSION OF SESSION

With the permission of the Body, the session was suspended.

It was 3:46 p.m.

RESUMPTION OF SESSION

At 4:00 p.m., the session was resumed.

COMMITTEE REPORT NO. 21 SENATE BILL NO. 1841

(Continuation)

Upon motion of Senator Ejercito, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1841 (Committee Report No. 21), entitled

AN ACT STRENGTHENING THE CONSERVATION AND PROTECTION OF PHILIPPINE CULTURAL HERITAGE THROUGH CULTURAL MAPPING, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10066, OTHERWISE KNOWN AS THE NATIONAL CULTURAL HERITAGE ACT OF 2009.

Senator Ejercito stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Legarda, sponsor of the measure, and Senator Pimentel for the continuation of his interpellation.

INTERPELLATION OF SENATOR PIMENTEL

Senator Pimentel recalled that during his previous interpellation, three of the four points he wished to raise regarding the cultural mapping bill were disposed of. He explained that the fourth item pertained to the provision on page 6, line 16 of the bill, titled "Protection of Visual Sightlines, Core, and Buffer Zone." He noted that in the bill, the concept was expressed in three ways: visual sightline, visual corridor and/or line of sight, and visual impact.

He stated that while he welcomed the introduction of the concept, which would protect culturally important properties, the challenge was to avoid making the concept too broad, as it would be susceptible to constitutional challenge under the "void-for-vagueness doctrine," and to avoid delegating blanket authority based on the undue delegation of legislative power. He also cited a Supreme Court ruling declaring that there is no legal basis to protect the visual sightline or visual impact of a cultural property. He expressed concern that the provision could impose an undue burden on properties deemed to affect the visual corridor of a culturally important property.

Senator Pimentel stated that the right to ownership has the following component rights: *jus utendi*, the right to enjoy (the thing owned); *jus fruendi*, the right to receive fruits (of the thing owned); *jus accessiones*, the right to the accessories; *jus abutendi*, the right to consume the thing by use; *jus disponendi*, the right to alienate, encumber, transform, or even destroy the thing owned; *jus vindicandi*, the right to recover possession of property based on the claim of ownership; and *jus possidendi*, the right to possess the property. He asserted that the act of "taking one's property" is not limited to the owner's mere dispossession of the subject property but also to any limitations imposed on him by any of the mentioned component rights included in such ownership.

In reply, Senator Legarda believed that the visual sightline provision would not be infringing on any of the component rights of the owner to his property because the provision would only apply to cultural properties that were considered to be of historical significance. However, she agreed with Senator Pimentel that Senate Bill No. 1841 should focus on the subject of cultural mapping. She also agreed that the government agency should be granted with very specific and not very broad powers in enabling it to declare a property to be within the sightline so that misinterpretation and abuse of such power would be avoided. She stated that during the period of amendments, she would be proposing the deletion of Section 5 of the bill and the insertion of a new Section 9 under Article III of RA 10066.

She informed the Body that she, Senators Pimentel and Cayetano (P), and the other coauthors of the bill, as well as the NCCA, have all agreed to delete the provision and, as a result, draft a separate bill on the sightline protection of significant cultural properties. She then cited the St. Paul's Cathedral in London, United Kingdom and the Brooklyn Heights Promenade in New York City and the Texas State Capitol in Austin, both in the United States of America, as examples of structures with protected views or vistas.

Senator Pimentel welcomed the proposal of Senator Legarda. He clarified that he agreed with the proposed extended protection to be granted to the visual impact or visual corridor of a significant cultural property. He added that the parties concerned would also have to agree on the use and definition of the term "sightline." He said that Senator Legarda had provided, for further study, a list of sightlines that should be protected.

In clarifying the proposed separate bill on sightlines, Senator Pimentel used the airport runway as an example wherein the Civil Aviation Authority of the Philippines would clear its obstructions by declaring buffer zones and by issuing demolition notices to owners of structures within the declared buffer zone of an airport in preparation for its commercial operations. However, he cautioned that the authors would have to be more careful, detailed, and accurate in drafting the new bill in order to avoid the four possible constitutional challenges he had earlier raised.

In this regard, Senator Legarda mentioned a portion of the amendments that she initially intended to propose on Section 5 of Senate Bill No. 1841, as follows: "The NCCA board may include visual sightline protection in its declarations in order for the Commission to exercise its power to establish visual sightline protection." She said that it would include a heritage impact assessment with public consultations that would be conducted, national significance, and with publicly recognized value that the visual sightline must be established. But she agreed that such provision could be contained in a separate bill in order to expedite the passage of Senate Bill No. 1841 on cultural mapping.

Senator Pimentel acknowledged Senator Legarda's efforts in getting the attention of the Body into legislating the protection of culturally significant properties. He opined that limiting Senate Bill No. 1841 into a cultural mapping bill would remove the possible controversies and constitutional arguments against it. Senator Legarda mentioned that several versions of the cultural mapping bill had been passed on Third Reading by the House of Representatives in the previous Congresses.

Senate President Zubiri reminded the Members of the Chamber who would author the new bill to look at the possibility of limiting sightline restrictions on specific historically significant sites based on the NCCA's shortlist. Senator Legarda assured that only a selection and not even all Grade I sites would be included, such that the Senate President's suggestion was already incorporated in the initial draft of the separate bill. Nonetheless, she said that she had agreed to pass Senate Bill No. 1841 without the contentious issues so that the NCCA and the LGUs could already work on their respective cultural mapping.

Acknowledging Senator Legarda's approach as logical, appropriate, and acceptable, Senator Pimentel then opined that a fine-tuned draft of the separate visual impact bill would actually provide an additional protection to Senate Bill No. 1841. He again cautioned the Body to study the proposal in order to avoid "the unintended consequences." Senate President Zubiri averred that the Body should focus on the quality and not the quantity of the measures being passed by the Senate.

Senator Legarda added that she would be proposing an amendment at the proper time to improve the definition of cultural mapping in the bill.

TERMINATION OF THE PERIOD OF INTERPELLATIONS

There being no other interpellation, upon motion of Senator Villanueva, there being no objection, the Body closed the period of interpellations.

Senator Villanueva stated that the Body would proceed with the period of amendments of the bill in the next session day.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1841

Upon motion of Senator Villanueva, there being no objection, the Body suspended consideration of the bill.

COMMITTEE REPORT NO. 20 ON SENATE BILL NO. 1806

(Continuation)

Upon motion of Senator Villanueva, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1806 (Committee Report No. 20), entitled

AN ACT PROVIDING FOR THE BILL OF RIGHTS AND OBLIGATIONS OF TAXPAYERS, CREATING THE OFFICE OF THE NATIONAL TAXPAYER ADVOCATE, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

Senator Villanueva stated that the parliamentary status was the period of interpellations.

Thereupon, the Chair recognized Senator Gatchalian, sponsor of the measure, and Senator Pimentel for his interpellation.

INTERPELLATION OF SENATOR PIMENTEL

Senator Pimentel opined that Senate Bill No. 1806, a substitute bill, has the potential to become a landmark law, a powerful bill listing the taxpayers' rights and creating a public assistance office for taxpayers, similar to that of the Public Attorney's Office.

As to the rationale of the bill and on whether there was a clamor for it, Senator Gatchalian replied that while the bill was distinct, it was not unprecedented since many first-world countries and developed nations were either already implementing the same legislation, were already legislating, or were administratively issuing a taxpayers' bill of rights and creating an office to protect their interests.

At this point, slides of the list of 10 government agencies with the highest number of complaints per Anti-Red Tape Authority (ARTA) for 2019, 2020, 2021, and 2022 were flashed on screen.

Based on the data from ARTA, Senator Gatchalian stated that in 2019, the Bureau of Internal Revenue (BIR) ranked as having the second highest number of complaints while the Bureau of Customs (BOC) ranked sixth; in 2020, the BIR still ranked second while the BOC dropped to the eight rank; in 2021, BIR ranked third while BOC ranked seventh; and in 2022, BIR ranked fifth while BOC did not make it to the top 10. Nevertheless, he emphasized that both bureaus have notoriously and consistently remained in the top 10 government agencies with the highest number of complaints per ARTA for several consecutive years. He said that most customers or taxpayers have complaints mostly stemming from corruption, abuse, and excessive bureaucracy. He then stated that the purposes of the bill included the protection of the rights of taxpayers from revenue collecting agencies and the prevention of corruption and abuse by the said agencies.

At this juncture, Senate President Zubiri relinquished the Chair to Senator Ejercito.

Senator Pimentel noted that 28 complaints coursed through ARTA against the BIR for 2022 was considerably low. He inquired as to the nature of such complaints against BIR. Senator Gatchalian replied that the varying complaints coursed through ARTA were mostly about

red tape with abuse and corruption allegations, which were aside from complaints coursed through the Department of Finance, Civil Service Commission, the Ombudsman, and complaints directly received by BIR. Senator Pimentel added that complaints directly reaching the Senate were not even included, to which Senator Gatchalian agreed as he acknowledged the fact that taxpayers did not directly report their respective tax collectors in fear of retaliation.

Senator Gatchalian reiterated that the taxpayer bill of rights was already common and recognized in first world countries. He said that most developed nations and even developing nations such as Cambodia, Chile, India, and Laos already have either a legislated taxpayer bill of rights, an administrative issuance, while some have already named their taxpayer's public assistance office as Taxpayer Ombudsman or Taxpayer Advocate Office.

At this point, a slide showing a table of countries that have their respective taxpayers' bill of rights or charter was flashed on screen.

Replying to Senator Pimentel's query, Senator Gatchalian said that the bill used the U.S. model for being one of the earliest countries which adopted the concept of taxpayers' rights and the taxpayer advocate office. He disclosed that the Senate Tax Study and Research Office (STRSO) has been in contact with a non-profit organization in the U.S. called the Taxpayer Rights Center.

Senator Pimentel said that he heard that filing of tax return in the U.S. was convenient compared to the country's manual system and even with the online system where it was difficult to correct errors made in the form.

Agreeing with the observation, Senator Gatchalian affirmed that the U.S. protects the interests of small businesses which are their biggest numbers of taxpayers.

On whether the Office of the Tax Advocate in the U.S. help individual taxpayers in filling out their income tax returns, Senator Gatchalian said that according to the website of National Taxpayer Advocate, its services include receiving complaints, providing suggestions to tax authorities and Congress in order to improve legislation. He stated that the services it provides to taxpayers are in the form of education, advice and a venue for the taxpayer to complain. He averred that the taxpayer advocate directly entertains a taxpayer's complaint, investigate and refer the same to the tax authorities for action.

Asked on the key functions of the country's Office of the National Taxpayer Advocate (ONTA) as envisioned in the bill, Senator Gatchalian stated that among the functions of the ONTA are: to assist the public in the tax queries and concerns relative to taxes; represent taxpayers and assist, initiate, intervene, as may be applicable in tax cases, complaints and proceedings after due evaluation; and engage in regular information, education and communication programs for all taxpayers on tax laws, tax rules, regulations and circulars. He clarified, however, that under the bill, priority would be given to taxpayers experiencing financial difficulty, those who are marginalized and in their assessment can lead to bankruptcy, and micro, small and medium enterprises. Theoretically, he said, the ONTA would be expected to help everyone, but in the case of a big company which does not agree with the tax assessment, the ONTA would just answer tax queries, and provide information and education, while providing representation would have to be studied according to ONTA's prioritization procedures.

On whether the ONTA could provide second opinion on the tax liability being charged the taxpayer, Senator Gatchalian replied in the affirmative, stating that the ONTA would provide some mediation and render an opinion favorable to the government or to the taxpayer so that litigation could be avoided. He also stated the office would help curb corruption by abusive tax assessors

and collectors who could be deterred when another government agency would review the assessment or collection, and cases could be filed against erring tax officials. Finally, he believed that the ONTA would be a mechanism to boost confidence in the system because there would be check and balance within the tax revenue agencies.

As to the tax-collecting agencies subject to the review of the ONTA, Senator Gatchalian cited the Bureau of Internal Revenue, the Bureau of Customs, the local government units, the Philippine Veterans Investment Development Corporation (PHIVIDEDEC) Industrial Authority, and the Tourism Infrastructure and Enterprise Zone Authority (TIEZA). He pointed out that the PHIVIDEDEC collects real property taxes under its charter and a portion of the taxes goes to the LGU.

Senator Pimentel expressed doubt on whether the ONTA could be able to serve all 26.8 million taxpayers transacting with the BIR alone, and other taxpayers in the Bureau of Customs and in the LGUs. Senator Gatchalian asserted that the prioritization mechanism was put in the measure to prioritize those who are experiencing financial difficulty. However, he surmised that not all the registered taxpayers in the country would encounter tax problems.

On whether ONTA's services would be free of charge, Senator Gatchalian replied in the affirmative. Senator Pimentel stated that such free services of ONTA might encourage taxpayers to question the assessment imposed them. However, Senator Gatchalian said that in 2022, the number of letters of authority (LOA) issued was about 51,000, out of which, 4,500 had final assessment notices while 854 were settled. He noted that not all 26 million taxpayers were found to have tax errors.

To Senator Pimentel's query whether a taxpayer may ask assistance from ONTA in filing tax returns with or without problem with the BIR, Senator Gatchalian replied that the role of ONTA would be to educate the public on filing the right amount using the correct basis for the return in order to reduce the potential for abuse and corruption.

On whether the ONTA would assist the taxpayers only by coming out with educational videos or would also provide personal assistance, Senator Gatchalian pointed out that the bill did not specifically provided for the modality in educating taxpayers but it stipulated assistance by electronic means, which could include applications, chatbots or programs like ChatGPT to answer simple queries on filling out tax applications or tax computations, besides approaching ONTA employees.

Asked by Senator Pimentel how much budget would be necessary to operate ONTA which has 28.7 million potential clientele for national internal revenue taxes, Senator Gatchalian replied that based on internal computation and in consultation with the agencies concerned, 348 personnel would be necessary to initially man ONTA, which would entail a budget of P297 million as compared to PAO which has a budget of P5 billion for 2,400 employees.

Saying that the concept of ONTA was worth pursuing, Senator Pimentel hoped that further simulation with respect to the number of clienteles would be undertaken, especially since Sec. 8 (a) did not qualify what tax queries and concerns would be entertained by ONTA. He surmised that many taxpayers, including big taxpayers, would avail of ONTA's services instead of paying retainer fees to accountants. Senator Gatchalian agreed and expressed openness to provide in the bill as to which taxpayers would be prioritized to increase tax compliance.

On whether importers could also seek assistance from ONTA, Senator Gatchalian replied that they may do so, and he was open to suggestions on how to manage expectations regarding the measure.

SUSPENSION OF SESSION

Upon motion of Senator Pimentel, the session was suspended.

It was 4:51 p.m.

RESUMPTION OF SESSION

At 5:02 p.m., the session was resumed.

Upon resumption, Senator Pimentel noted that he wanted ONTA's concept to work so that the taxes of Filipino taxpayers would be counterchecked before they proceed to the BIR.

Asked by the Chair on the number of personnel who would man ONTA, Senator Gatchalian repeated that an estimate of 348 personnel would be assigned to ONTA, with a total budget of P297 million.

On another point, Senator Pimentel asked if the measure would grant basic rights to the taxpayers, or would only organize and enumerate the same. Senator Gatchalian noted that the basic rights were already enshrined in various tax laws, the Constitution, and certain Supreme Court decisions, and the bill was merely codifying them.

Senator Pimentel cautioned that some rights might be overlooked and not included in the codification. Senator Gatchalian replied that so far, the committee had not received any feedback from the tax experts and revenue collecting agencies about any right that had been overlooked in the public hearing and the five technical working groups that were conducted. Nonetheless, he said that such rights that might not be included in the bill would remain enforced by law, as the bill provides a safeguard in Section 4, to wit: "Notwithstanding the rights and remedies of the taxpayers provided for in the National Internal Revenue Code, Customs Modernization and Tariff Act, the Local Government Code, and other regulations, issuance and circulars."

Asked if the bill would be granting a new basic right and obligation to the taxpayers, Senator Gatchalian replied that no new right or obligation other than those provided under existing laws would be added.

On the benefit of enumerating said rights already granted in different laws, Senator Gatchalian explained that the purpose of codifying the rights under different laws was to make it easy for taxpayers, who are mostly not tax experts, to know their rights in one glance, in the same way that the rights of taxpayers in the U.S. were codified in a bill of rights.

At this juncture, Senator Ejercito relinquished the Chair to Senate President Zubiri.

Senator Pimentel observed that the U.S. declaration of basic taxpayer rights which was the model of the bill enumerates only 10 basic rights while the measure enumerates 13. He then asked which of said rights overlap with those of the US and which are the three additional rights being granted to Filipino taxpayers but are not expressly mentioned under the U.S. system.

In reply, Senator Gatchalian stated that of the 10 basic rights under the U.S. system, only eight were accommodated as the proposal did not include the right to finality and the right to a fair and just tax system. It being the case, he said that five more basic rights were added, as follows: (1) right to fair and faithful application of laws; (2) the right to present evidence and witness;

(3) the right to installment payment; (4) the right to relief from paying interest and penalties; and (5) the right to recover cost and damages from judicial actions.

Asked if he would be open to accommodate and extend to Filipino taxpayers the two rights accorded to U.S. taxpayers such as the right to finality which were not included in the proposal, Senator Gatchalian said that he was open to expressly provide the same in the measure.

As regards the right to fair and just tax system, Senator Pimentel proposed to accommodate it not as an additional independent right but for its wording to be incorporated into one of the rights listed in the bill. Senator Gatchalian averred that the right to fair and faithful application of laws can be interpreted as the right to fair and just tax system. Nonetheless, he said that he was amenable to improving the language in the bill.

Senator Pimentel noted that the right to fair and faithful application of laws, particularly tax laws, is already guaranteed under the equal protection clause of the Constitution. Meanwhile, he averred that the right to fair and just tax system granted under the U.S. taxpayers refers to the overall tax system, the reason why he was considering an amendment on the matter to be proposed at the proper time.

Senator Gatchalian explained that his personal interpretation was that the laws create the system; hence, once the taxpayer is accorded fair and faithful application of the law, it is implied that he is also accorded with a fair and just tax system. Senator Pimentel reiterated that the right to fair and faithful application of laws is more in connection with the equal protection clause such that when a certain taxpayer or group of taxpayers believe that the tax system of the country is unfair or unconstitutional for not giving priority to direct and progressive taxes, they can complain to the ONTA which would be duty-bound to make representation before lawmakers.

Senator Gatchalian believed that the measure was important as the rights and obligations identified would flag revenue authorities to consider said rights and obligations when releasing revenue regulation issuances. In that way, he said, there would no longer be a need for taxpayers to complain to ONTA as the revenue authorities would already be embodying through their issuances the rights and regulations which would be approved by Congress. Senator Pimentel agreed, adding that ONTA must be able to persuade revenue authorities to be the champions of taxpayer rights.

Asked if the list of the taxpayer rights would be reproduced in all tax forms, Senator Gatchalian replied in the affirmative.

As regards the job of ONTA, Senator Gatchalian said that its job is to review all of the revenue regulations especially if the taxpayer's bill of rights has been complied with. He added that it would be within ONTA's power to propose any amendment to the revenue regulation or the law itself, if necessary.

Noting that the meat of the measure was the listing of the taxpayer basic rights, which however included some qualifiers in the provisions, Senator Pimentel believed that it was important to go over each of these rights to clarify certain exceptions. He said that it was necessary to agree on what should really be the basic rights of Filipino taxpayers, otherwise ONTA would have no direction in implementing such taxpayer's rights.

Senator Gatchalian admitted that there were still vague provisions in the measure and the committee would accept amendments to improve the bill.

At this point, Senator Pimentel requested the suspension of his interpellation.

SUSPENSION OF SESSION

With the permission of the Body, the session was suspended.

It was 5:24 p.m.

RESUMPTION OF SESSION

At 5:30 p.m., the session was resumed.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1806

Upon motion of Senator Villanueva, there being no objection, the Body suspended consideration of the bill.

COMMITTEE REPORT NO. 14 ON SENATE BILL NO. 1594

(Continuation)

Upon motion of Senator Villanueva, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1594 (Committee Report No. 14), entitled

AN ACT INSTITUTIONALIZING THE ONE TOWN, ONE PRODUCT (OTOP) PHILIPPINES PROGRAM, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

Senator Villanueva stated that the parliamentary status was the period of interpellations.

Thereupon, the Chair recognized Senator Villar (M), sponsor of the measure, and Senator Pimentel for his interpellation.

INTERPELLATION OF SENATOR PIMENTEL

Senator Pimentel inquired whether the One Town, One Product (OTOP) Program was already an existing program of the Department of Trade and Industry (DTI). Replying in the affirmative, Senator Villar (M) stated that the measure was proposed to enhance the program by providing it budgetary support.

Asked on its 2023 budget, Senator Villar (M) stated that it had an allocation of around P97 million, which was lower than the previous year's allocation of P102 million. Noting the decrease in the program's budget, Senator Pimentel believed that the proposed bill might support and enhance the program. He then queried as to why Congress reduced the budget for the program. Senator Villar (M) responded that while no particular justification was provided for the slight decrease, he would defer to the wisdom of Congress on the matter.

Asked if OTOP was one of the DTI's flagship programs on account of its good reputation, Senator Villar (M) replied in the affirmative, believing that it could bring development to the countryside because as it supported micro, small, and medium enterprises (MSMEs) in the provinces. Furthermore, he stated that the bill was likewise supportive of manufacturers based in the provinces and other outlying areas.

As to the mechanism involved in identifying the product that a town could register under the OTOP program and whether the DTI would restrict the registration to just one product per town, Senator Villar (M) stated that the local government unit (LGU) would work with the DTI to identify

up to two products and services per locality. He said that there are general guidelines that must be followed in choosing the products and entrepreneurs for the program. Regarding the latter, he stated that the DTI would have to assess the MSME's level of commitment, also taking into consideration the cultural values of the area, community resources, creativity, competitive advantage, and connections.

Regarding community resources, Senator Villar (M) stated that the item might be identified based on locally available raw materials, skills, or a network of resources within the communities.

Asked on the extent of autonomy allowed to the LGUs in identifying the product or service for the OTOP program, he stated that the LGUs were given the flexibility to choose which product or service to register under the program based on their familiarity with their respective local advantages. He also stated that the LGUs would be in charge of setting up the local OTOP offices. Nevertheless, he informed the Body that notwithstanding such concession to the LGUs, the DTI would continue to provide support and inputs.

Asked how long the OTOP program had been in existence, Senator Villar (M) responded that the DTI had been administering the program for around 20 years. Senator Pimentel then noted that the lack of an enacting law had not impeded the program's execution over the years. Senator Villar (M) responded that the proposed measure would give the program greater weight in the annual budgeting process.

With reference to what product or service of a locality should be included in the OTOP program, Senator Villar (M) stated that while the DTI would provide input, the LGU's decision would always take precedence.

As to the term "large enterprises," Senator Pimentel inquired if the bill had been consistent with the existing definition. Senator Villar (M) affirmed that the definition, which was based on the Magna Carta of Micro, Small and Medium Enterprises, remained the same and that the proposed measure's benefits excluded large enterprises. He stated that the primary focus of the bill was to support MSMEs in the countryside.

Asked about the benefits of the measure for MSMEs, Senator Villar (M) stated that in terms of product support, an OTOP office or center would be established in each LGU, in coordination with the Land Transportation Franchising and Regulatory Board (LTFRB) and the Philippine Ports Authority (PPA), where OTOP products would be sold. He also stated that the DTI and LGUs would assist the beneficiaries with their products, such as product line design, packaging and labeling, technology update, and product enhancement. He also stated that they would receive assistance in market compliance, market access, product promotion, and capacity-building.

Senator Pimentel then asked if there were any testimonials or positive feedback from the program's 20-year history that could be used to showcase success stories and inspire the next generation of entrepreneurs. He also mentioned that it would be ideal if the DTI could compile the testimonials into a booklet or video presentation. Senator Villar (M) responded that successful stories of "OTOPpreneurs" would be promoted by the DTI.

Asked if there was actually a town where *otap* was promoted as an OTOP product, Senator Villar (M) replied that the town of Carcar in Cebu, which was also famous for its *chicharon*, had *otap* as its OTOP product. Senator Pimentel then brought to the attention of the Body the concern that under the proposed measure, a town could be limited to producing just one product, despite the fact that it has the capacity to create other products as well.

Senator Villar (M) believed that, while there was no limit to what products can be marketed or what entrepreneurs can produce in their respective localities, the measure can help them select

certain products and provide them additional support. He believed that the products will already have existing advantages that MSMEs could exploit to compete on a global scale. Furthermore, he stated that government support for a specific locality's products would not preclude other localities from marketing the same products for which they are known.

Asked what product, *chicharon* or *otap*, Carcar, Cebu was listed under the OTOP program, Senator Villar (M) replied that the products were not mutually exclusive and existed concurrently. Senator Pimentel then asked if the DTI could be credited with Carcar's success in producing, marketing, and selling *otap* and *chicharon*, Senator Villar (M) responded affirmatively.

Asked if the DTI would limit its support to only two products, Senator Villar (M) responded that, while it is not stated in the law, they aim to promote certain products that are unique in a particular locality.

In response to the observation that allowing no restrictions on the products promoted by each participating town in the program seeks to encourage LGUs to enter into production and services that promote culture and use of local products, Senator Villar (M) affirmed that the DTI would assist in identifying the products that would be showcased in the OTOP Program but would not reduce its support for other products. He underscored the need to identify certain products that are culturally known or have a competitive advantage so that they could be sold in local and international markets.

On whether the support for the additional products or services would come from the OTOP program or from another DTI program, Senator Villar (M) replied that the DTI would continue to support the other products.

Adverting to Section 11 (*Lead Implementing Agency*), Senator Pimentel expressed concern that a turf war might arise among the 13 agencies involved in program implementation. Senator Villar (M) clarified that the various agencies' job is to provide assistance to the DTI as needed.

Asked how the Philippine International Trading Corporation (PITC) could assist the DTI with the OTOP program, Senator Villar explained that, in addition to its resources and experience in marketing products, the PITC is also a procurement agency that can link OTOP producers to potential markets both within the country and abroad.

On how the OTOP Program beneficiaries would be chosen and how they can ensure that selection would be based not on politics but on merit, potential, and promise of the enterprise, Senator Villar (M) replied that the qualifications are outlined in the proposed law. For example, he stated that the term "culture" shall refer to cultural values anchored in heritage, living traditions, customs and rituals, recipes passed down from generation to generation, narratives, history, and beliefs. On the other hand, he stated that "community resources" would refer to the locality's chosen products based on the availability of local resources, raw materials, skills, and network of resources within the community.

He further stated that the DTI will work with the LGU to ensure that the five Cs under Section 8 (*Qualifications*) were followed, keeping the program free of politics and undue influence.

Senator Pimentel also stated that Section 9 (*Beneficiaries*) lacked guidance on how beneficiaries will be identified and suggested that it be improved by using tighter language. Senator Villar (M) stated that it might be accomplished through the implementing rules and regulations (IRR), which would be more concise and would provide a detailed set of requirements for selecting OTOP products.

Asked if he was open to making the law more specific rather than putting it in the IRR, Senator Villar (M) replied in the affirmative.

Senator Pimentel stated that he was informed that the town associated with "Otap" was Liloan in Cebu. Senator Villar (M) stated that he would have to confirm the information with his DTI sources.

In closing, Senator Pimentel pointed out that the bill clearly identified the DTI as the lead agency while allowing enough flexibility to defer to the LGU's judgment on the products that would be showcased under the OTOP program because it knows the locality better than the DTI. He then commended Senator Villar (M) on a job well done.

INQUIRY OF SENATOR VILLANUEVA

As one of the authors of Senate Bill No. 1594, Senator Villanueva said that he had been espousing the measure since it was introduced during his first term in the House of Representatives.

He clarified that the program does not intend to limit the number of products that would be promoted by each town. He then inquired whether the towns could replace their featured product while still participating in the OTOP program. Senator Villar (M) replied in the affirmative, saying that the LGUs can change their products as long as they meet the 5 Cs of the proposed law.

Asked by Senate President Zubiri about the OTOP of Bulacan and Las Piñas, Senator Villanueva replied that Bocaue is not only the country's pyrotechnic capital but is also famous for its "bucheron," while Senator Villar (M) responded that his hometown is well-known for its Christmas lanterns and other native products. He also added that the Bamboo Organ is not part of the OTOP Program but remains a popular tourist attraction.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1594

Upon motion of Senator Villanueva, there being no objection, the Body suspended consideration of the bill.

RECOMMITMENT OF REFERRAL

At the request of Senator Marcos and with the consent of the Body, upon motion of Senator Villanueva, the referral of Senate Bill No. 1602 under Committee Report No. 16 (*Disability Support Fund Act*) was recommitted to the Committees on Social Justice, Welfare and Rural Development; and Finance in light of the various social pension funds already provided by the government, including the numerous new proposals that require systematic consolidation.

COAUTHORS

Upon consent of the Body and with the permission of Senator Poe, Senator Revilla was made coauthor of Senate Bill No. 1121 (*Philippine Transportation Safety Board Act*).

Upon consent of the Body and with the permission of Senator Revilla, Senator Poe was made coauthor of Senate Bill No. 1964 (*Kabalikat sa Pagtuturo Act*).

INCLUSION IN THE SUBCOMMITTEE ON COMPREHENSIVE INFRASTRUCTURE DEVELOPMENT MASTER PLAN (CIDMP)

Pursuant to Section 18 of the *Rules of the Senate*, and in conformity with Senator Poe, chairperson of the Committee on Economic Affairs, upon motion of Senator Villanueva, there being

no objection, Senate Bill No. 1987 was included in the subcommittee for Comprehensive Infrastructure Development Master Plan Act, with Senator Ejercito as the chairperson.

SUSPENSION OF SESSION

Upon motion of Senator Villanueva, the session was suspended.

It was 6:03 p.m.

RESUMPTION OF SESSION

At 6:06 p.m., the session was resumed.

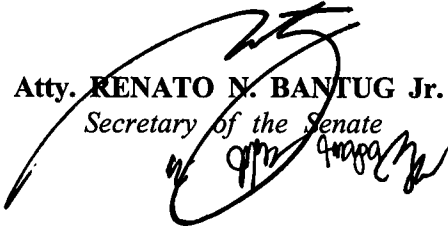
ADJOURNMENT OF SESSION

Upon motion of Senator Villanueva, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of the following day.

It was 6:07 p.m.

I hereby certify to the correctness of the foregoing.

Approved on March 14, 2023


Atty. RENATO N. BANTUG Jr.
Secretary of the Senate