

Presidential Communications Operations Office

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PRESS BRIEFING OF SENIOR DEPUTY EXECUTIVE SECRETARY MENARDO GUEVARRA

WITH CABINET SECRETARY LEONCIO EVASCO, JR.

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ROCKY IGNACIO/PTV4: Good morning Malacañang Press Corps and guests. Let's have Senior Deputy Executive Secretary Menardo Guevarra. Good morning, sir.

SDES GUEVARRA: Good morning. Good morning ladies and gentlemen of the Malacañang Press Corps. Today's briefing promises to be more interesting than the last one.

Our resource person for today is Cabinet Secretary Leoncio 'Jun' Evasco, Jr. As the Chairperson of the National Food Authority Council, he will share with us updates on the issues regarding NFA rice. Sec., you have the floor.

CABSEC EVASCO: Salamat Usec. Guevarra. Likewise, good morning to the members of the Malacañang Press Corps and to my staff at the Cabinet Secretary Office. To all of you, good morning.

You know, I'm here as the Chairperson or Chairman of the NFA Council. You know, the Council is the highest body within the NFA. Being the Chairman of the NFA Council, I am the highest official during the time of the meeting of the Council, where the Council provides timely guidance, directives, policies especially something to do with purchase of rice, when to purchase the rice, at what volume are we going to purchase the rice, and what mode of procurement that we have to undertake, and what are the terms of preference whenever we have to buy rice from outside.

The moment the Council has adjourned, the Administrator takes over as the highest official of NFA, because he is the one tasked to implement, to operationalize whatever directives set and given by the Council.

So during the last meeting of the Council where the President attended, there was an order from the President that first, there should only be one mouthpiece coming from the NFA – and it is only the Chair, so as not to confuse and to create panic among our people regarding rice. Second, the President said that it's better to have more rice than rice lacking in our market. So these are the major guidelines the President made during that meeting last March 19 in Malacañang.

After that meeting, we have to follow up the discussion on the purchase of rice. Right there and then, the Council has give the directive to the management to immediately prepare for the procurement of rice using the G-to-P mode of procurement. G-to-P mode of procurement is a

departure from what it used to be in the past – that is the G-to-G. The Council this time has travelled to another mode, that is G-to-P.

G-to-P means, it's Government to Private traders outside of our country where private traders have to submit tender in the international bidding. This is to protect the interest of government that government pays the rice that we purchase in an advantageous price.

Now during that meeting, as I've said it was agreed that the mode of procurement is G-to-P, not G-to-G. Second, the procurement of rice - that is the 250,000 metric tons that will be purchase immediately will be using the terms of preference which were agreed during the last time that we vote G-to-P in 2017. Now the management came up with its own position that the terms of preference as agreed in 2017 and reapproved to be used for the purchase of rice in 2018 be amended, which the Council rejected. Because if we will deliberate all the amendments, it will all the more delay the purchase of rice.

But last Monday, my office received a communication coming from management that they are going to conduct a referendum, where all members of the Council are made to go over the documents and decide whether they will agree on the amended terms of preference or not. I have to tell you this morning that again, the members of the Council rejected because there is some security considerations – because they would want to amend the delivery of rice done by the private traders. Before the delivery was only up to the gate, where the employees of NFA will have to check on whether the delivery of bags of rice is in accordance to the terms of preference and to the bid position done by the private traders as approved by NFA.

Now they would want that the delivery would not only be at the gate of the warehouse, but allow private traders—the foreigners to stockpile inside these bodegas, inside these warehouses. Now we don't want to succumb to such position, because this has security implications. Second, how will we know... how will we know the old stocks and the new stocks that will be mixed. We have no control over that, that's why the Council members rejected this position.

I am not the Council member, I am not the Council – but the Council is made up of representatives coming from NEDA, coming from Central Bank, coming from DOF, coming from Landbank, coming from DTI, coming from the representative or the farmers' organization throughout the country. This is the Council; these are the members of the Council – I am not the Council. I only preside during the meetings of the Council. That's why the President asked all of us during that meeting in March 19 that there is only one voice that should come from NFA - it should be the voice of the Council Chairman.

The way things are now, there are so many voices – thereby muddling, confusing the issue on rice and creating panic on the part of traders and the part of consuming public of rice. Why are they doing this? They only know the reason why, because as far as the Council is concerned, we don't have any disagreement with management. Because the Council members are just being aware and true to the mandate give to us, that we have to protect the Filipino people, that there is always rice on the table; and rice is not just only affordable but available at all times. And it should be vote – if we have to buy this from outside, it should be both in an advantageous price set during the bidding.

So thank you very much.

ROCKY IGNACIO/PTV4: Okay, Secretary Evasco. MPC, questions for Secretary Evasco? Unahin ko muna si Rose Novenario, sir. Ang question niya: Kailan daw po magtutugma ang pahayag ng office ninyo at ng NFA?

SEC. EVASCO: Magtutugma lang ito kung they will follow what the President has ordered: “that NFA should stop issuing statements which will attempt to muddle the issue on rice and thereby, create panic.”

ROCKY IGNACIO/PTV4 So sir, ano iyong reason bakit hindi sinusunod ng NFA iyong ganoon?

SEC. EVASCO: Alam mo, marami silang mga proposals which were being shoot down by the Council. The Council will always have to protect the interest of government. The Council will always have to protect the people that there is always rice on the table. Thereby, the Council decides collectively: when to buy rice; at what volume; and at what mode of procurement to be used in buying.

Because for all you know, if we keep on buying without taking consideration of the times where our farmers in the Philippines are harvesting, it is going to create a negative impact on our farmers because the rice that we buy when we deliver this in times of harvest season, it is going to create distortion of prices that is now detrimental to the interest of our farmers.

HANNAH SANCHO/SONSHINE RADIO: Good morning, Secretary. Sir, hindi po pa responsibilidad ng NFA na tiyakin na hindi nawawalan ng reserba o ng stock ng bigas po? May pananagutan po ba ang NFA dahil ngayon, sinasabing wiped out na po iyong stock, iyong reserba po natin na bigas sa NFA?

SEC. EVASCO: Ganito, ma’am: Iyong buffer stock, ito iyong kinukuha sa mga Filipino farmers by letting NFA buy palay from the farmers.

Now, since last year, NFA management has been asking the Council to increase the support price from P17 per kilo of palay to over P20. Now, this was rejected by the Council because the moment we allow the increase of buying price, it will create an inflationary situation in our market not just only of rice but other basic products sold in our market.

Second, we did not allow because the reason that they are no longer competitive, it’s true. They are no longer competitive using P17 if they buy rice at the end of the harvest season because they will not be competing with private traders who will be buying palay at P25. But the 17 is more competitive if NFA management will buy palay at the onset of harvest season. Because for all you know, farmers are ready to sell their palay to recoup the cost of production in the past three months.

Second reason why they are so eager to sell their produce, because at the onset of harvest season, palay has a high-moisture content; and palay having a high-moisture content is heavy, so they

can get as much money as they would want because at that time, mabigat iyong palay dahil sa mataas na moisture content.

Now, it seems to me that there is reluctance. That is the reason why hindi ganoon ka-stable iyong buffer stock because for all you know, the buffer stock is taken from the palay which NFA purchased using the support fund given by Congress, when in fact this year, the support fund is P7 billion. More than enough, more than enough!

HANNAH SANCHO/SONSHINE RADIO: Sir, balikan ko lang iyong question, sir. Iyong question ko kasi, sir, kung may pananagutan po iyong NFA. 'Di po ba responsibilidad ng NFA na dapat hindi po nauubusan ng buffer stock o na reserba ng bigas?

SEC. EVASCO: It's so obvious. It's so obvious.

HANNAH SANCHO/SONSHINE RADIO: Na may pananagutan po sila?

SEC. EVASCO: Because, you know, the way things are happening now, they create the artificial shortage and pin down on the Council; that we are responsible in creating such situation of shortage. When in fact, we have checked that based on the report of the Department of Agriculture, there is so much rice. And in fact, this is the reason why the standby volume of rice of 250,000 metric tons was set to be purchased and to be delivered before June in time for the lean months.

HANNAH SANCHO/SONSHINE RADIO: Sir, hindi po ba iyon enough basis, para masibak po si—

SEC. EVASCO: Pardon?

HANNAH SANCHO/SONSHINE RADIO: Hindi po ba ito sapat na basis, sir, para hilingin po ninyo na masibak si NFA Administrator Jason Aquino?

SEC. EVASCO: We have not made a position on that. If there are some sectors calling for his removal, it should be the President who should react to that because it is the President who appointed him. In fact, I should keep silent on that because it's not mine to comment on that. Mine as the Chair of the NFA Council, is to guide the discussion that it is true to the mandate set by law.

PIA GUTIERREZ/ABS-CBN: Sir, for the record: Ano na po ba iyong status ng current inventory ng NFA rice? Totoo po ba iyong mga reports na wiped out na po ang bigas ng NFA?

SEC. EVASCO: I have no reason to say whether it's yes or no. That's why, first: the Council passed a resolution last February to ask COA to conduct a special audit, to find out whether NFA is buying rice at a proper timing. Meaning to say, whether NFA is buying it at the onset of harvest season; at what volume are they buying!

Second, NFA should be audited regarding the release of NFA rice assuming to the market. Because from what we have gotten – from the reports of NFA – during October, November of last year and January of this year, there was an average of delivery of rice from the warehouse of NFA to outside at the average of one million bags per month.

Now, why will you release so much rice to the market when it is in time of the harvest season? Comparing this to the June, July, August, we found in the report that there was less rice given out to the market when at that time it was lean months. Meaning to say, there were few rice available in the market. So that's the reason why we are asking COA to conduct an audit, if only to clarify things and maybe absolve NFA. That's why I don't want to pass judgment on that because it might preempt whatever findings COA would have on the matter.

PIA GUTIERREZ/ABS-CBN: Pero, sir, the report that the NFA stocks are already wiped out is the one creating panic right now. So ibig sabihin po ba sir, the NFA management is not updating you on the current status ng inventory ng NFA?

SEC. EVASCO: I could not remember. That's why the President will be meeting with big rice-traders tomorrow afternoon, because the President will have a take on that. In fact, if there is a sector in our country that can manipulate the presence of rice in our market, it's the traders. An irresponsible issuance of a statement that there is no more rice in our market would immediately create a reaction on people who do have rice on their hands. Withdrew and speculate the day when to release it at a higher price at the detriment of the consuming public.

PIA GUTIERREZ/ABS-CBN: Sir you also mentioned that they are creating an artificial shortage. 'They' meaning the NFA management, sir?

CABSEC EVASCO: Of course, with their statement. Well they are not the ones creating it, but the reaction to their statement would eventually make the traders withdraw the rice, to speculate on higher price of rice in few weeks from now.

PIA GUTIERREZ/ABS-CBN: And last sir iyong sa meeting ni President Duterte, iyong pinatawag po niya. Pinatawag po because of the reports na wiped out na?

CABSEC EVASCO: No. During the March 19 meeting, it was proposed by the Department of Agriculture Secretary that rice traders should be called, and let the President talk to them so that we can preempt whatever plans of these traders. And we can ask the traders to help us rather than take advantage of a situation to make money at the expense of the consuming public.

PIA GUTIERREZ/ABS-CBN: Sir, last na lang. Phoned in question, sir. Sir it appears kasi that the NFA management, sinisisi nila iyong NFA Council because basically hindi daw po kayo pumapayag na itaas ang buying price ng NFA from 17 pesos.

CABSEC EVASCO: Alam mo, as I've said I'm not the Council. We deliberated on that, and at the end of the day the Council collectively decided not to allow the increase of the buying price. Because as I have said earlier, it's going to create inflationary situation. And second, the 17 as I

have said earlier again, is good enough to buy rice if you do it early at the start of harvest season – not at the end of the harvest season.

ACE ROMERO/PHILIPPINE STAR: Secretary, for the record, mayroon bang instance na nag-issue iyong NFA management ng statement on rice supply even after the President issued the directive na kayo lang po iyong puwedeng magsalita?

CABSEC EVASCO: From the reports that I've gotten, it's no longer the Administrator issuing the statement, but from the reports that we have gotten this our people down who are issuing statements.

ACE ROMERO/PHILIPPINE STAR: So ang point, mayroon pa rin pong nag-violate noong— and this statements... itama ninyo po kung mali, these statements are the ones that caused iyong panic, iyong speculations.

CABSEC EVASCO: Panic, yeah.

ACE ROMERO/PHILIPPINE STAR: So you're saying, iyong NFA management somehow caused this panic, this reaction?

CABSEC EVASCO: Yeah, that's true.

ACE ROMERO/PHILIPPINE STAR: Thank you, Secretary.

CABSEC EVASCO: Kasi sabi naman ni Presidente na it's only the Council Chairman who should be given the authority to speak. I have to speak out, whether it's good for me or it's bad for me. I have to tell the truth.

ACE ROMERO/PHILIPPINE STAR: Just for the record. Ano po iyong tingin ninyong dahilan bakit ginagawa nila 'to, despite the order of the President?

CABSEC EVASCO: I suspect that they have something in mind, by releasing the bags of rice October, November, December, January depleting the supply of rice which could have been used to stretch this rice up to the time of the start of the lean months.

ACE ROMERO/PHILIPPINE STAR: That means... ano iyon Sec., what's in their mind?

CABSEC EVASCO: Ah, sila lang ang nakaalam. Basta ang lumabas diyan sa report nila, may malaking volume ng bigas lumabas from October, November, December, January. At saka iyong June naman, July, August maliit lang ang lumabas when it could have been the practice that ma-release sana na iyong malakas/malaking volume at that time of the lean months. Bakit dito eh maraming bigas, eh bakit lumabas ang marami?

ACE ROMERO/PHILIPPINE STAR: Thank you, Secretary.

CEDRIC CASTILLO/GMA7: Sir, good morning po. Sir, just to be very clear about it sir, in as far as the Council is concerned, may shortage po ba sir? May wipeout na po bang nangyari, sir?

CABSEC EVASCO: From the reports of DA Secretary during that meeting of March 19, there is nothing to fear because there is rice. Because according to the DA Secretary, it's only now that they have a big harvest from the Filipino farmers – that's why there was no panic on our end. Because the purchase of rice is time on—to arrive on May, in time for the start of the lean months.

CEDRIC CASTILLO/GMA7: Pero sir, iyong NFA rice po?

CABSEC EVASCO: Mayroon naman talaga, kasi bakit mayroong NFA rice? Iyong quantitative restrictions, the MAV nagdating na dito last March 501,000 metric tons. At saka ngayon naman, we're ordering NFA to purchase the 250,000 metric tons that is set to arrive in time for the lean months – that is before June. So there's nothing to worry, kaya lang we have to ask the traders na ipalabas iyong bigas and we will ask COA to audit.

And secondly, kung sabihin naman na mahirap ibili dahil mababa iyong buying price ng NFA, we will give incentive to whoever will sell palay to NFA, they will have 1 kilo in exchange. Two kilos of palay sold to NFA will entitle to the seller of 1 kilo of rice allocated to them.

CEDRIC CASTILLO/GMA7: Sir, quantitative na lang sir kasi about a few weeks ago ang sabi po is—a month ago, 1.5 to 2 days na lang iyong buffer stock. At what level na po 'yan now? Has it reached zero or...?

CABSEC EVASCO: Wala pa naman, wala pa. It's .35

CEDRIC CASTILLO/GMA7: .35 day? .35 day, sige sir. Quick follow up lang, sir. In the event po, God forbid, magkaroon ng calamity the next few weeks, ano po ang isu-supply natin na bigas doon sa mangangailangan?

CABSEC EVASCO: We have to proactively think about it. In fact, I have to meet the Council members about this because this is a new development. And we'll be asking the police to check whether it's true or not.

HENRY URI/DZRH: Secretary, good morning.

CABSEC EVASCO: Good morning.

HENRY URI/DZRH: Galing po sa inyo ang pahayag mismo na ang NFA ang pinagmumulan ng pagpapakalat na mayroong rice shortage, tama po ba? Opo... Ngayong galing po mismo sa NFA ito, hindi ho ba ninyo naiisip na imungkahi ang pagbuwag sa ahensiyang ito?

CABSEC EVASCO: In fact during the last meeting of the Council, we were informed by the Department of Finance that there is a proposed bill for the doing away with the quantitative restrictions, because we are allowed by WTO to purchase rice to the Minimum Access Volume

of 805,000+ metric tons every year. Now Department of Finance with the support of the Executive Secretary, would want to do away with the quantitative restrictions. Hayaan na lang ang ating mga private traders to buy rice and to sell rice here, where they would be governed by the law of supply and demand.

But there was additional proposal that DTI should take the regulatory function over these private traders. Meaning to say that, DTI will have to put tags on the rice that this is done by private traders and put under the SRP – suggested retail price. Kasi alam mo naman dito tayo—magkano lang ang benta ng bigas niyan sa labas. So based on this selling price of rice from outside, ma-compute na rin dito including the profit of private traders, how much these rice should be sold in our market that is friendly to our consuming public.

HENRY URI/DZRH: In other words Secretary, ikinokonsidera ho ang pagbuwag na sa NFA?

CABSEC EVASCO: Kinokonsidera na ‘yan. Now regarding the abolition of NFA, NFA could only be abolished first, if we have enough rice produced in our country to feed our people.

SEC. EVASCO: Second, if we follow the proposal of the Department Finance to do away the quantitative restrictions, definitely mawala iyong NFA because we will now allow private traders to buy and sell this rice here in our country.

HENRY URI/DZRH: Ngayon pong marami ho ang namumroblemang mga mamimili, ano ho iyong immediate and doable solution na nakikita po ninyo sa konseho at ng Malacañang para iyong mga naghahanap ng murang NFA rice ay kaagad-agad po ay matugunan ang kanilang problema?

SEC. EVASCO: Ang una talaga dito for medium term: i-fast track iyong pagbili ng bigas; Second, there should be an incentive that should be given to Filipino farmers to sell rice using incentives that will give them that interest to sell their palay to government, to the NFA; third, there should be an active monitoring on the warehouses for us to know whether there is rice hoarded or rice that should be brought to the market.

TUESDAY NIU/DZBB: Hi, sir. Sir, nabanggit ninyo po kanina na iminungkahi ninyo na i-audit ng COA iyong mga bigas ng NFA. Nagawa na po ba ito? At mayroon na po bang report ang COA tungkol dito?

SEC. EVASCO: Ganito, ma’am! Just recently, we passed the resolution. And in fact, the communication was already given to COA. Now, we will be meeting with COA to discuss on the nitty-gritty regarding this audit. What would be the scope of the audit, a timeframe, parang ganoon ba.

TUESDAY NIU/DZBB: So wala pa pong result?

SEC. EVASCO: Wala pa. In fact, I asked my Usec, my Asec to go to COA tomorrow to set the timeframe and the contents of such audit.

TUESDAY NIU/DZBB: Another question, sir. Nabanggit din po ninyo na ikinukunsidera na ang pagbuwag sa NFA. Pero mangyayari lamang po ito, sabi ninyo: kung mayroon nang sapat na supply ng bigas ang bansa. Hindi po kaya iyan iyong dahilan kung bakit pinalalabas ng NFA, katulad ng sinabi ninyo, na kukonti ang supply para hindi sila mabuwag?

SEC. EVASCO: Ikaw ang nagsabi niyan.

TUESDAY NIU/DZBB: [LAUGHS] Hindi ba, iyon iyong ano doon sir eh! Kung sapat ang supply bago sila buwagin. So, ang sinasabi natin... ang sinasabi nila ngayon, kulang ang supply kaya andiyan pa rin sila!

SEC. EVASCO: Pero itong lahat, iyong pagbuwag ng NFA, nandiyan pa iyan sa Congress, to be considered pa iyan. But there are already discussion as to the nitty-gritty of such bill that should be approved, that once it is being approved by Congress.

DEO DE GUZMAN/RMN: Secretary, good morning po. Sinabi ninyo po kanina, based on mga sinasabi ninyo simula ng briefing natin na: NFA ang may kasalanan ng panic; NFA ang lumalabas na source ng artificial shortage ng bigas. Hindi po ba natin kakastiguhin ang NFA dahil po doon sa ganitong nangyayari sa panic na they created? And kailangan pa po bang tapusin iyong audit ng COA bago ninyo gawin iyong pagkastigo sa kanila?

SEC. EVASCO: Hindi naman maliit na bata iyong taga-management ng NFA. They are honorable persons, honorable people that could easily understand directives done and given by the President. Pag-uusapan ito, pag-uusapan ito sa Council.

DEO DE GUZMAN/RMN: Pero mayroon po kayong authority, ang NFA Council po, para pagsabihan o kastiguhin? Ang term po ninyo is kastigo iyong NFA.

SEC. EVASCO: Nasabihan naman talaga. Nasabihan na eh.

DEO DE GUZMAN/RMN: So hanggang sabihan lang po, wala pong ... no heads will roll... wala pong ganoon?

SEC. EVASCO: Wala pa naman. Kasi, as I've said, the President is the appointing authority, and it's only the President who can remove him from office.

Now, what would be the role of the Council? The Council maybe can give recommendations. But such recommendation could only be given based on hard facts, data as provided to us by the investigating agency.

DEO DE GUZMAN/RMN: So after po ng COA audit kayo magre-recommend?

SEC. EVASCO: Oo.

RALP VILLANUEVA/THE MANILA TIMES: Hello po sir, kailan po na-open iyong minimum access volume po?

SEC. EVASCO: Pardon?

RALP VILLANUEVA/THE MANILA TIMES: Iyong minimum access volume po?

SEC. EVASCO: Minimum access volume for this year arrived last March with the volume of 501,000 metric tons. That is apart from the harvest of the first quarter of this year and this is apart from the projected 250,000 metric tons that will be purchased and to arrive before June.

RALP VILLANUEVA/THE MANILA TIMES: Bakit po na-late iyong pag-open?

SEC. EVASCO: Hindi naman late iyan. Kasi ang sabi ko kanina, na the Council decides when to buy so as not to impact negatively on the production of the Filipino farmers. Kasi kung magka-timing-timing iyan, we have to let this rice arrive in times of harvest season, definitely it's going to impact negatively on the produce of the farmers.

RALP VILLANUEVA/THE MANILA TIMES: Wala pong bagong ina-eye na MAV ngayon?

SEC. EVASCO: Pardon?

RALP VILLANUEVA/THE MANILA TIMES: Wala pong bagong ina-eye na MAV ngayon?

SEC. EVASCO: Another ... the 300 plus is set to arrive in August.

PIA GUTIERREZ/ABS-CBN: Sir, last na lang sir, pahabol ng reporter namin. Sir, please explain daw how decisions in the Council are made when there is only one member from the NFA? DA is not represented and there is only one representative from the farmers' group who has no voting powers.

SEC. EVASCO: All of the members, as I have mentioned earlier, do have a voting powers. Now, when the Executive Order # 1 was issued at the start of the Duterte administration, NFA was put under the Office of the Cabinet Secretary. I don't know if it was deliberate or not that the membership of the DA Secretary was not found.

Now, there is no problem to amend that. It's the order of the President to amend that because he will be, eventually, to sign such amended executive order. At any rate, the past three or four meetings that we had, DA Secretary was invited. But his representative, Usec. Cayanan, was the one attending in behalf of DA Secretary Piñol. But last March 19, it was DA Secretary Piñol who attended because it is important for us to know the data of harvest that should be given by the Department of Agriculture for us to come up with a decision – as I've said – when to buy, at what volume to buy and what mode of procurement we have to use in buying.

TUESDAY NIU/DZBB: Sir, currently kasi, sir, naglilibot tayo sa mga palengke, kukonti talaga iyong may nabibilhan ng NFA rice. Dito pa lang po iyon sa Metro Manila; hindi pa po iyong mga nasa probinsiya. So kailan po tayo makakakita na sapat iyong NFA rice supply sa market kasi iyon po iyong hinahanap ng mga mahihirap nating kababayan?

SEC. EVASCO: That should be answered by the management. Because the Council sets, gives the directives. It's now up to the management to be creative, to be proactive in sourcing out rice that could be brought to the market.

TUESDAY NIU/DZBB: Last na, clarification lang, sir. Doon sa .35 day na supply ng NFA, mga gaano karami po iyon o ilang bags iyon?

SEC. EVASCO: Mga 200,000.

TUESDAY NIU/DZBB: Two hundred thousand bags. Sa Metro Manila lang po iyon?

SEC. EVASCO: Throughout the country.

TUESDAY NIU/DZBB: Throughout the country. So kulang nga po—

CABSEC EVASCO: That is, if there is no rice produced tomorrow.

ROCKY IGNACIO/PTV4: Thank you, Secretary Leoncio 'Jun' Evasco.

CABSEC EVASCO: Salamat.

ROCKY IGNACIO/PTV4: Let's now have Deputy Executive Secretary Menardo Guevarra.

SDES GUEVARRA: Let's start with some good news.

On the Moody's report on the Philippines – We welcome the latest announcement of the Moody's Investors Service quoting its report, "FAQ on overheating risks" that the Philippines is one of the fastest growing economy in the Asia Pacific in 2017, and the second fastest among BAA rated sovereigns globally. Overheating risks, the global credit watcher adds, are not yet material. Moody's cited our increasing working age population, rising productivity levels and better infrastructure as factors that would mitigate overheating risks.

Another piece of good news. On the World Trade Organization or WTO 5th Trade Policy Review – The Philippine government welcomes the feedback gained from the World Trade Organization's 5th Trade Policy Review in Geneva, Switzerland. The review which evaluated the country's trade policies from 2012 to 2017, noted the country's steady GDP growth at an average of 6.6% per year within this particular period. Likewise, the country's total trade in 2017 amounted to US Dollars 142 billion, up by 10% from 2016.

The Philippine delegation also put forward critical reforms that it is presently working on, like the Customs Modernization and Tariff Act and the Philippine Competition Act – of course, these are now laws 'no among others. In addition, WTO Trade Policy Review Report highlighted the Philippines' strong commitment in strengthening the global trading system as well as its active role in advancing negotiations for fishery subsidies and micro, small and medium enterprises or MSMEs.

We can now discuss other matters if you wish.

TUESDAY NIU/DZBB: Sir, hi po. Sir, iyong information circulating na Secretary Vitaliano Aguirre is good to go na raw po. Ano po ang confirmation dito? And another one is, mayroon na raw din pong resignation letter na isinubmit si Labor Secretary Silvestre Bello last Monday to the President? Natanggap na po ba ito, at ano po ang response ni Presidente?

SDES GUEVARRA: The Office of the President has not received any letter of resignation from either Secretary Bello or from Secretary Aguirre. And the President has just returned from his Holy Week visit to his hometown, and he has not given any statement regarding this matter.

TUESDAY NIU/DZBB: Follow up lang, sir. So we expect sir that both of them will be attending the Cabinet Meeting mamaya po?

SDES GUEVARRA: Yes, of course they have been invited to attend the Cabinet Meeting this afternoon.

TUESDAY NIU/DZBB: Thank you, sir.

MARICEL HALILI/TV5: Hi sir, good morning. Sir, how satisfied is the President with the performance of Secretary Aguirre?

SDES GUEVARRA: He has been generally satisfied with the performance of the Secretary of Justice. But well, except for certain debacles that happened to the DOJ recently, the President did not hide his displeasure about certain developments pertaining to the war on drugs ‘no, more specifically the dismissal of charges against certain high profile suspects.

MARICEL HALILI/TV5: But when the President mentioned a few weeks ago that he is not satisfied anymore with some of the members of his Cabinet. Who is he referring to?

SDES GUEVARRA: I really—I’m not in a position to say whom he was referring to. If any action along this line will have to be taken by the President, I guess he himself will make that announcement.

MARICEL HALILI/TV5: But do we expect a Cabinet revamp anytime soon?

SDES GUEVARRA: We are not aware of any impending Cabinet revamp.

LEILA SALAVERRIA/INQUIRER: Good morning, sir. Sir on the Supreme Court directive to submit the PNP reports on the Oplan Tokhang operations, what is the Palace think on this? Do you have any concerns about this, considering the earlier reluctance of the government to share these reports?

SDES GUEVARRA: The Office of the Solicitor General has argued that there are certain security concerns that need to be addressed in connection with this matter. But since the Supreme Court itself has apparently made a final order for the production of these particular documents by

the law enforcement agencies of the government, I guess we have no other alternative except to comply, subject probably to certain security checks or requirements that must be complied with and observed.

LEILA SALAVERRIA/INQUIRER: Sir, will Malacañang direct the PNP to submit this report?

SDES GUEVARRA: There is no need for Malacañang to direct the PNP.

CEDRIC CASTILLO/GMA7: You expect them to comply with it?

SDES GUEVARRA: Yes, of course. If that's the final order of the Supreme Court, all agencies of the government bound by that order are suppose to comply and follow.

LEILA SALAVERRIA/INQUIRER: Sir, do you think the submission of these reports would have any effect adverse or otherwise on the ongoing war against drugs?

SDES GUEVARRA: Wala naman kaming nakikitang potential effect, dahil wala namang itinatago ang mga law enforcement agencies dito sa mga dokumentong ito – except for the security ng, let's say mga possible witnesses and so forth and so on.

ACE ROMERO/PHILIPPINE STAR: Secretary, good morning. The President said he is now open to resuming peace talks again with the Communists. Ano po iyong implication nito doon sa petition na finile (file) ng Duterte administration sa court, asking the court to declare certain persons associated with the left to declare them as terrorists?

SDES GUEVARRA: Walang epekto itong sinabi ng Presidente na open siya 'no. Of course iyong sinabi ng President na open siya na makipag-usap uli sa mga rebelde ay subject to certain preconditions 'no, like stop ang lahat ng pag-atake nila sa mga government—and even private facilities like construction equipment, alright, and certain other conditions like itigil nila ang pangongolekta ng mga revolutionary taxes from residents of particular areas, and so forth and so on.

But for now, that statement by the President, which is premised on certain preconditions, will not affect in anyway the pending petition for the proscription of certain individuals as terrorists or violators of the Human Security Act.

ACE ROMERO/PHIL STAR: Bakit hindi po maapektuhan iyong petition?

SDES GUEVARRA: Unang-una, wala pa naman iyong mga pag-uusap na iyon at hindi pa naman iyon nangyayari. At mayroon kasing mga standards or criteria under the law itself, Human Security Act which is basically our anti-terrorism law, na magsasabi kung ang isang individual o ang isang grupo o pangkat ay masasabi nga natin na isang terrorist group.

ACE ROMERO/PHIL STAR: Kasi iyong ibang mga nasa listahan, Secretary, if I'm not mistaken, some of them are supposedly peace consultants ng NDF. So mananatili pa rin iyong terror-tag na iyon hanggang walang direct ... iyong petition.

SDES GUEVARRA: For as long as the legal requirements under the Human Security Act are met, then the government will pursue its proscription action against these people regardless of the fact na coincidentally, they are supposed to be "consultants" sa peace process.

ACE ROMERO/PHIL STAR: Last po sa akin, Sec. What prompted the President to change his mind or to change tone regarding the peace talks with the Reds considering in the previous weeks, panay iyong banat niya kay Joma Sison; sa Reds, ano po iyong nagpabago ng kaniyang isip?

SDES GUEVARRA: Hindi ko masasagot ng diretsuhan kung ano ang nagpabago sa kaniyang pag-iisip. Ang masasabi ko lang naman ay ang Presidente naman natin ay always keeps an open mind regarding this matter. Ang alam ko naman ay ang pangkalahatang kapayapaan, pangmatagalang kapayapaan ay nasa kaniyang isip lagi. At kung makakatulong ang pagrere-open ng peace talks, why not!

LEILA SALAVERRIA/PDI: Sir, good morning. Sir, may we know what are the recommendations of the Office of the President on Boracay, apart from the proposals of the different departments?

SDES GUEVARRA: All right. Ang Office of the President mismo ay kasalukuyang pinag-aaralan ang mga rekomendasyon ng mga iba-ibang ahensiya. Nasabi ko na sa inyo noong nakaraang briefing na mayroong submission ang Department of Environment and Natural Resources, DILG – local governments – and also the Department of Tourism for a total closure of Boracay Island.

Ganunpaman, mayroon pa ring ibang agencies like the Department of Trade and Industry na nagre-recommend na gawing partial or in phases ang pagrerehabilitate ng Boracay Island. Kung hindi ako nagkakamali ay may mungkahi rin naman ang Secretary of Finance about the timing kung kailan natin dapat simulan itong aksyon tungkol sa Boracay.

So iyan ay pinagsasama-sama namin sa Office of the President. And hopefully, we should be able to submit a memorandum for the President's consideration bago mag-Cabinet meeting mamayang hapon. Pero nag-e-expect kami ng malawakang pagtalakay dito sa bagay na ito tungkol sa Boracay mamayang hapon. Kasi maraming issues na dapat malinawan nang mabuti: Number one, ano ba ang kailangan gawin talaga sa Boracay?; number two, iyang sa mga gagawin na iyan sa Boracay like halimbawa iyong sa drainage, sewerage system nila, kailangan bang masara ang Boracay?; kung siya ay masasara, iyon ba ay total or partial?; at kung isasagawa, kailan ba dapat simulan iyan?; at huli, kung sakali mang nandiyan na iyan, ano ang mga measures na dapat na gawin ng national at local government para iyong mga maapektuhan ay huwag naman masyadong mahirapan.

So iyang mga bagay na iyan ay tatalakaying mabuti mamaya sa Cabinet meeting.

LEILA SALAVERRIA/PDI: Sir, since na-mention na iyong Cabinet meeting, ano pa po iyong mga naka-agenda na issues later?

SDES GUEVARRA: Iyon ang pinakamahalaga sa aking tingin ano. Pero mayroon pang ibang agenda items like iyong sa Cebu Bus Rapid Transit, and so forth and so on. But I think this one stands out above the rest.

PIA GUTIERREZ/ABS-CBN: Sir, considering the recommendations given by different departments, is the Office of the Executive Secretary inclined to propose a 6-month closure in Boracay?

SDES GUEVARRA: Hindi pa namin natatapos iyong aming memorandum kaya it might be premature to disclose to you kung anong recommendation ng Office of the Executive Secretary.

LEILA SALAVERRIA/PDI: Sir, since you mentioned last Monday that the President can't end contractualization through an EO, some labor groups are protesting and some of them are saying that the Palace doesn't have the political will to fulfill the President's promise to end contractualization or 'endo' sir. What do you think about this?

SDES GUEVARRA: Mabuti naman at naitanong mo uli iyang katanungan na iyan. Kasi hindi naman ibig sabihin na kung hindi magagawa sa pamamagitan ng isang executive order ang total ban on contractualization ay ibig sabihin noon ay tinatalikuran na ng Presidente ang kaniyang pangako tungkol sa pagtigil or paghinto ng contractualization, kasi pupuwede namang gawin iyan ng Presidente in consultation or in coordination with Congress.

Kasi nga, naipaliwanag ko na sa inyo, na may mga bagay-bagay na ang Kongreso mismo ang puwedeng gumawa, kamukha ng mga probisyon sa Labor Code. Batas iyon eh! So kung kailangang may baguhin doon, ang Kongreso rin mismo ang dapat na magbago noon. At ang magagawa ng Ehekutibo roon ay makipagtulungan at i-pursue iyong legislative action na iyon sa pamamagitan ng proper liaison and coordination.

HENRY URI/DZRH: Sir, pasensya na, balikan ko lang iyong kay Secretary Vit Aguirre para sa eksaktong sagot na kailangan po naming maibigay sa mga nakikinig. Ano ho talaga sa ngayon ang status ni Secretary Aguirre? Siya ho ba ay totoong napapabalita na tatanggalin na ng Pangulo, at mamaya ay posibleng i-announce sa Cabinet meeting?

SDES GUEVARRA: Gaya ng sinabi ko, wala naman kaming natatanggap na letter of resignation coming from any Cabinet secretary. Bagama't nabalitaan namin na kahapon ay pumasok or napasok sa isang ospital si Secretary Aguirre dahil may karamdaman o may ... hindi ko lang masabi kung anuman. But iyon ay nakuha namin mismo sa mga taga-Department of Justice.

HENRY URI/DZRH: So kung hindi po siya magre-resign, wala rin pong anumang pag-uusap na siya ay tatanggalin kahit mag-resign o hindi?

SDES GUEVARRA: Hindi namin nakakausap ang Presidente mula pa noong last week. Palagay ko naman kung mayroon mga aksyon na kailangang gawin tungkol sa pagkilos o movement sa Cabinet, Presidente mismo ang magsasabi noon.

MODERATOR: Maraming salamat, Henry. Thank you, MPC. Thank you, Senior Deputy Executive Secretary Guevarra.

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