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INTERVIEW WITH PRESIDENTIAL SPOKESPERSON HARRY ROQUE BY PINKY WEBB – THE SOURCE/CNN PHILIPPINES OCTOBER 21, 2020 (9:11 A.M. – 9:29 A.M.)

WEBB: You're watching The Source on CNN Philippines. Let's now speak to Presidential Spokesperson Harry Roque. Secretary Roque, happy birthday to you, sir!

SEC. ROQUE: Thank you very much, Pinky. It's really a blessing to be greeted by you early in the morning on my birthday.

WEBB: I'm sure marami na pong bumati sa inyo, Secretary. Well, I hope you have a good birthday, sir-

SEC. ROQUE: Thank you.

WEBB: And of course, to stay safe with your family.

Okay, let's talk about the PhilHealth debt first and foremost. Secretary, you already said that you hope or government is hoping to be able to settle at least 50% of the debt to the Philippine Red Cross. Sir, when do you think this payment will be made?

SEC. ROQUE: I can't say for sure 'no because it's a matter of paper pushing 'no. But the President has already committed to PhilHealth that it will be paid, and so I think it will be paid, if not this week, then next week at the soonest.

WEBB: Pero iyong this week or next, this is only still just the 50%?

SEC. ROQUE: Which is substantial, you're talking of half a billion 'no. So, I understand naman that the Red Cross cannot continue functioning unless it also has its cash requirements 'no. And that's why we give utmost priority to settling at least 50%. Because it is to the interest of both Red Cross and the country that we continue our PCR testing since the Red Cross is responsible for 25% of all our testings.

WEBB: Did the Red Cross agree to this 50% initial payment either this week or next week? **SEC. ROQUE:** I believe they did 'no. And I believe that there's now an understanding between the government and Red Cross that the services will continue.

WEBB: Yes, actually that's where I wanted to go. So kung pumayag na po sila na initial payment na 50% this week or next week. When do you think, Secretary, the test will actually continue those, of course, funded by PhilHealth? Kailan ho kaya ito magri-resume?

SEC. ROQUE: Well, I'd like to underscore na hindi naman matitigil iyong ating testing 'no kasi we have in excess of 113 labs already doing the testing, plus an additional 35 GeneXpert 'no, so we're close to a hundred fifty. And while we acknowledge that 25% testing done by PNRC is substantial, I'd like to assure

our people 'no that those who are returning OFWs and returning Filipinos will not have to be delayed really 'no because the samples are still being taken by the Philippine Coast Guard from the airport and the ports, and now they are being sent to alternative laboratories for testing.

So it continues, although as I said 'no, we cannot discount the fact that with 25% of our testing being done by the Philippine National Red Cross, it will be difficult or longer to meet our target of ten million testing without the Red Cross.

WEBB: Yeah, but just to clarify, sir: I think you were saying that they agreed to this 50% payment. When do you think they will resume the testing for the COVID-19 funded tests—PhilHealth COVID-19 tests?

SEC. ROQUE: I'm not sure if done—I'm not sure 'no. Because with the undertaking to pay coming no less than from the President last Monday 'no, I believe Senator Gordon naman should no longer have any doubts that it will be paid. And I think that assurance should be enough for Red Cross to resume its testing.

WEBB: What was the report given to the President why PhilHealth has not paid this 930 million outstanding balance? What did they tell the President?

SEC. ROQUE: Well, we don't really know what happened 'no. What I do know is in the beginning, there was an advance given to Red Cross, maybe they had to do reconciliation, accounting reconciliation because PhilHealth only knows how much money it has given by way of advance to Red Cross. So maybe it just took time for paperwork to be processed with PhilHealth plus the fact that PhilHealth really has been under scrutiny as well 'no.

So I'm sure this is part of the reason. But as I said, the controversy should be over because the commitment to pay has come from no less than the President himself.

WEBB: Yeah, I spoke to the PhilHealth Chief, Dante Gierran, Secretary, and he actually told me that there were issues on this. And he also added – I don't know if you can help us clarify this situation – the test, I believe, of the Red Cross that PhilHealth pays is about 3,500. And I do remember Attorney Gierran telling me that. Mayroon ho bang pagkakataon na posibleng magkaroon ng restructuring ng payment or babaan po iyong payment na 3,500? I think they wanted to look at a payment of about 3,409, and that will be still substantial, sir, considering the number of tests PhilHealth undertakes—sorry, Red Cross undertakes rather.

SEC. ROQUE: What I remember distinctly is PhilHealth—well, the Red Cross should not charge or PhilHealth should not pay the same rate for all PCR tests undertaken by whoever who wants to claim from it 'no including the Red Cross.

There's a price differential if the machine being used by the testing facility was donated, and there is also a price differential if the testing kits being used were also donated.

And of course, the Red Cross is a beneficiary of both donated machines and donated testing kits in addition to those that they have purchased, using also funds from the government that we have advanced 'no.

And that's why I believe it's really a matter of accounting reconciliation, because it's not as simple as paying 3,500 to every test undertaken. We have to differentiate still between those tests conducted using machines and testing kits paid for by Red Cross and those using donated machines and testing kits.

WEBB: Would that be easy or difficult to reconcile?

SEC. ROQUE: I have no idea. You know, I barely passed my accounting course 'no. But I suppose with the hands of those who are used to doing this, it should not be difficult.

WEBB: Yeah. I mean, when you try to think about it, sir, mayroon po silang, of course, kontrata or agreement with the government and yet you're telling us, of course, there are kits that were donated and there were kits that the Red Cross bought on their own. And then, you know, one begins to wonder how do they actually decipher, 'Ito, dapat mas mababa dahil donated ito. At ito dapat iyong presyo talaga dahil ito ay bibilhin natin kit na ito.' So, I'm just wondering if that would be actually a difficult process to undertake especially now, it seems to be being questioned.

SEC. ROQUE: Well, without a doubt, Red Cross and all other facilities should have implemented a system by which would distinguish 'no. Because that's the payment structure of PhilHealth – you get paid depending on whether or not the machines or kits were donated or both. So, I believe that if they implemented a system early on, it should not have been a problem or should not be a problem.

WEBB: Yeah. So just to clarify this issue, sir: Red Cross agreed to this initial payment of 50%? And then I need to clarify: Did they also agree to resume testing?

SEC. ROQUE: You know, I have to clarify that I have no personal knowledge about what Red Cross has decided. Perhaps, you should ask Senator Gordon about those. But what I'm saying is, the President has committed to pay. I don't think there's any reason for the Red Cross to doubt that the President is committed to pay. And because of this, I believe that testing should continue because the Red Cross has been assured that they will be paid.

WEBB: We will be taking a very short break. This is The Source on CNN Philippines, please stay tuned.

[COMMERICAL BREAK]

WEBB: You are watching The Source on CNN Philippines. Our guest today, Presidential Spokesperson Harry Roque. Secretary, Department of Public Works and Highways, they already created a task force to probe alleged corruption within the agency. But the task force again is within the agency to probe into the people inside the agency. Is the Palace going to possibly ask for another probe or order another body to probe or investigate the DPWH, as it did, for example, with the PhilHealth?

SEC. ROQUE: Well, I think that is a good beginning, but as you observe, many people doubt, if it can succeed, because it's the same people investigating one another, so we would prefer an independent body. But for now, let's face it, in any organization we need to have mechanism for internal accountability. Police has it, and I don't see any reason why the DPWH shouldn't have one, and that is why we are saying, it's a step towards the right direction. But this initial step is without prejudice to whatever the President may order in the near future. It's not inconceivable that another task force of the DPWH may be formed by the President, in the same way that he formed one for the PhilHealth. But it really all depends on how this new task force will operate, if it is credible, if it can hold individuals accountable for their acts. Because the

President has vowed to the nation that he will devote his remaining two years term in office in cleansing the ranks of government.

WEBB: When is the Palace expecting even an initial finding from this DPWH investigation?

SEC. ROQUE: Well, yesterday. But of course having said that, we have full faith and trust and confidence in Secretary Villar. And I think Secretary Villar has proven that he really is a management person and I believed he has the necessary resources and capability to make this task force work.

WEBB: Okay, there is also concern coming from Senators during the DPWH budget, sir, on the Chinese workers involved in certain projects. Undersecretary Sadain said that 31% of the workers of the Estrella-Pantaleon Bridge are Chinese, while 69% are Filipinos. And the ratio for the Binondo-Intramuros Bridge is actually 55% Filipino workers and 45% Chinese workers. Is government seeing a problem in this, sir, especially considering that there has been a drop in employment, about 30%, in the construction industry?

SEC. ROQUE: Well, let me highlight that these bridges are 100% donations from the Chinese government. So, I think that should give us the proper perspective. It's being given to us 100%, we don't pay back anything for the building of these bridges and that is why we need to give them some flexibility in the personnel that they have hire. Had this been a project that we would pay for using taxpayers' money, of course government would insist that aside from highly technical positions, that Philippine labors should be employed.

But the proper perspective is, it's an outright grant or donation to the Philippine government and I am sure of that, because I attended the groundbreaking of these bridges and because of that, I just appeal that we should give them some leeway, although, we would appreciate it of course, if the Chinese government should employ more Filipinos. The general rule is foreigners should be hired only when there is not enough Filipinos able and with the capacity to perform the work. But again, of course, please realize that this is 100% donation to us by the Chinese government.

WEBB: Because it's a donation, Secretary – help us understand the situation – they have the mandate or the responsibility to be able to decide how many workers will be part of the project?

SEC. ROQUE: Well, I think the same rules should apply, but let us give them more flexibility. Because taxpayers' money is not being spent on this project, it's a grant to us. But I will also discuss this issue with both the DPWH and the Department of Labor to see if we can in fact insist that more Filipinos should be hired. But my gut feel is because it's a 100% grant, the Chinese have to be given more flexibility on the decision on whom to hire.

WEBB: Okay, just one last question about the Bayanihan funds. Senator Drilon who has a point that is made at the non-release of funds for under Bayanihan 1 on the agriculture department which amounts to about 24 billion and the tourism department that amounts to about 10 billion pesos. Can you tell us, Secretary, do you do know why these funds have not been released, considering this is part of the Bayanihan 1?

SEC. ROQUE: Well, yesterday, I consulted with Secretary Wendel Avisado on this and he said that newspaper reports on the slow, apparently slow spending of Bayanihan 2 was not too accurate because on records, it's not just 6 billion that has been released on Bayanihan II. But it's the first time I am being asked about Bayanihan 1. But I will do this for my tomorrow's press briefing. I will invite Secretary Wendel Avisado to answer these allegations coming from the Senator.

WEBB: Yes, please do that, Secretary. Because there is also an email that came out, press release rather from the Department of Budget and Management and I remember reading it, sir, at ang basically sinabi doon that certain funds have been released but there are pending, waiting for the approval of the Office of the President. Maybe you can clarify that in tomorrow's press briefing. In the meantime, Presidential Spokesperson Harry Roque again, sir, Happy Birthday to you and thank you so much for your time.

SEC. ROQUE: Thank you, good day.

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