# Twitter Thread by CNN Philippines

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**THREAD: Senate committee on public services holds hearing on cashless modes along tollways https://t.co/sDo55hwVGt**

**Tweets by our digital producers @YsabelwithaWhyy and Bamba Galang**




Senate committee chair Grace Poe: The Toll Regulatory Board can't even do its job of collecting toll fees - ■44.24 million in 2017 uncollected, ■859.94 million in 2019 - almost a billion pesos

Sen. Poe: The TRB, like the NDRRMC and PhilHealth, suffers from a governing board dominated by ex-officio cabinet secretaries who have more important things to do. The future of the TRB is another issue that should be resolved in this hearing.

Sen. Poe: The backlash in the cashless toll collecting service reminded of the importance of careful planning.

Valenzuela Mayor Rex Gatchalian is present in the hearing.

Earlier, he suspended NLEX Corp.'s business permit over traffic problems caused by its cashless toll-collecting system. He has since lifted the suspension after coming to an agreement with NLEX. https://t.co/kV3adglfgK

Senator Joel Villanueva: While this was originally envisioned as an effective way to reduce human contact, but its implementation left much to be desired. Sa loob ng unang linggo ng pagpapalawak ng sistema, katakot-katakot na problema ang dinanas ng ating mga mananakay.

Sen. Villanueva: It is ironic that this system made heavy traffic the new normal in an expressway

Senator Manny Pacquiao also urges transportation authorities to resolve the issues on toll operations

Transportation Secretary Arthur Tugade: Let me sincerely apologize to the public who have been inconvenienced by the heavy congestion of the NLEX. Some points of the department order on cashless transaction may have contributed to this.

The hearing will also tackle the issue on the NAIA rehabilitation

On Tuesday, Megawide Corp. said it has been stripped off the right to upgrade the Ninoy Aquino International Airport, forcing another delay to its rehabilitation https://t.co/HNcwRR5NTY

DOTr Sec. Tugade on NAIA rehab: Nagkaroon ng decision ang board ng MIAA, isuspinde muna 'yung proposal or original proponent status ng Megawide sa kadahilanang na ito po ay hindi tumugma sa mga requirement ng NEDA patukoy sa equity requirement

NEDA yesterday denied its involvement in the revocation of Megawide’s OPS status https://t.co/RrO416b0OZ

In November, NEDA and DOF questioned Megawide’s financial capacity to fund the NAIA rehabilitation plan https://t.co/iHDC566JO5

MIAA General Manager Ed Monreal: In that meeting, one of the board members — a Director Nakpil — requested for an executive session to discuss the present OPS of Megawide (1/2)

MIAA: There was a motion in the second session, he manifested that the OPS status of the Megawide may be revisited because of the letter received from NEDA and there was a motion to vote. The voting resulted to a majority decision to revoke the Megawide OPS (2/2)

Monreal reads NEDA's letter dated Nov. 19 addressed to Tugade on Megawide's original proponent status (1/2)

Monreal: We are returning the submitted unsolicited proposal and project documents in view of the findings of ICC (Investment Coordination Committee) secretariat's evaluation that the equity position is insufficient to finance the equity requirement for the proposed project (2/2)

DOTr Usec. Ruben Reinoso: Hindi tinanggap ng NEDA 'yung financing plan nila (Megawide) dahil speculative daw iyon

DOTr was asked to recall the previous proponents of the NAIA rehabilitation. Usec. Reinoso says the original proponent status was initially awarded to the super consortium (1/2)

DOTr Usec. Reinoso: Naapprove na noong NEDA board 'yung proposal nila (super consortium) kaya lang nagbigay ng condition ang NEDA. Hindi na nagka sundo dahil sabi ng super consortium na hindi na daw viable ang proposal nila dahil sa condition ng NEDA (2/2)

DOTr: Nakarating nasa approval ng ICC and by the NEDA board. In-approve na nila kaya langnagbigay ng condition ng NEDA board. In-itremize iyon. Sinabi sa super consortium na kailangan nila i-comply. Nakalagay din sa batas na ang period of negotiation shall be completed in 85 days

DOTr: Nung natapos ang 85 days, hindi nagsakundo ang MIAA at super consortium dahil sabi ng super consortium hindi na viable ang proposal nila kapag tinggap nila ang condition ng NEDA board (1/2)

DOTr: Wala naman naging ibang option ang NEDA board kung hindi i-withdraw ng OPS nila. This year lang ito (2/2)

DOTr: Marami pong negotiation ang MIAA with the super consortium para maging acceptable ang kanilang proposal na natapos ng 2019.

DOTr: Sinulatan po ng MIAA ang Megawide kung interesado pa sila. Tinggap nila pati ang conditions.

DOTr: Ang nakalagay po doon (NEDA letter) hindi sila nag-comply.

Sen. Nany Binay: Pero may room po for them to comply? Nakasulat rin po sa letter ng NEDA na bigyan sila ng pagkakataon to comply? (1/2)

DOTr: Binigyan po sila ng deadline. Iyong deadline, hindi nila naibigay ang compliance kaya nag-convene ang board ng MIAA at dinesisyunan na ang kanilang proposal. (2/2)

Jaime Feliciano Megawide Chief Business Dev Officer: We have complied with the requirements set by the NEDA-ICC regarding the equity of the consortium so ang complication kasi nila the net worth requirement ng isang consortium should be based on the total project cost.

Feliciano. ‘Yung total project cost ng NAIA is 108.75 billion so ang plano namin is to finance with a combination of debt and equity. Yung debt is 70% yung equity is 30%

Feliciano: Yung 70%, 70 plus billion pesos, walang isyung niraise ang NEDA regarding capability. Ang issue talaga, is the equity portion, the 30%. Mga 32.63 billion.

Feliciano: Tama ‘yung Megawide net worth is only 18 billion as of 2019 na audited financial statements pero hindi lang yung Megawide magcocomply sa net worth, kasama si GMR. So pag pinagsama, Megawide is 60% GMR is 40% ang computation.

Feliciano: Out of 32.63 billion, 60% is 19.58, ang kulang na lang is 1.58 billion. We were able to comply through a set aside deposit we have reserved exclusively for NAIA.

Feliciano: From our perspective lahat ng requirement na sinet ng NEDA-ICC sinubmit na namin so nagulat kami nung nareceive ‘yung news na nrevoke ‘yung OPS.

Usec. Reinoso however says Megawide failed to meet the deadline given to them. He says MIAA was already asking for the documents in August. (1/2)

Megawide was only able to submit the documents on Nov. 20 a day after NEDA sent a letter to MIAA saying Megawide does not meet the equity requirement. (2/2)

Feliciano: Noong August po kasi there was a difference in interpretation of a specific rule. (1/3)

Feliciano: Doon kasi sa sinabi ng NEDA the basis of the net worth requirement should be the total project cost pero noong binasa ng rules ang undertsanding namin is that the proponent is only required to sustain the financing requirements of a project in phases. (2/3)

Feliciano: We did (send correspondence). Sabi po ng MIAA it's not sufficient according to NEDA-ICC because net worth should be based sa total project cost not in phases. I don't recall any deadline that was given regarding the submission. (3/3)

Megawide Construction Corp. and India-based GMR Infrastructure Limited submitted an unsolicited proposal in March 2018 to rehabilitate NAIA.

The tandem is also behind the Mactan-Cebu International Airport and the Clark International Airport.

Tugade: Noong Dec. 4, nagkaroon ng desisyon ang MIAA board na sabi revoke. Dec. 15, na-confirm ang decision to revoke with the following, number one, MIAA will continue with its ongoing rehab and reconstruction program giving emphasis to security and safety.

Tugade: Second, recognizing the procedural rights of Megawide in relation to the decision to revoke. In other words, ang reading ko po sa nangyari noong Dec. 15 hindi pa sarado ang usapan ng OPS ng Megawide.

Tugade: Kung mayroong compliance, sa aking pananaw, sa akin tuloy iyon kasi may compliance. Hindi pa nga nateterminate ng permanente iyan.

Monreal: On the part of MIAA, since the original proponent status is a board action, should Megawide come up with a reconsideration we will present it to the board so that the board can act on it. The granting of OPS is not in the hands of the GM of MIAA. (1/2)

Monreal: We are still awaiting for any letter from Megawide and should there be a letter request then we will ask the baord to convene to study the proposal and see how the board takes it.

Monreal says the revocation of the OPS still stays since it is a board action: Unless the board says otherwise, tsaka lang po mawawala iyon.

Sen. Poe says if NEDA does not attend the next hearing on the NAIA rehabilitation, ‘they will be sanctioned’

Senate committee now tackles the issues on cashless tollways

Senator Win Gatchalian shows videos and photos of the traffic issues he experienced passing through NLEX and its toll gates.

Tugade: Itong order na ito ay binibigyan ang mga service provider at mga ahensiya ng gobyerno ng three months para magkaroon ng IRR para maimplement ang protocols para sa cashless transactions.

Tugade: Nakikita ko rin ang sitwasyon kaya bago dumating ang Nov 2 deadline, i-extend for another 30 days. Nagbigay rin ako ng 3 instructions: huwag alisin ang cash booths, walang fines at aresto pagdaan doon, at payagang bumaybay ang mga sasakyan sa tollways kahit walang RFID

Tugade says placing RFID stickers and reloading RFID accounts should not be done at the toll gates.

Tugade: Usapang prangkahan ito. Nakita ko na there is failure of implementation dito sa TRB kaya sabi ko kailangang tugunan ito.

Tugade says he instructed TRB to deploy roving and stationed toll marshalls, conduct regular monthly audit with daily reports of the toll marshalls and to intensify enforcement.

Tugade: From the very beginning, I have always advocated for interoperability - integration of the toll operators' systems to have only one system that will allow fast, efficient, seamless travel along expressways.

Tugade says since the DOTr has a lot of attached agencies, he designated an undersecretary to take part in board meetings of the TRB.

DOTr Usec. Reinier Yebra says TRB's relationship with DOTr is only as an attached agency which means DOTr will only oversee policy and program coordination while the TRB executive director is in charge of day-to-day operations.

Tugade: Tama po kayo ako ang chairman ng TRB. Hindi po personal na presensiya namin ang pag-attend ng board dahil sa dami ng attached agencies namin. Nakakarating ba sa amin ang mga nangyayari sa board? Minsan oo, karamihan hindi.

DOTr: Policy po ang going cashless, pero sabi sa batas, kami po ay makikipag-coordinate lang ng policy sa TRB. As to the implementation at operationalization, executive director po ng TRB ang magsasagawa ng actual implementation.

Sen. Drilon: This structure of attached are all theoretical. On a day-to-day operation of the agency, the secretary can give directions.

Tugade: Kung talagang marami nang violation, under the concession agreement, may karapatan ang TRB na mag-impose ng sanction, penalty at fine.

DOTr Usec. Reinoso, the designated representative of the DOTr in the TRB board: In so far as the board is concerned walang nareceive ang board (na report) ng mga serious issues on the RFID at that time (first week of implementation).

TRB Executive Director Abraham Sales: Ito pong RFID nagpatupad si NLEX noong 2017. Nagkaroon ng dalawang audit sa operational aspect ng sistemang ito at 'yun pong resulta binigay sa operator at napagsabihan na icorrect 'yung deperensya diyan at patuloy na cinocorrect. (1/2)

Director Sales: Sa nasunod na audit nandoon pa rin 'yung problema na 'yan, tuloy-tuloy ang pagcorrect. Ang problema sa cashless is primarily 'yung paglagay ng sticker lane sa plaza ng Mindanao. (2/2)

Valenzuela City Mayor Rex Gatchalian: Dati pa lang, lagi na kaming nagco-complain. Siguro hindi pansinin kasi minority ang gumagamit. Even at that time, NLEx had the chance to perfect the system. (1/2)

Mayor Gatchalian: Hindi po kami tutol sa paggamit ng teknolohiya to improve services. Matagal na panahon na yet the system was faulty from day 1. (2/2)

Mayor Gatchalian: Now, dahil nag-agree na kami ng NLEx na barriers up kami from 5 am to 10 pm, right now, sobrang smooth. You think the road is a holiday pero hindi. Meaning, the barriers were the cause of the delays.

Valenzuela City and NLEx agreed to end the toll holiday at 12:01 pm on Wednesday after both parties came to an agreement on fee collection policies. https://t.co/K7GS3b5MBu

Local authorities earlier suspended the operator's business permit due to complaints of motorists about glitches in the RFID system.

Sen. Richard Gordon: Wala dapat sa gobyerno yung hindi ina-anticipate ang problema. You have no business being a TRB commissioner, even a cabinet officer, any guy if you do not know how to run your agency. These (problems) are easily

foreseen.

Cruz: Sana magising na ang lahat. Nagkakaroon ng perception na ‘yung TRB mas prinuproteksyunan ‘yung concessioanire kaysa ‘yung motoring public at doon kami nalulungkot

Sales: Itong mga glitches napag-usapan na lang during the consultation with the operators, stakeholders. Ang kausap ko po yung mga pinapadala sa consultation.