

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

SENATE
OFFICE OF THE SECRETARY

9 OCT 14 P4:11

S E N A T E

RECEIVED BY

COMMITTEE REPORT NO. 720

Submitted by the Committees on Banks, Financial Institutions and
Currencies *and* Government Corporations and Public Enterprises on

OCT 14 2009

Re: S. Jt. Res. No. 31

Recommending adoption with amendments of S. Jt. Res. No. 31, taking into
consideration P.S. Res. No. 1409

Sponsor: Senator Escudero

MR. PRESIDENT:

The Senate Committees on Banks, Financial Institutions and
Currencies *and* Government Corporations and Public Enterprises to which
was referred S.Jt. Res. No. 31, introduced by Senator Escudero, entitled:

**"A JOINT RESOLUTION
MANDATING ALL GOVERNMENT FINANCIAL INSTITUTIONS SUCH AS
THE GSIS, SSS AND PAG-IBIG TO IMMEDIATELY EFFECT
SUSPENSION OF LOAN PAYMENTS OF THEIR BORROWERS WHO
ARE VICTIMS OF STORM "ONDOY" AS A FORM OF FINANCIAL AND
ECONOMIC RELIEF FOR AT LEAST SIXTY (60) DAYS AND AT THE
SAME TIME URGING OTHER FINANCIAL INSTITUTIONS FROM THE
PRIVATE SECTOR TO DO THE SAME"**

taking into consideration P.S. Res. No. 1409, introduced by
Senator Gordon, entitled:

**“A RESOLUTION
MANDATING THE GSIS, SSS AND OTHER GOVERNMENT FINANCIAL
INSTITUTIONS TO IMMEDIATELY EFFECT SUSPENSION OF LOAN
PAYMENTS OF BORROWERS WHO ARE VICTIMS OF TYPHOONS
“ONDOY” AND “PEPENG” AND URGING PRIVATE FINANCIAL
INSTITUTIONS TO DO THE SAME”**

have considered the same and have the honor to report it back to the Senate with amendments, to wit:

- 1.) Change the period sixty (60) days to **ninety (90) days** as found in the following:
 - a.) On Page 1, on the 5th *Whereas* clause;
 - b.) On Page 2, on the 4th *Whereas* clause;
 - c.) Still on the same page, on the *resolved* clause;
- 2.) And lastly, on the title, which shall now read as follows:


**“A JOINT RESOLUTION
MANDATING ALL GOVERNMENT FINANCIAL INSTITUTIONS SUCH AS
THE GSIS, SSS AND PAG-IBIG TO IMMEDIATELY EFFECT
SUSPENSION OF LOAN PAYMENTS OF THEIR BORROWERS WHO
ARE VICTIMS OF STORM “ONDOY” AS A FORM OF FINANCIAL AND
ECONOMIC RELIEF FOR AT LEAST NINETY (90) DAYS AND AT THE
SAME TIME URGING OTHER FINANCIAL INSTITUTIONS FROM THE
PRIVATE SECTOR TO DO THE SAME”**

Respectfully Submitted:

Chairmen:



SEN. RICHARD J. GORDON
Committee on Government Corporations
and Public Enterprises

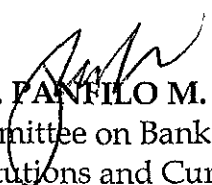


SEN. FRANCIS G. ESCUDERO
Committee on Banks, Financial Institutions
and Currencies


Vice Chairman:

SEN. MAR ROXAS
Committee on Banks, Financial Institutions
and Currencies

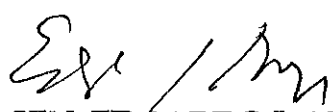
Members:



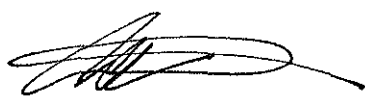
SEN. PANFILO M. LACSON
Committee on Banks, Financial
Institutions and Currencies



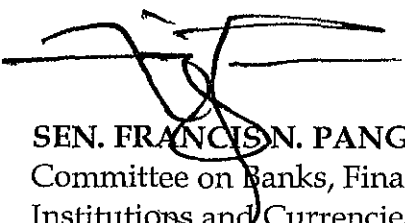
SEN. LOREN B. LEGARDA
Committee on Banks, Financial
Institutions and Currencies



SEN. EDGARDO J. ANGARA
Committees on Banks, Financial
Institutions and Currencies and
Govt. Corp. and Public Enterprises



SEN. ALAN PETER S. CAYETANO
Committees on Banks, Financial
Institutions and Currencies and
Govt. Corp. and Public Enterprises




SEN. FRANCIS N. PANGILINAN
Committee on Banks, Financial
Institutions and Currencies



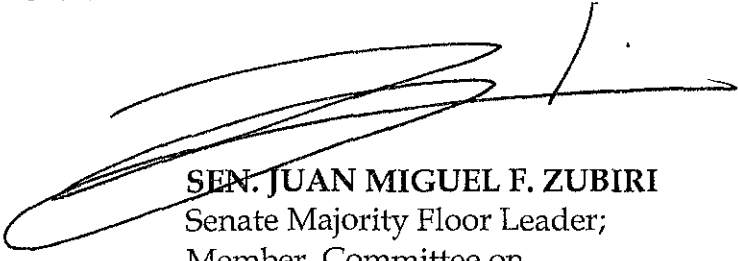
SEN. RAMON REVILLA, JR.
Committee on Government Corp.
and Public Enterprises

SEN. MANNY VILLAR
Committee on Government Corp.
and Public Enterprises

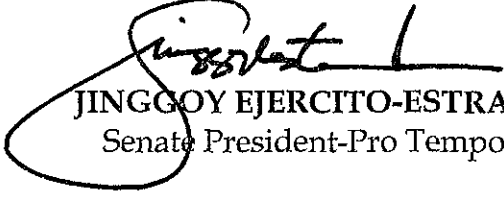
Ex-Officio Members:



SEN. AQUILINO Q. PIMENTEL, JR.
Senate Minority Floor Leader



SEN. JUAN MIGUEL F. ZUBIRI
Senate Majority Floor Leader;
Member, Committee on
Government Corp.
and Public Enterprises



JINGGOY EJERCITO-ESTRADA
Senate President-Pro Tempore

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FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

OFFICE OF THE SECRETARY

9 SEP 28 P3:52

Jt. Res. No. 31

RECEIVED BY

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Introduced by Senator FRANCIS G. ESCUDERO

A JOINT RESOLUTION

MANDATING ALL GOVERNMENT FINANCIAL INSTITUTIONS SUCH AS THE GSIS, SSS AND PAG-IBIG TO IMMEDIATELY EFFECT SUSPENSION OF LOAN PAYMENTS OF THEIR BORROWERS WHO ARE VICTIMS OF STORM "ONDOY" AS A FORM OF FINANCIAL AND ECONOMIC RELIEF FOR AT LEAST SIXTY (60) DAYS AND AT THE SAME TIME URGING OTHER FINANCIAL INSTITUTIONS FROM THE PRIVATE SECTOR TO DO THE SAME

Whereas, the continuous rain brought about by typhoon "Ondoy" has wrecked havoc in Metro Manila and the nearby provinces in Central Luzon resulting in the death of more than 100 people and the displacement of nearly 300,000 individuals.

Whereas, such devastating effect cannot be overstated given that the above figures are still growing, many are still missing and the cost of damage to and lost of properties is yet to be determined in actual terms.

Whereas, the relief mechanism being espoused by the government in the form of calamity fund releases and loans may not be enough considering that emotional, social and economic recovery proves to be difficult, especially if it concerns sudden lost of lives and dwellings.

Whereas, all Filipinos hit by storm "Ondoy," including the government, are caught unprepared by such a fortuitous event and the severity and cruelty of which requires an effective and immediate action from the agencies of government concerned if only to put in place a direct and immediate economic and financial relief to great lost and depression.

Whereas, in order to realize such a direct and immediate relief, Government Financial Institutions (GFIs) must be mandated to step in and provide relief to victims of "Ondoy" in the form of suspension of loan payments for at least 60 days.

Whereas, private financial institutions are likewise encouraged to follow suit and adopt the same as a special policy for their corporate social responsibility programs to address a unique and fortuitous situation.

Whereas, under the *parens patriae* doctrine, the State has the inherent power and authority to intervene and protect public interest such as their welfare, health and comfort; it is a universal policy of any State, serving as parent of its citizens, especially those are in need and underprivileged.

Whereas, moreover, the Civil Code recognizes the concept of fortuitous event, defined as an unforeseen event or an event even foreseen is inevitable, which is made as a valid exception and defense in the non-fulfillment of obligations and stipulations of contracts.

Whereas, suspension of payments for at least 60 days will not hurt GFIs considering that most of them, if not all, register positive investment and increase in assets (i.e., SSS has a 12.7% average return on investment and a total asset of Php242 billion plus as of March 2009; GSIS has a consistent increase in total asset from 2001 to 2007, which is Php441.87 billion; and Pag-Ibig has a total asset of Php202 billion plus in 2007, an increase of Php11.386 billion compared to 2006).

Whereas, to put in detail and effect the implementation of the policy set herein, the Department of Finance together with the Department of Social Welfare and Development and in coordination with the National Disaster Coordinating Council shall promulgate the corresponding guidelines in the determination of qualified borrowers within five (5) days from adoption hereof.

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED to mandate all Government Financial Institutions to immediately effect suspension of loan payments of their borrowers who are victims of typhoon "Ondoy" as a form of financial and economic relief for at least sixty (60) days.

AND RESOLVED, FINALLY, to urge private financial institutions to do the same by adopting it as a policy under their respective corporate social responsibility programs.

Adopted,



FRANCIS G. ESCUDERO

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

9 OCT 14 AM 11:13

SENATE
P.S. Resolution No. 1409

Introduced by **Senator Richard J. Gordon**

A RESOLUTION

MANDATING THE GSIS, SSS, PAG-IBIG AND OTHER GOVERNMENT FINANCIAL INSTITUTIONS TO IMMEDIATELY EFFECT SUSPENSION OF LOAN PAYMENTS OF BORROWERS WHO ARE VICTIMS OF TYPHOONS "ONDOY" AND "PEPENG" AND URGING PRIVATE FINANCIAL INSTITUTIONS TO DO THE SAME

WHEREAS, the National Disaster Coordinating Council (NDCC) estimates that 4,320,699 persons were affected by typhoon "Ondoy" while an estimated 2,546,101 were affected by typhoon "Pepeng";

WHEREAS, typhoon "Ondoy" wrecked the homes of 877,777 families while typhoon "Pepeng" drove 563,671 families into evacuation centers;

WHEREAS, as of the latest count, there are 1.44 million Filipino families or 7 million Filipinos in evacuation center, with the figures still growing and while the cost of damage to property is yet to be determined in actual terms;

WHEREAS, our countrymen hit by typhoons "Ondoy" and "Pepeng" were caught unprepared by such a fortuitous event, the severity and cruelty of which requires effective and immediate action from government;

WHEREAS, in order to provide immediate and meaningful relief, Government Financial Institutions (GFIs) must be mandated to step in and provide financial aid to victims of typhoons "Ondoy" and "Pepeng" in the form of suspension of loan payments for at least 60 days;

WHEREAS, private financial institutions are likewise encouraged to follow suit and adopt the same as a special policy for their corporate social responsibility programs;

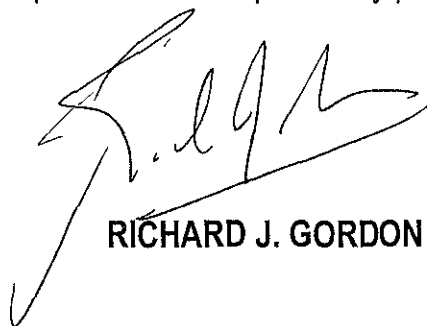
WHEREAS, suspension of payments of at least 60 days will not hurt Government Financial Institutions (GFIs) considering that most of them, if not all, register positive investments and increase in assets;

WHEREAS, to put in detail and effect the implementation of the policy set herein, the Department of Finance together with the Department of Social Welfare and Development, in coordination with the National Disaster Coordinating Council, shall promulgate the corresponding guidelines in the determination of qualified borrowers within five (5) days from adoption hereof; *NOW, THEREFORE, BE IT:*

RESOLVED, AS IT IS HEREBY RESOLVED, to mandate all Government Financial Institutions to immediately effect suspension of loan payments of their borrowers who are victims of typhoon "Ondoy" and typhoon "Pepeng" as a form of financial and economic relief for at least sixty (60) days.

RESOLVED, FURTHER, to urge private financial institutions to do the same by adopting the same policy under their respective corporate social responsibility programs.

Adopted,



RICHARD J. GORDON