



REPUBLIC OF THE PHILIPPINES
Senate
Pasay City

Journal

SESSION NO. 40

Monday and Tuesday, December 16 and 17, 2013

**SIXTEENTH CONGRESS
FIRST REGULAR SESSION**

SESSION NO. 40
Monday and Tuesday, December 16 & 17, 2013

CALL TO ORDER

At 3:24 p.m., Monday, December 16, 2013, the Senate President, Hon. Franklin M. Drilon, called the session to order.

PRAYER

Sen. Sergio R. Osmeña III led the prayer, to wit:

Almighty Father, as the year draws to a close, we thank You for the year that was.

Loving Father, You have shown to us, through the multitude and magnitude of the calamities this year, how vulnerable we are without You, that You alone, Father, can calm the winds and the seas and stop the ground from shaking. As our people struggle to emerge from these tragedies, we ask You to bless us with a renewed courage and inspired faith in Your ability to give us a healing hand.

We thank You, dear Lord, for giving each of us the opportunity to make a difference in the lives of our brothers and sisters, especially in Bohol and Zamboanga, in Leyte, Samar, Cebu, Iloilo, Negros, and so many provinces in Luzon. Once again, You have shown us that every calamity is a clarion call to transcend our petty and personal interests and work together for the greater good.

We thank all the nations, and we ask You to bless the international agencies, the local groups, NGOs, government agencies,

LGUs, business and social entities and millions of individuals that have come out and have sought to bring relief to the brothers and sisters in the affected areas.

We all pray that the coming anniversary of Your birth will also renew our determination to seek and find Your goodness in every human being.

We petition our Father for His blessings through Your Sacred Heart,

Amen.

NATIONAL ANTHEM

The Senate Choir led the singing of the national anthem and thereafter rendered the song, entitled "*Hallelujah Chorus.*"

ROLL CALL

Upon direction of the Chair, the Secretary of the Senate, Atty. Oscar G. Yabes, called the roll, to which the following senators responded:

Angara, S.	Lapid, M. L. M.
Aquino, P. B. IV B.	Legarda, L.
Binay, M. L. N. S.	Osmeña III, S. R.
Cayetano, A. P. C. S.	Pimentel III, A. K.
Drilon, F. M.	Poe, G.
Ejercito, J. V. G.	Recto, R. G.
Enrile, J. P.	Revilla Jr., R. B.
Escudero, F. J. G.	Sotto III, V. C.
Estrada, J.	Trillanes IV, A. F.
Honasan, G. B.	<i>hub</i>

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With 19 senators present, the Chair declared the presence of a quorum.

Senator Villar, who was on official mission, arrived after the roll call.

Senators Guingona and Marcos were on official mission.

Senator Cayetano (P) was on official mission abroad.

Senators Defensor Santiago was on sick leave.

APPROVAL OF THE JOURNAL

Upon motion of Senator Cayetano (A), there being no objection, the Body dispensed with the reading of the Journal of Session No. 39 (December 11, 2013) and considered it approved.

REFERENCE OF BUSINESS

The Secretary of the Senate read the following resolutions which the Chair referred to the committees hereunder indicated:

BILLS ON FIRST READING

Senate Bill No. 2011, entitled

AN ACT REGULATING THE SALE AND DISTRIBUTION OF ELECTRONIC CIGARETTES

Introduced by Senator Lapid

To the Committees on Health and Demography; Trade, Commerce and Entrepreneurship; and Finance

Senate Bill No. 2012, entitled

AN ACT ESTABLISHING A CIVIL SERVICE CODE OF THE PHILIPPINES AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

To the Committees on Civil Service and Government Reorganization; and Finance

Senate Bill No. 2013, entitled

AN ACT GRANTING THE NATIONAL COMMISSION ON INDIGENOUS

PEOPLES (NCIP) A NEW TEN (10) YEAR PERIOD WITHIN WHICH TO TAKE APPROPRIATE LEGAL ACTION FOR THE CANCELLATION OF OFFICIALLY DOCUMENTED TITLES WHICH WERE ILLEGALLY ACQUIRED, AS PROVIDED UNDER SECTION 64 OF REPUBLIC ACT NO. 8371, OTHERWISE KNOWN AS "AN ACT TO RECOGNIZE, PROTECT AND PROMOTE THE RIGHTS OF INDIGENOUS CULTURAL COMMUNITIES/INDIGENOUS PEOPLES, CREATING THE NATIONAL COMMISSION ON INDIGENOUS PEOPLE, ESTABLISHING IMPLEMENTING MECHANISMS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES"

Introduced by Senator Ejercito Estrada

To the Committee on Cultural Communities

Senate Bill No. 2014, entitled

AN ACT REQUIRING THE USE OF PHILIPPINE MADE MATERIALS IN CONTRACTS FOR PUBLIC WORKS AND PROVIDING FOR THE BLACKLISTING OF CONTRACTORS VIOLATING SUCH REQUIREMENT

Introduced by Senator Ejercito Estrada

To the Committee on Public Works

Senate Bill No. 2015, entitled

AN ACT PROVIDING FOR A MAGNA CARTA OF WORKERS IN THE INFORMAL SECTOR ENGAGED IN SUBSISTENCE ENTERPRISES, INSTITUTIONALIZING MECHANISMS FOR IMPLEMENTATION THEREOF AND AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF REPUBLIC ACT 7160 AND REPUBLIC ACT 8282

Introduced by Senator Ejercito Estrada

To the Committees on Social Justice, Welfare

and Rural Development; Labor, Employment and Human Resources Development; Ways and Means; and Finance

Senate Bill No. 2016, entitled

AN ACT RESTORING, REHABILITATING AND MODERNIZING THE OLD AND EXISTING LINES OF THE PHILIPPINE NATIONAL RAILWAYS (PNR), EXTENDING THESE LINES FURTHER AS PROVIDED UNDER REPUBLIC ACT NO. 6366, TO PROVIDE A VIABLE PUBLIC RAILWAY TRANSPORT AND APPROPRIATING FUNDS NECESSARY THEREFOR

Introduced by Senator Ejercito Estrada

To the Committees on Government Corporations and Public Enterprises; Public Services; and Finance

Senate Bill No. 2017, entitled

AN ACT AMENDING REPUBLIC ACT NO. 8505, OTHERWISE KNOWN AS THE RAPE VICTIMS ASSISTANCE AND PROTECTION ACT OF 1998

Introduced by Senator Ejercito Estrada

To the Committee on Women, Family Relations and Gender Equality

Senate Bill No. 2018, entitled

AN ACT ALLOCATING THE TRAVEL TAX COLLECTION TO THE PHILIPPINE TOURISM AUTHORITY, AMENDING THEREBY PRESIDENTIAL DECREE NO. 1183, AS AMENDED, AND REPUBLIC ACT NO. 7722, AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

To the Committees on Ways and Means; Tourism; and Finance

Senate Bill No. 2019, entitled

AN ACT CREATING THE NATIONAL

ACADEMY OF SPORTS AS AN ATTACHED AGENCY OF THE PHILIPPINE SPORTS COMMISSION, PROVIDING ITS STRUCTURE, POWER AND FUNCTION THEREOF, AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

To the Committees on Games, Amusement and Sports; Civil Service and Government Reorganization; and Finance

Senate Bill No. 2020, entitled

AN ACT PROVIDING FOR A COLLEGE EDUCATION TRUST FUND FOR CHILDREN OF GSIS AND SSS MEMBERS

Introduced by Senator Ejercito Estrada

To the Committees on Government Corporations and Public Enterprises; and Education, Arts and Culture

Senate Bill No. 2021, entitled

AN ACT ESTABLISHING A DEPARTMENT OF AGRICULTURE, STATE AGRICULTURAL COLLEGE AND LOCAL GOVERNMENT UNIT COOPERATIVE EXTENSION RESEARCH SERVICE, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

To the Committees on Agriculture and Food; Education, Arts and Culture; and Finance

Senate Bill No. 2022, entitled

AN ACT AMENDING SECTION 58 OF REPUBLIC ACT 8189 OTHERWISE KNOWN AS "THE VOTERS REGISTRATION ACT OF 1996" BY INCREASING THE PENALTY PROVIDED AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

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**To the Committee on Electoral Reforms
and People's Participation**

Senate Bill No. 2023, entitled

AN ACT ESTABLISHING QUALITY
STANDARDS FOR MINERAL,
CARBONATED AND OTHER
BOTTLED WATER

Introduced by Senator Ejercito Estrada

**To the Committees on Health and Demography;
Trade, Commerce and Entrepreneurship;
and Finance**

Senate Bill No. 2024, entitled

AN ACT STRENGTHENING THE
COMMISSION ON HIGHER
EDUCATION (CHED), AMENDING
FOR THE PURPOSE REPUBLIC ACT
NO. 7722, ENTITLED AN ACT
CREATING THE COMMISSION ON
HIGHER EDUCATION, APPROPRIATING
FUNDS THEREFOR AND FOR
OTHER PURPOSES

Introduced by Senator Ejercito Estrada

**To the Committees on Education, Arts and
Culture; and Ways and Means**

Senate Bill No. 2025, entitled

AN ACT CREATING A NATIONAL
STUDENT LOAN BOARD TO
IMPLEMENT A NATIONAL
STUDENT LOAN PROGRAM FOR
THE POOR, DEFINING ITS
IMPLEMENTING GUIDELINES,
RULES AND REGULATIONS AND
APPROPRIATING FUNDS THEREFOR

Introduced by Senator Ejercito Estrada

**To the Committees on Education, Arts and
Culture; Ways and Means; and Finance**

Senate Bill No. 2026, entitled

AN ACT AMENDING SECTION 69 OF
BATAS PAMBANSA BLG. 881, AS

AMENDED, OTHERWISE KNOWN
AS THE OMNIBUS ELECTION
CODE

Introduced by Senator Ejercito Estrada

**To the Committee on Electoral Reforms
and People's Participation**

Senate Bill No. 2027, entitled

AN ACT EXPANDING THE PURPOSES
AND APPLICATION OF THE
SPECIAL EDUCATION FUND (SEF)
AMENDING FOR THE PURPOSE
SECTION 272 OF REPUBLIC ACT
NO. 7160, OTHERWISE KNOWN AS
THE LOCAL GOVERNMENT CODE
OF 1991, AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

**To the Committees on Local Government;
and Education, Arts and Culture**

Senate Bill No. 2028, entitled

AN ACT AMENDING SECTION 86(A)
(6) OF REPUBLIC ACT NO. 8424, AS
AMENDED, OTHERWISE KNOWN
AS THE NATIONAL INTERNAL
REVENUE CODE OF 1997

Introduced by Senator Ejercito Estrada

To the Committee on Ways and Means

Senate Bill No. 2029, entitled

AN ACT TO EXPAND AND REVITA-
LIZE THE SPECIAL EDUCATION
PROGRAM FOR GIFTED AND
HANDICAPPED CHILDREN AND
YOUTH IN THE PHILIPPINES

Introduced by Senator Ejercito Estrada

**To the Committees on Education, Arts and
Culture; Youth; Ways and Means; and Finance**

Senate Bill No. 2030, entitled

AN ACT AMENDING REPUBLIC ACT

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NO. 386, ALSO KNOWN AS THE CIVIL CODE OF THE PHILIPPINES, ARTICLE 737, MAKING IT CONSISTENT WITH THE OTHER PROVISIONS UNDER THE TITLE ON DONATIONS

Introduced by Senator Ejercito Estrada

To the Committee on Justice and Human Rights

Senate Bill No. 2031, entitled

AN ACT TO PROFESSIONALIZE THE PRACTICE OF PRISON MANAGEMENT AND SET FOR THAT PURPOSE THE QUALIFICATION OF WARDENS OF PROVINCIAL, CITY, OR MUNICIPAL JAILS

Introduced by Senator Ejercito Estrada

To the Committees on Justice and Human Rights; and Civil Service and Government Reorganization

Senate Bill No. 2032, entitled

AN ACT REGULATING THE POWER OF THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR) TO ESTABLISH, OPERATE AND MAINTAIN CASINOS IN THE COUNTRY, AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1869, AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

To the Committees on Games, Amusement and Sports; and Local Government

Senate Bill No. 2033, entitled

AN ACT AMENDING SECTION 11 OF REPUBLIC ACT NUMBERED 3019, OTHERWISE KNOWN AS THE "ANTI-GRAFT AND CORRUPT PRACTICES ACT", BY INCREASING THE PRESCRIPTIVE PERIOD FOR ITS VIOLATION FROM FIFTEEN (15)

YEARS TO THIRTY (30) YEARS AND FOR OTHER PURPOSES

Introduced by Senator Ejercito Estrada

To the Committee on Justice and Human Rights

Senate Bill No. 2034, entitled:

AN ACT TO REQUIRE THE GIVING OF FREE MEDICAL AND DENTAL SERVICE TO INDIGENT CHILDREN

Introduced by Senator Ejercito Estrada

To the Committees on Health and Demography; Social Justice, Welfare and Rural Development; and Finance

Senate Bill No. 2035, entitled

AN ACT FURTHER AMENDING REPUBLIC ACT NO. 6948 OTHERWISE KNOWN AS "AN ACT STANDARDIZING AND UPGRADING THE BENEFITS FOR MILITARY VETERANS AND THEIR DEPENDENTS," AS AMENDED

Introduced by Senator Ejercito Estrada

To the Committee on National Defense and Security

Senate Bill No. 2036, entitled

AN ACT PROVIDING FOR A NEW LOCAL GOVERNMENT CODE OF THE PHILIPPINES

Introduced by Senator Ejercito Estrada

To the Committees on Local Government; Ways and Means; and Finance

Senate Bill No. 2037, entitled

AN ACT TO PROVIDE FOR AN INTERIM CENSUS OF FILIPINOS RESIDING ABROAD AND TO REQUIRE THAT SUCH INDIVIDUALS BE INCLUDED IN REGULAR CENSUSES

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Introduced by Senator Ejercito Estrada

A TOTAL OF THREE (3) YEARS OF EFFICIENT SERVICE, AND FOR OTHER PURPOSES

To the Committees on Health and Demography; and Finance

Introduced by Senator Ejercito Estrada

Senate Bill No. 2038, entitled

To the Committee on Civil Service and Government Reorganization

AN ACT CREATING A TASK FORCE ON COMMUNICATIONS TO REVIEW AND ASSESS THE STATE OF THE PHILIPPINE COMMUNICATIONS SYSTEM AND RECOMMEND POLICY, INSTITUTIONAL AND INFRASTRUCTURAL MEASURES TO ENSURE THE DEVELOPMENT OF THIS SECTOR AND APPROPRIATING FUNDS THEREFOR

Senate Bill No. 2041, entitled

AN ACT GRANTING THE RADYO DE ORO CORPORATION FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE CITY OF CAGAYAN DE ORO AND THE PROVINCE OF MISAMIS ORIENTAL, PHILIPPINES

Introduced by Senator Ejercito Estrada

Introduced by Senator Ejercito Estrada

To the Committees on Public Services; and Finance

To the Committee on Rules

Senate Bill No. 2039, entitled

RESOLUTION

AN ACT SEPARATING THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS INTO THE DEPARTMENT OF TRANSPORTATION AND THE DEPARTMENT OF COMMUNICATIONS REDEFINING ITS POWERS, FUNCTIONS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES, THEREBY AMENDING EXECUTIVE ORDER NO. 546

Proposed Senate Resolution No. 414, entitled

RESOLUTION RECOMMENDING TO THE DEPARTMENT OF FOREIGN AFFAIRS AND RELEVANT OFFICE/S TO STUDY AND TO CONSIDER FOR POSSIBLE ADHERENCE AND ACQUIESCENCE THE OPTIONAL PROTOCOL TO THE INTERNATIONAL COVENANT ON ECONOMIC, SOCIAL, AND CULTURAL RIGHTS (ICESCR), AS A STRONG AND UNEQUIVOCAL STATEMENT ABOUT THE VALUE OF ALL HUMAN RIGHTS

Introduced by Senator Ejercito Estrada

Introduced by Senator Grace Poe

To the Committees on Civil Service and Government Reorganization; and Finance

To the Committee on Foreign Relations

Senate Bill No. 2040, entitled

COMMITTEE REPORT

AN ACT AMENDING SECTIONS 1 AND 2 OF REPUBLIC ACT NO. 6850, OTHERWISE KNOWN AS AN ACT TO GRANT CIVIL SERVICE ELIGIBILITY UNDER CERTAIN CONDITIONS TO GOVERNMENT EMPLOYEES APPOINTED UNDER PROVISIONAL OR TEMPORARY STATUS WHO HAVE RENDERED

Committee Report No. 8, prepared and submitted jointly by the Committees on National Defense and Security; and Finance, on Senate Bill No. 2042, with Senator Trillanes IV as author thereof, entitled

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AN ACT PROHIBITING THE DEVELOPMENT, PRODUCTION, STOCKPILING, USE OF CHEMICAL WEAPONS AND PROVIDING FOR THEIR DESTRUCTION AND PROVIDING PENALTIES THEREFOR AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill No. 1456.

Sponsor: Senators Trillanes IV and Escudero

To the Calendar for Ordinary Business

ADDITIONAL REFERENCE OF BUSINESS

MESSAGES OF THE PRESIDENT OF THE PHILIPPINES

Letters of His Excellency, President Benigno S. Aquino III, dated 6 December 2013, submitting for the Senate's consideration and concurrence the following:

Treaty on Extradition between the Republic of the Philippines and the Kingdom of Spain, which was signed on 02 March 2004 in Manila;

Extradition Treaty between the Government of the Republic of the Philippines and the Government of the Republic of India, which was signed on 12 March 2004 in Manila; and

Extradition Treaty between the Government of the Republic of the Philippines and the Government of the United Kingdom of Great Britain and Northern Ireland, which was signed on 18 September 2009 in Manila.

To the Committee on Foreign Relations

SECOND ADDITIONAL REFERENCE OF BUSINESS

COMMITTEE REPORT

Committee Report No. 9, prepared and submitted by the Committees on Civil Service and Govern-

ment Reorganization; Public Services and Finance, on Senate Bill No. 2043, with Senators Drilon, Trillanes IV and the members of the joint committee as authors thereof, entitled

AN ACT ESTABLISHING THE MARITIME INDUSTRY AUTHORITY (MARINA) AS A SINGLE MARITIME ADMINISTRATION RESPONSIBLE FOR THE IMPLEMENTATION AND ENFORCEMENT OF THE INTERNATIONAL CONVENTION ON THE STANDARDS OF TRAINING, CERTIFICATION AND WATCHKEEPING FOR SEAFARERS AS AMENDED AND INTERNATIONAL AGREEMENTS OR COVENANTS RELATED THERETO,

recommending its approval in substitution of Senate Bill No. 1708.

Sponsors: Senators Trillanes IV, Revilla and Escudero

To the Calendar for Ordinary Business

MANIFESTATION OF SENATOR CAYETANO (A)

Senator Cayetano (A) manifested that Senator Estrada has suggested that Senate Bill No. 2041 be referred to the Committee on Public Services instead of the Committee on Rules considering that the bill seeks the grant of a franchise.

The Chair noted that Senate Bill No. 2041 seeks to grant a franchise but franchise bills, it explained, must originate in the House of Representatives. The Chair said that in the meantime that the House version is not yet transmitted to the Senate, Senate Bill No. 2041 should be referred to the Committee on Rules which, at the appropriate time, will refer it to the proper committee.

COMMITTEE REPORT NO. 2 ON SENATE BILL NO. 1733 (Continuation)

Upon motion of Senator Cayetano (A), there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1733 (Committee Report No. 2), entitled

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AN ACT IMPLEMENTING THE PEOPLE'S
RIGHT TO INFORMATION AND
THE CONSTITUTIONAL POLICIES
OF FULL DISCLOSURE AND
HONESTY IN THE PUBLIC SERVICE
AND FOR OTHER PURPOSES.

Senator Cayetano (A) stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Poe, sponsor of the measure, and Senator Legarda for her interpellation.

INTERPELLATION OF SENATOR LEGARDA

Relative to Section 3(b) of the bill, Senator Legarda noted that the nature of employment of the person receiving the request for information is critical in order for a record to be considered official. Asked if a contractual employee or a consultant can be considered a public officer or an employee, Senator Poe explained that part of the FOI manual of an agency would include a description that the responsible officer who will be receiving any request for information should be a permanent employee of the agency.

As to how the said provision would work in a senator's office whose employees are coterminous, Senator Poe assumed that the Senate President would establish an FOI desk within the Senate to accept any query or request for information on general topics, but she opined that a senator can also have his or her own procedure as long as it is compliant with the overall procedure of the Senate.

To Senator Legarda's comment that all the agencies of the government would be given leeway to establish different procedures which could cause vagueness and inconsistencies in the implementation of the law, Senator Poe agreed that the provision should be clarified at the proper time to ensure uniformity in its implementation regardless of whether the agency is under the legislative or executive branch of the government. However, she pointed out that there are provisions in the bill which cannot be changed, like the 15-day compliance period.

As regards Section 3(c) of the bill, Senator Legarda asked whether "public records" could be used synonymously with "public documents" which, under Section 19, Rule 132 of the Revised Rules on

Evidence, are defined as "written official acts or records of the official acts of the sovereign authority, official bodies and tribunals, and public officers whether of the Philippines, or of foreign country; documents acknowledged before a notary public except last wills and testaments; and public records kept in the Philippines or private documents required by law to be entered therein."

Senator Poe clarified that "information" as defined in the bill shall mean any record, document, paper, report, letters, etc., or any similar data or material recorded, stored on archived pursuant to any executive order, rules and regulations, ordinance or in connection with the performance or transaction of official business by any government agency. She explained that the definition of "public records" and "information" was expanded in the bill to avoid confusion, but she believed that the expanded definition does not contradict with the definition of "public records" in the Rules of Court. On the contrary, she stated that the definition under the bill would reinforce the definition under the Rules of Court, even as she gave assurance that the Committee would examine the exact definition of public records under the Rules of Court in order to determine whether there is need to include under Section 3(c) of the bill the enumeration defined under the Rules of Court.

On whether the term "public records" includes personal information of government officials, Senator Poe replied that certain personal information like the Statement of Assets, Liabilities and Networth (SALN) are considered public records under existing law but the bill will uphold the right to privacy of individuals to withhold, for example, the names of their children and the schools they go to, if they have no relevance to a particular matter of public interest.

Asked if there are other information that the bill would require from a public official apart from the personal information which the Comelec requires from candidates when they file their certificates of candidacy or that contained in the SALN, Senator Poe explained that Section 10 of the bill provides the protection of privacy, so government agencies must ensure that personal information in its custody or control must not be disclosed without permission and that additional information must not be revealed beyond the dictates of public interest and public good.

As regards the second paragraph of Section 4 requiring public service contractors to make their

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records available to the public, Senator Legarda asked whether the requirement would apply only when the project has been awarded to the contractor and not during the bidding process.

Senator Poe agreed and clarified that the intention is to protect the secrecy of the bidding process. However, she explained that during the period of amendments, a proviso could be inserted that information about the contractor's profile, including capitalization and audited financial reports, could be made available to the public before or during the bidding process in view of the many cases of corruption that accompanied the bidding process of a lot of government projects in the past. She cited a situation where an entity with a capital of less than P50,000 could win in a bidding for a multi-million government project. She opined that the minimum capitalization should be announced before the result of the bidding.

Reacting thereto, Senator Legarda recalled that during the Senate investigation on the alleged rice smuggling, it was revealed that the entities or names of persons who were awarded the authority to import rice were not financially capable and worse, sold their right or subcontracted the importation of rice to other persons. She said that whether it is a public works project or rice importation, there must be disclosure of sufficient information, for instance, on the financial capability of an entity, NGO or foundation, even before the award of the contract to the winning bidder. This way, she said, the head of agency is guided in making an enlightened decision.

Senator Poe agreed that, without over-legislating, there should be guidelines for companies that are interested to bid in government projects, such as submission of data on capitalization and history of other projects during pre-awarding of bids for company profiling. Since the FOI seeks to encourage participative constituency, she said that the public should be given the means to actively participate by equipping them with proper information that would help them ask intelligent questions.

In this connection, Senator Poe recalled an article she recently read regarding the oil spill in Iloilo, which revealed that the company that was awarded a P100-million clean-up project was found to have a capital of P100,000 only, prompting the declaration of failure of bidding. She reiterated the need to have the means to ask questions in order to

unburden the head of agency from being purely responsible for awarding the bid to a particular agency.

Adverting to Section 7 (*Exceptions*), especially paragraph (a) thereof, Senator Legarda asked if an executive order which does not directly relate to national security and to foreign affairs or unilateral/bilateral negotiations would be considered an exception. Senator Poe replied that the President has the power and the privilege to classify the information as confidential not just for national security purposes but also if there is an overriding public interest like if the information could cause speculation in the market or if it is in aid of a criminal investigation, provided, however, that the executive order shall have a period of declassification or it pertains to the country's foreign affairs or there is reasonable doubt as to classification and declassification would be settled in favor of the right to information.

Asked if information falling under the first proviso involving national security would never be declassified, Senator Poe stated that all information has a period of declassification; for instance, in the case of national security, when a particular threat has already faded or has been resolved, the President or the agency would have to declassify the information. She said that the time frame of the investigation and at what point it is expected to end should be given so that people will know by then if the particular crisis has been resolved.

Senator Legarda inquired why the first proviso does not include declassification as in the second proviso. Senator Poe clarified that under the bill, all information that are subject to the exceptions in Section 7 are deemed to have a period of declassification. However, she said that she would take into consideration Senator Legarda's input to improve the text of the provision and avoid any confusion that may arise. Senator Legarda surmised, though, that the first proviso did not include a period of declassification precisely because they involved matters of national security.

Senator Poe commended Senator Legarda for being very prepared and for asking specific questions. She then requested to be furnished with a copy of the questions to make sure that the suggestions would be incorporated in the drafting of the provisions on the proposed measure.

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Senator Legarda suggested that NICA, ISAFP, and the National Security adviser be consulted in matters pertaining to national security, particularly on the issue of automatic declassifications for the best interest of the nation, the people and the government. Senator Poe disclosed that the committee had already conducted public hearings with NICA, PNP, DOJ, AFP and all other agencies concerned with national security and the consensus was to have a period of declassification even for national security matters, just like in the United States in the case of Kennedy investigation.

Senator Legarda agreed and she expressed hope that at the proper time, the Committee could check whether there should be a specific sentence on declassification in the first proviso of Section 7 especially since it pertains to national security. Senator Poe reiterated that other countries have specified a period of declassification, and she stressed that the main goal of the FOI bill is to make known to the public all government information and actions.

Adverting to the last proviso in Section 7(k)(2) which refers to exceptions that are not used to cover up a crime, wrongdoing, graft or corruption, Senator Legarda noted that the use of the word "wrongdoing" was vague and should be clarified as regards the gravity of the act or omission to which it refers. She asked whether an omission constituting an administrative offense could also be included in Section 2.

Senator Poe pointed out that if there is a malicious intent to omit a particular information to cover up a crime or wrongdoing or the confidentiality is not enforced to protect public interest, such an act would constitute as a violation of the Freedom of Information Act and the public official involved would be held criminally and administratively liable. However, she pointed out that there are specific exceptions to the FOI bill which mainly intend to protect public interest. She said that if public interest is used as an excuse even if there is no overriding public interest to withhold a particular information and was only used to maliciously cover up criminal or administrative acts or any violation of the law, then it is a clear violation of the FOI. To illustrate, she said that if the information on the type of weapons that the AFP has purchased is being withheld to cover up the commission of offenses by some of its officials, then it violates the FOI bill. She believed that the kind of weaponry being purchased as well as the cost of transaction should be made known to the public.

Referring to offices that may issue a waiver for information covered under the exception if there is an overriding public interest and disclosure, Senator Legarda asked how collegial bodies like the Supreme Court, Senate, House of Representatives and Constitutional Commissions would make the decision for the waiver of information, specifically, whether the heads of these institutions would decide alone or by a majority vote.

In reply, Senator Poe said that a collective decision-making should be done with regard to certain information and depending on the severity of the particular information. However, she pointed out that for casual requests for information that is not considered confidential or prohibited from being revealed or made public, the head of the agency is ultimately responsible for its release.

Asked if the head of the agency would be given the prerogative to decide by himself or herself to reveal an information even without consultation or majority vote of the members of the agency, Senator Poe stated that any particular head of agency could make the decision to reveal the information if he or she feels that it is of overriding public interest to provide such information. However, she said that if it is being discussed in executive session in the Senate, for instance, then there has to be a vote within the Senate. She said that in such case, the FOI bill would not deviate from a collegial body's mandate to act as such.

Senator Legarda said that the intent of the proviso was not clear to her, specifically on what constitutes a prerogative of the head of a collegial body and what should require majority vote. She feared that the issue could be a source of possible conflicts in the future, for instance, when the Speaker of the House or the Senate President would give information relating to a member without a majority vote and without the knowledge of the member involved. She expressed hope that at the proper time the proviso may be fine-tuned and clarified in order to prevent any misinterpretation and possible conflicts.

Senator Poe said that the provision would certainly be fine-tuned to avoid further confusion and misinterpretation.

Senator Legarda expressed her intention to propose and submit her amendments at the proper

time. She said that while her earlier questions were based on an initial review of the measure, she might also pose more clarificatory questions as interpellations on the FOI bill are expected to resume in 2014. She reiterated her support for the bill and gave assurance that she would provide a hard and soft copy of her questions for Senator Poe's review.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1733

Upon motion of Senator Cayetano (A), there being no objection, the Body suspended consideration of the bill.

SPECIAL ORDER

Upon motion of Senator Cayetano (A), there being no objection, the Body approved the transfer of Committee Report No. 9 on Senate Bill No. 2043 from the Calendar for Ordinary Business to the Calendar for Special Orders.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano (A), the session was suspended.

It was 4:27 p.m.

RESUMPTION OF SESSION

At 4:28 p.m., the session was resumed.

SUSPENSION OF SESSION

Upon motion of Senator Cayetano (A), there being no objection, the Chair suspended the session until three o'clock in the afternoon of the following day.

It was 4:28 p.m.

RESUMPTION OF SESSION

At 3:13 p.m., Tuesday, December 17, the session was resumed with Senate President Drilon presiding.

OVERSIGHT COMMITTEE MEMBERSHIP

Upon nomination by Senator Cayetano (A), there being no objection, the following senators were elected to the Oversight Committee on Anti-Money

Laundering Law: Senator Guingona, as chair; and Senators Osmeña, Poe, Aquino, Trillanes, Sotto and Ejercito, as members.

THIRD ADDITIONAL REFERENCE OF BUSINESS

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

BILLS ON FIRST READING

Senate Bill No. 2044, entitled

AN ACT DECLARING NOVEMBER
TWENTY-THREE OF EVERY YEAR
AS PHILIPPINE PRESS FREEDOM
DAY

Introduced by Senator Grace Poe

**To the Committee on Education, Arts and
Culture**

Senate Bill No. 2045, entitled

AN ACT PROVIDING FOR THE SHARE
IN THE NATIONAL TAXES OF
LOCAL GOVERNMENT UNITS,
AMENDING FOR THIS PURPOSE
REPUBLIC ACT NO. 7160, OTHER-
WISE KNOWN AS THE LOCAL
GOVERNMENT CODE OF 1991

Introduced by Senator Pimentel III

To the Committee on Ways and Means

RESOLUTIONS

Proposed Senate Resolution No. 415, entitled

RESOLUTION COMMENDING THE
SOLDIERS OF THE 14TH INFANTRY
BATTALION DEPLOYED TO
GUIUAN, EASTERN SAMAR IN
RECOGNITION OF THEIR INCREDI-
BLE ACTS OF BRAVERY IN THE
WAKE OF TYPHOON YOLANDA

Introduced by Senator Maria Lourdes Nancy
S. Binay

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To the Committee on Rules

Proposed Senate Resolution No. 416, entitled

RESOLUTION DIRECTING THE APPROPRIATE SENATE COMMITTEE, IN AID OF LEGISLATION, TO REVIEW THE EPIRA LAW, PROPOSE NECESSARY AMENDMENTS AND CONDUCT INVESTIGATION REGARDING THE ABRUPT INCREASE OF POWER GENERATION COSTS FOR THE PURPOSE OF PROTECTING THE INTEREST OF THE CONSUMERS AND THE GENERAL PUBLIC

Introduced by Senator Joseph Victor Ejercito

To the Committees on Energy; Trade, Commerce and Entrepreneurship

Proposed Senate Resolution No. 417, entitled

RESOLUTION URGING THE PROPER SENATE COMMITTEE/S TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE TOTAL NUMBER OF UNREGISTERED BIRTHS IN THE PHILIPPINES, UPHOLDING THE BASIC HUMAN RIGHT TO A LEGALLY-RECOGNIZED NAME AND NATIONALITY THUS PROMOTING CITIZENS' PRODUCTIVE PARTICIPATION IN VARIOUS ASPECTS OF CIVIC LIFE

Introduced by Senator Grace Poe

To the Committee on Health and Demography

Proposed Senate Resolution No. 418, entitled

RESOLUTION URGING A REVIEW OF STATE POLICIES, IN AID OF LEGISLATION, WITH REGARD TO THE BADJAOS, TAKING INTO CONSIDERATION THE INDIGENOUS GROUP'S APPARENT SOCIETAL EXCLUSION AND DESIGNATION AS A SUBORDINATE SOCIAL STATUS, WITH THE INTENTION OF HELPING THE COMMUNITY IN

LIVELIHOOD AND IMPROVING THEIR CULTURAL AND SOCIAL WELL-BEING

Introduced by Senator Grace Poe

To the Committee on Cultural Communities

SUSPENSION OF SESSION

Upon motion of Senator Cayetano (A), the session was suspended.

It was 3:16 p.m.

RESUMPTION OF SESSION

At 3:17 p.m., the session was resumed.

FOURTH ADDITIONAL REFERENCE OF BUSINESS

The Deputy Secretary for Legislation, Atty. Edwin B. Bellen, read Committee Report No. 10, on Senate Bill No. 2046, prepared and submitted jointly by the Committees on Trade, Commerce and Entrepreneurship; Local Government; Banks, Financial Institutions and Currencies; Ways and Means; Economic Affairs and Finance on Senate Bill No. 2046 with Senators Osmeña, Recto, Aquino, Defensor Santiago, Estrada, Poe and Villar as authors thereof, which the Chair referred to the Calendar for Ordinary Business, entitled

AN ACT PROMOTING THE REDUCTION OF POVERTY THROUGH THE DEVELOPMENT OF MICRO, SMALL AND MEDIUM ENTERPRISES,

recommending its approval in substitution of Senate Bill Nos. 169, 253, 615, 1028, 1254 and 1593.

Sponsor: Senator Aquino

SPECIAL ORDER

Upon motion of Senator Cayetano (A), there being no objection, the Body approved the transfer of Committee Report No. 10 on Senate Bill No. 2046 from the Calendar for Ordinary Business to the Calendar for Special Orders.

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**COMMITTEE REPORT NO. 10
ON SENATE BILL NO. 2046**

Upon motion of Senator Cayetano (A), there being no objection, the Body considered, on Second Reading, Senate Bill No. 2046 (Committee Report No. 10), entitled

**AN ACT PROMOTING THE REDUC-
TION OF POVERTY THROUGH THE
DEVELOPMENT OF MICRO, SMALL
AND MEDIUM ENTERPRISES.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Cayetano (A), only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Aquino for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR AQUINO

Senator Aquino presented to the Body Senate Bill No. 2046 under Committee Report No. 10, otherwise known as the *Go Negosyo Bill*, which, he explained, aims to facilitate ease of doing business, push the growth of micro and small enterprises, create jobs and livelihood across the country, and hopefully achieve the inclusive growth that millions of fellow Filipinos desperately wish to be part of.

The full text of Senator Aquino's sponsorship speech follows:

Introduction

The fact that the Philippines has grown astoundingly over the past three years is no longer new to us. Since 2010, the administration of President Benigno Aquino III has worked hard to institute fiscal reforms and anti-corruption measures that have led to robust economic growth, global investor confidence, and our recently earned investment grade ratings by Moody's, Fitch, and Standard & Poor. From being the "Sick Man of Asia" just a decade or so ago, we are now among the "Breakout Nations" and one of Asia's "Rising Stars." Today, we are second only to China in terms of growth in our region. Just the other day, Standard & Poor released a report saying that the Philippines will continue to be the "fastest-growing economy" in the ASEAN – despite the

devastation wrought by Yolanda, and cognizant of the rebuilding efforts in different provinces around the country.

We can say that our macroeconomic numbers, especially over the past year and a half, have been phenomenal. However, all this growth means nothing if we cannot create jobs, livelihood, and "mass employment" for millions of poor Filipinos. *Hindi po katanggap-tanggap na habang umaarangkada ang ating ekonomiya, marami pa ring Pilipino ang patuloy na naghihirap.*

***Unlocking inclusive growth through
MSME Development***

From our perspective as Chairman of the Senate Committee on Trade, Commerce and Entrepreneurship, and based on our experience as a social entrepreneur working with different poor communities, we have identified several keys to unlocking inclusive growth. These are: 1) comprehensive and meaningful support for micro, small, and medium enterprises; 2) unhindered access to inclusive finance; 3) support for social enterprises through inclusive supply chains; 4) a K+12 educational system geared towards enterprise development and job placement; and 5) a clear pipeline for the 4Ps program towards productivity.

These, for us, are the building blocks of inclusive growth in the Philippines. And this bill, hopefully, will provide one of these building blocks when it is passed.

Underpinning all of these is the development of our micro and SME sector, which accounts for no less than 99% of all businesses in the Philippines and at least 66% of all jobs in the labor force. The numbers show that boosting the MSME sector will help us create more decent, sustainable jobs that can lift many Filipinos out of poverty. We also need to look at MSMEs as a pipeline for development, instead of seeing the micro, small, and medium enterprises in silos. We need programs that will enable micro enterprises to enter the formal economy; our goal should be to help them "graduate" into SMEs so that they grow and generate revenue and jobs for our communities. MSME development is a continuum that needs support at each stage from the government and the private sector.

The Hapinoy Experience

Before running for the Senate, *kasama po ako sa isang grupo na nagtayo ng isang social enterprise na tinatawag na The Hapinoy Program. Dito, pitong taon tayong nagtrabaho*

upang palaguin ang mga maliliit na negosyo ng ating mga mahihirap na kababayan kasama ng mga micro finance institutions. Dito natin nakita kung paano nakakatulong ang mga programang pang-negosyo sa mga kababayan nating nagnanais na iangat ang kanilang sarili mula sa kahirapan.

Naaalala ko ang kuwento ni Tita Belen Jimenez ng San Antonio, Quezon, isa po siya sa aming mga Hapinoy Nanays. Bago siya naging bahagi ng Hapinoy Program, si Nanay Belen ay nagpapatakbo na ng sari-sari store at pinahiram pa ng dagdag na P40,000 pang-kapital ng kanyang biyenang. Subalit, imbes na lumago ang kanyang negosyo, naubos din ang kapital ni Tita Belen dahil hindi mainam ang kanyang pagpapatakbo ng kanyang maliit na negosyo. At dagdag pa rito, napakataas ng kanyang paulang sa mga kostumer at nanakawan pa siya ng dalawang beses.

Ngunit noong sumama po siya sa Hapinoy Program sa tulong ng aming naisagawang programa, nabigyan si Tita Belen ng training sa paghawak ng pera at pagma-manage ng kanyang sari-saring tindahan. Sa loob ng limang taon, lumaki ang kanyang negosyo at nadagdagan pa. Ngayon, mayroon na siyang dalawang tricycle; isang computer set; at silk screen, laminator, at photocopier para sa kanyang maliit na printing business. At lubos pa dito, ang sari-sari store ni Tita Belen ay isa na ring Padala Center sa kanyang maliit na komunidad.

Napatunayan ng Hapinoy Program na sa tama at akmang pamamaraan at programa, maaaring kumita at umasenso ang isang maliit na negosyo.

Noong mga panahon pong iyon na napakalayo pa sa aking isip ang maging isang senador, lagi po namin noong nasasabi, "Sana ang ganitong klaseng suporta, ang ganitong klaseng programa, ay maibigay sa bawat Pilipinong nangangarap magkaroon ng isang negosyong tutulong sa kanyang pamilya. Nararapat lang na ang suporta para sa mga maliliit na negosyante ay mahanap ng Pilipino sa lahat ng sulok ng ating bayan." Kaya po mga kaibigan, nandito po tayo to sponsor the Go Negosyo Bill.

What the Go Negosyo Bill hopes to achieve

At its core, the *Go Negosyo Bill* addresses this current gap in our government support systems. By empowering and supporting our MSMEs, which comprise 99% of all businesses in the country, we set them on a pipeline for development. Hence, this bill is a "founda-

tional" and necessary aspect of our country's inclusive growth agenda.

At the heart of the *Go Negosyo Bill* is infrastructure and support for MSMEs at the city and municipal level so that each local government is able to boost MSME growth and provide jobs and livelihood for their constituents.

That said, we have designed the *Go Negosyo Bill* to connect and to complement two existing laws: the Magna Carta for MSMEs and the BMBE Law. It deepens the Magna Carta for MSMEs by establishing *negosyo* centers supervised by the DTI in each city and municipality as a hub for MSME registration and development. Entrepreneurs of all sizes will know they have a partner in starting and growing their businesses, and getting access to the right kind of training, mentoring, and value chain linkages.

Some of the functions of our proposed *negosyo* centers include, but are not limited to, the following:

- Promoting ease of doing business by integrating a single business processing system for MSMEs and coordinating/facilitating government processes and requirements related to the registration, set-up and management of such;
- Facilitate access to grants and other forms of financial assistance, shared service facilities and equipment, and other support for MSMEs;
- Organize mentoring programs for prospective and current entrepreneurs and investors, and offer services on training, financing and marketing. This includes mapping out information and services related to key value chains and economic subsectors within the LGU's jurisdiction;
- Coordinate with schools and organizations on the development of a youth entrepreneurship training program which should be able to support our move against youth unemployment;
- Build local support networks and establish market linkages for MSME development; support private sector activities relating to MSME development; and conduct other programs or projects aligned with the national MSME development plan.

We believe that by increasing the resources and the reach of the Department of Trade and Industry (DTI) to go all the way to the city and municipal level with the support of the LGUs, they will be more responsive in addressing

the concerns of our Micro Small and Medium Enterprises (MSMEs).

The *Go Negosyo* Bill is also pushing for stronger private sector representation, as well as the inclusion of more relevant government agencies, in the MSME Development (MSMED) Council, to ensure tighter public-private collaboration in addressing the needs of the sector.

Another key feature of the *Go Negosyo* Bill will unlock the benefits of the Barangay Micro Business Enterprises (BMBE) Law. This law, which I am happy to say was supported by a number of our colleagues and passed in 2002, unfortunately has only less than one percent (1%) availment of the program. Out of almost 750,000 micro enterprises, less than one percent (1%) have actually availed of the BMBE Law. And specifically, what we are doing is redesigning the registration process, creating and designing more appropriate to register themselves, cut red tape, and give MSMEs a stronger support system so that we can finally unlock and unleash the benefits of the BMBE Law to more micro-enterprises in the Philippines. It is also specifically made to address our ease of doing business issues and to be able to make sure that Filipinos will have an easier time in running and starting up their businesses in the Philippines.

At this point, I would like to acknowledge the presence of some of our key partners in drafting the *Go Negosyo* Bill. We have Mr. Mon Lopez, the executive director of *Go Negosyo*, who is quite a familiar face to a number of the members. As we all know, *Go Negosyo* has been one of the institutions that have been pushing for MSME development in our country and we are happy to say that they are not only fully supportive of this bill, but I am happy to note that we named this bill after this organization which continues to support our micro and small enterprises in the Philippines.

Once again, on behalf of our partners in the DTI and the private sector, we are privileged and honored to sponsor before this august Body the *Go Negosyo* Bill, a piece of legislation created to help our countrymen out of poverty and towards a path to prosperity.

We humbly ask for our esteemed colleagues' support and consideration.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2046

Upon motion of Senator Cayetano (A), there being no objection, the Body suspended consideration of the bill.

SUSPENSION OF SESSION

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

It was 3:32 p.m.

RESUMPTION OF SESSION

At 3:33 p.m., the session was resumed with Senator Cayetano (A) presiding.

COMMITTEE REPORT NO. 9 ON SENATE BILL NO. 2043

Upon motion of Senator Angara, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2043 (Committee Report No. 9), entitled

AN ACT ESTABLISHING THE MARITIME INDUSTRY AUTHORITY (MARINA) AS THE SINGLE MARITIME ADMINISTRATION RESPONSIBLE FOR THE IMPLEMENTATION AND ENFORCEMENT OF THE INTERNATIONAL CONVENTION ON THE STANDARDS OF TRAINING, CERTIFICATION, AND WATCHKEEPING FOR SEAFARERS, AS AMENDED, AND INTERNATIONAL AGREEMENTS OR COVENANTS RELATED THERETO.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Angara, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senate President Drilon for the sponsorship.

SPONSORSHIP SPEECH OF SENATE PRESIDENT DRILON

In sponsoring Senate Bill No. 2043, Senate President Drilon delivered the following speech:

Today, I find inspiration in the wit of William Arthur Ward's words – "The pessimist complains about the wind; the optimist expects it to change; the realist adjusts the sails."

I stand before you today aspiring to be the

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realist described by the celebrated American writer, and to alter the course of our maritime industry's charter in order to deliver this valuable sector from harm's way.

Our seafarers face an imminent threat that, if not addressed urgently, will in all likelihood capsize our maritime industry. The European Union (EU) has recently expressed their inclination to blacklist Filipino seafarers from EU-flagged vessels, blaming our country's unsatisfactory and incomplete observance of the 2010 Manila Amendments to the 1978 International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, or the STCW Convention, which sets the global minimum qualifications for masters, officers and watch personnel engaged in international shipping.

It is the below par assessment by the European Maritime Safety Agency (EMSA) that cast doubt on the proficiency and competency of our seafarer. In their audit last April 2013, EMSA expressed dissatisfaction over the disconnection between the National Quality Standard Systems set by MARINA and the individual Quality Standard Systems established by the government agencies which MARINA supervises. They furthermore conveyed frustration over the condition of our training and certification system, emphasizing that the fragmented manner in which the different STCW-related obligations are distributed, breeds inefficiency.

If we fail to enact the seaworthiness — if I may use this nautical jargon — of our seafarers, we stand to lose our position of leadership in maritime manpower.

Statistics show that the shipping industry moves more than 80% of world trade. There are close to 50,000 ships involved in carrying international trade, with approximately 1.5 million seafarers operating them. Of these 1.5 million, almost 400,000 are Filipinos. This means that more than a quarter of the world's officers and crews are Filipinos. It is a fair conclusion therefore that the Filipinos comprise the biggest number of seafarers in the world. As cleverly put by our partner from the International Chamber of Shipping and MARINA during the committee hearing, *Filipino seafarers indeed move the world.*

Last year alone, our seafarers remitted to the country close to P5 billion through official banking channels and the record of remittances so far this year would indicate that this would increase to over P5 billion this year. The amount could be higher as it did not include remittances made through informal system or the *padala*

system. Our seafarers, therefore, without doubt, help oil the wheels of our economy. Therefore, an unfortunate consequence of losing the distinction of being the world's seafarer of choice is the cut in our foreign exchange remittances of our seafarers which translate to billions of U.S. dollars annually and valuable support to millions of Filipinos comprising the seafarers' family.

It is in this light that I present to this august Chamber, on behalf of the Committees on Civil Service and Government Reorganization; Public Services; and Finance, Senate Bill No. 2043, under Committee Report No. 9, entitled "An Act Establishing the Maritime Industry Authority (MARINA) as the Single Maritime Administration Responsible for the Implementation and Enforcement of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, as Amended, and International Agreements or Covenants Related Thereto."

This bill seeks to introduce the needed structural changes to our maritime regulatory system in order to address the inefficiencies in the current scheme and ensure our country's complete compliance with the STCW Convention.

At present, our seafarers have to go through the cumbersome process of undergoing training and securing certification from numerous government agencies that are directly involved in the implementation of the STCW Convention, with MARINA exercising oversight and supervision over the different agencies. This is pursuant to Executive Order No. 75. These agencies include MARINA, Professional Regulation Commission (PRC), Commission on Higher Education (CHED), Technical Education and Skills Development Authority (TESDA), Department of Health (DOH) and National Telecommunications Commission (NTC).

Given all of these agencies, there is reason for the EMSA to look unkindly at the bureaucracy that an ordinary seaman would have to go through just to get the appropriate certification.

This bill seeks to consolidate all STCW functions in MARINA, and in effect establish a "one-stop shop" where the training and certification requirements under the STCW Convention shall be processed. Under the proposed measure, MARINA would be empowered as the single and central maritime administration for all purposes relating to our compliance with the STCW Convention.

MARINA has expressed its readiness to assume these functions. The various stakeholders from the government and seafaring

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industry have also conveyed their support for the immediate passage of this bill.

All told, the passage into law of this proposed measure would address the most recurrent observations made by EMSA auditors over the years such as: (1) the confusion brought about by the fragmentation of STCW functions among numerous agencies in the Philippines; and (2) the concomitant challenges that come with such a situation in fully aligning the policies of the different agencies involved with each other.

Now is the most opportune time for us to comply with our commitments under the STCW Convention as EMSA is still in the process of preparing its audit report for their most recent visit in the country last October 2013. EMSA will continue to welcome inputs from our side until the end of January 2014 before the audit report's publication. The swift passage of this bill will certainly translate to a significant boost in our country's chances at positively influencing the outcome of the report.

I believe that we could harness the strength of the wind to steer the course of our ship towards a prosperous maritime industry. We now set our sights on our destination—the port of leadership and dominance in the field of maritime manpower. In the immortal words of President Franklin Delano Roosevelt, “For to reach a port, we must set sail—sail, not tie at anchor—sail, not drift.”

For these reasons, I urge support of this august Chamber for the immediate passage of Senate Bill No. 2043 under Committee Report No. 9.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2043

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

SUSPENSION OF SESSION

Upon motion of Senator Angara, the session was suspended.

It was 3:45 p.m.

RESUMPTION OF SESSION

At 3:46 p.m., the session was resumed with Senate President Drilon presiding.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Cayetano (A) acknowledged the presence of the following guests:

- The constitutional law students of *Pamantasan ng Lungsod ng Maynila*;
- Mr. Ernie del Rosario, president of the Bataan Economic Zone Neighborhood Association;
- Mr. Hendricks Abelar, chairman of the *Pederasyon ng mga Operator, Tsuper at Konduktor ng mga Minibus sa Hilagang Katagalugan-NCTU*;
- Mr. Romeo Macalao, Secretary General of NCTU; and
- Ms. Adorcion dela Peña of the Mariveles Informal Settlers Association.

Senate President Drilon welcomed the guests to the Senate.

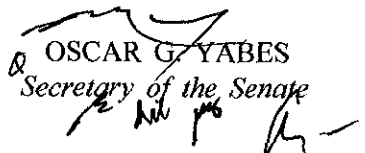
ADJOURNMENT OF SESSION

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

It was 3:47 p.m.

I hereby certify to the correctness of the foregoing.

OSCAR G. YABES
Secretary of the Senate



Approved on December 18, 2013