

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE
P. S. R. No. 422

RECEIVED BY: *ja*

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE, TO CONDUCT AN
INQUIRY IN AID OF LEGISLATION, ON THE REPORTED ALLEGATIONS
THAT DONATIONS TO THE PHILIPPINE RED CROSS WERE SPENT FOR
PERSONAL USE BY SOME OF ITS OFFICIALS

WHEREAS, the Constitution, Article 2, Section 23 states, "The State shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation";

WHEREAS, absbnnews.com in its 11 December 2013 report claimed that former officials of the Philippine Red Cross want a probe into how donations are used;

WHEREAS, it was reported that a probe is being sought in light of allegations that the agency's secretary general is using some of the money for personal use;

WHEREAS, it was alleged that former Red Cross official Rosa Rosal, in October, wrote to the humanitarian organization's board of governors;

WHEREAS, in her letter, it was reported that Rosal complained about supposedly questionable transactions using P200-million in Red Cross funds;

WHEREAS, Rosal alleged that the culprit is Red Cross Secretary General Gwendolyn Pang, whom Rosal reportedly said should be suspended;

WHEREAS, in a phone interview, Rosal reportedly told ABS-CBN that she only wants to protect the institution she served for more than 63 years;

WHEREAS, Rosal allegedly based her complaint on an earlier letter from former Red Cross chief accountant Jeric Sian, who also questioned how some of the funds from donations were used;

WHEREAS, the funds were allegedly spent on "WOW" tarpaulins of former senator and now Red Cross chairman Richard Gordon from 2007 to 2009, as well as for plastic whistles that supposedly did not go through public bidding and did not have the approval of the board of governors; ambulances were also reportedly bought using Gordon's pork barrel and the purchase allegedly did not go through the proper process;

WHEREAS, Sian has reportedly since been fired and sued for libel by the Red Cross;

WHEREAS, it was also alleged that John Bo, who was once the representative of the National Youth Commission in the Red Cross board of governors, also complained about some transactions and policies, resulting in his removal from the board;

WHEREAS, Red Cross funds were allegedly used to pay for Pang's birthday celebration at a bar in Manila, parking rental at a private condominium, a wedding gift, and personal cellphone bills;

WHEREAS, however, Oscar Palabyab, legal consultant for the Red Cross, reportedly said that the board already cleared Pang after she explained to them where the funds went; Palabyab reportedly said that the purchase of ambulances was approved by the board and the Department of Social Welfare and Development (DSWD);

WHEREAS, Palabyab also reportedly added that Pang used her personal money to pay for her birthday celebration although the receipt indicated it was charged to the Red Cross;

WHEREAS, in a resolution allegedly issued by board secretary Corazon Alma de Leon, the members of the board of governors also declared they have trust and confidence in Pang;

WHEREAS, Palabyab reportedly said that those hurling accusations against Pang want to ruin the reputation of the Red Cross;

WHEREAS, as a result of Rosal's letter, The Red Cross has opened its books to an independent auditor, saying it wants to remove all doubts;

WHEREAS, Rosal has no reason to besmirch or destroy the Red Cross, which she has served for 63 years, thus there may be a need for the State to craft stricter penalties and guidelines to curb the spending of funds for personal use by charitable non-government organizations;

WHEREAS, although the Red Cross denies that its funds have been misused by its officials, there is still a need for the State to amend the law or craft new ones to address transparency issues of non-government charity organizations;

WHEREFORE, be it hereby resolved by the Philippine Senate to direct the proper Senate committee to conduct an inquiry, in aid of legislation, on the reported allegations that donations to the Philippine Red Cross were spent for personal use by some of its officials.

Adopted,

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ass
Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO