



REPUBLIC OF THE PHILIPPINES  
**Senate**  
Pasay City

# Journal

**SESSION NO. 68**  
Wednesday, May 7, 2014

**SIXTEENTH CONGRESS**  
**FIRST REGULAR SESSION**

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**SESSION NO. 68**  
Wednesday, May 7, 2014

**CALL TO ORDER**

At 3:03 p.m., the Senate President, Hon. Franklin M. Drilon, called the session to order.

**PRAYER**

Sen. Vicente C. Sotto III led the prayer, to wit:

Our Lord God,

We give praises and gratitude to You for all the blessings that You have given us.

We thank You, dear Lord, for the gift of life, for the love of our family and friends, and for the trials that strengthen us each time.

We humbly ask for Your forgiveness for all the wrongdoings and shortcomings that we have committed.

Today, we bow our heads in prayer to ask for Your guidance. May You give us the wisdom, discernment, patience and understanding to help us make the right decisions for our country.

Heavenly Father, please heal the wounds that we have inflicted through our words and actions towards others and ourselves. Help us to live righteously to seek inner peace and actively pursue it.

All these things we ask in the Mighty Name of Your Son, Jesus Christ, who lives

and reigns with You in the unity of the Holy Spirit, one God, forever and ever.

Amen.

**SUSPENSION OF SESSION**

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

*It was 3:05 p.m.*

**RESUMPTION OF SESSION**

At 3:07 p.m., the session was resumed.

**ROLL CALL**

Upon direction of the Chair, the Acting Secretary of the Senate, Deputy Secretary Edwin B. Bellen, 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.	Marcos Jr., F. R.
Cayetano, P. S.	Osmeña III, S. R.
Drilon, F. M.	Pimentel III, A. K.
Ejercito, J. V. G.	Poe, G.
Enrile, J. P.	Recto, R. G.
Estrada, J.	Revilla Jr., R. B.
Honasan, G. B.	Sotto III, V. C.

With 18 senators present, the Chair declared the presence of a quorum.

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Senator Escudero arrived after the roll call.

Senators Cayetano (A) and Villar were on official mission.

Senator Trillanes was on official mission abroad.

Senator Defensor Santiago was on sick leave.

Senator Guingona was absent.

#### **BIRTHDAY GREETINGS**

On behalf of the Body, the Senate President wished Senator Aquino a happy birthday.

#### **SUSPENSION OF SESSION**

With the permission of the Body, the Chair suspended the session to allow the senators to greet Senator Aquino.

*It was 3:08 p.m.*

#### **RESUMPTION OF SESSION**

At 3:09 p.m., the session was resumed.

#### **APPROVAL OF THE JOURNAL**

Upon motion of Senator Angara, there being no objection, the Body dispensed with the reading of Journal of Session No. 67 (May 6, 2014) and considered it approved.

#### **REFERENCE OF BUSINESS**

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

##### **BILLS ON FIRST READING**

Senate Bill No. 2203, entitled

AN ACT TO PROMOTE THE PRODUCTION, PROCESSING, MARKETING AND DISTRIBUTION OF PHILIPPINE MANGO, MANDATING THE CREATION OF A FRAMEWORK FOR DEVELOPMENT PLAN, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Sonny Angara

**To the Committees on Agriculture and Food; Trade, Commerce and Entrepreneurship; and Finance**

Senate Bill No. 2204, entitled

PHILIPPINE IMMIGRATION ACT OF 2014

Introduced by Senator Sonny Angara

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

Senate Bill No. 2205, entitled

AN ACT GRANTING LEGAL RESIDENCE STATUS TO CERTAIN ALIENS THROUGH A SOCIAL INTEGRATION PROGRAM IN THE PHILIPPINES UNDER CERTAIN CONDITIONS

Introduced by Senator Sonny Angara

**To the Committees on Justice and Human Rights; and Finance**

Senate Bill No. 2206, entitled

AN ACT TO PROMOTE AND STRENGTHEN THE PHILIPPINE BAMBOO INDUSTRY, PRESCRIBING ITS SCIENTIFIC PROPAGATION, PROCESSING, UTILIZATION, AND BUSINESS DEVELOPMENT AS A PRIORITY PROGRAM, AND ALLOCATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Sonny Angara

**To the Committees on Trade, Commerce and Entrepreneurship; Environment and Natural Resources; Ways and Means; and Finance**

Senate Bill No. 2208, entitled

AN ACT CREATING THE DEPARTMENT OF CULTURE, DEFINING ITS POWERS AND FUNCTIONS, RATIONALIZING AND STRENGTHENING ITS ATTACHED AGENCIES, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Legarda

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**To the Committees on Education, Arts and Culture; Civil Service and Government Reorganization; and Finance**

Senate Bill No. 2209, entitled

AN ACT ESTABLISHING RESOURCE CENTERS FOR INDIGENOUS CULTURAL COMMUNITIES/INDIGENOUS PEOPLES TO ENHANCE AND ENSURE DELIVERY OF ESSENTIAL SERVICES, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Legarda

**To the Committees on Cultural Communities; and Finance**

**RESOLUTIONS**

Proposed Senate Resolution No. 624, entitled

RESOLUTION URGING THE SENATE COMMITTEE ON HEALTH AND DEMOGRAPHY TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, REGARDING THE STATUS OF PREVENTIVE HEALTH CARE IN THE COUNTRY, WITH THE PHILIPPINE HEALTH INSURANCE CORP.'S (PHILHEALTH) "*TAMANG SERBISYO PARA SA KALUSUGAN NG PAMILYA*" (*TSEKAP*) PROGRAM AS BACKDROP, AIMED AT UTILIZING THE SAID PROGRAM AS A MODEL FOR PREVENTIVE HEALTH CARE, AND FURTHER STUDYING THE FEASIBILITY OF INSTITUTIONALIZING ITS IMPLEMENTATION AT THE GRASSROOTS LEVEL, IN LOCAL GOVERNMENT UNITS

Introduced by Senator Grace Poe

**To the Committees on Health and Demography; and Local Government**

Proposed Senate Resolution No. 625, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEES ON TRADE, COMMERCE AND ENTREPRENEURSHIP;

AND ECONOMIC AFFAIRS TO CONDUCT A COMPREHENSIVE REVIEW, IN AID OF LEGISLATION, ON THE CABOTAGE LAW AS EMBODIED IN CERTAIN PROVISIONS OF REPUBLIC ACT NO. 1937 OR THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES AND REPUBLIC ACT NO. 9295 OR THE DOMESTIC SHIPPING DEVELOPMENT ACT, WITH THE OBJECTIVE OF HAVING A MORE ROBUST AND SAFER SHIPPING INDUSTRY AND CHEAPER TRANSPORTATION COSTS TO THE GENERAL PUBLIC

Introduced by Senator Grace Poe

**To the Committees on Trade, Commerce and Entrepreneurship; and Public Services**

Proposed Senate Resolution No. 626, entitled

RESOLUTION URGING THE COMMITTEE ON AGRICULTURE AND FOOD TO ASSESS AND CONDUCT A CRITICAL REVIEW, IN AID OF LEGISLATION, OF THE RICE SUFFICIENCY POLICY OF THE COUNTRY, THE FEASIBILITY OF ABOLISHING THE NATIONAL FOOD AUTHORITY'S MONOPOLY OF RICE IMPORTATION AND/OR THE RESTRUCTURE OR OVERHAUL OF THE SAID AGENCY

Introduced by Senator Grace Poe

**To The Committee on Agriculture and Food**

Proposed Senate Resolution No. 627, entitled

RESOLUTION CONGRATULATING AND COMMENDING CONGRESSMAN EMMANUEL "MANNY" PACQUIAO FOR HIS OUTSTANDING VICTORY AGAINST TIMOTHY BRADLEY AND FOR RECLAIMING THE WORLD BOXING ORGANIZATION WELTERWEIGHT TITLE

Introduced by Senator Legarda

**To the Committee on Rules**



Proposed Senate Resolution No. 628, entitled

RESOLUTION COMMENDING THE 2014 RECIPIENTS OF THE SOROPTIMIST UNSUNG WOMEN HEROES AWARDS FOR THEIR TIRELESS DEDICATION AND SERVICE IN UPLIFTING THE WELFARE OF DISADVANTAGED WOMEN IN THEIR COMMUNITIES

Introduced by Senator Legarda

To the Committee on Rules

Proposed Senate Resolution No. 631, entitled

RESOLUTION COMMENDING THE PHILIPPINE TEAM FOR WINNING SIXTEEN (16) MEDALS AND AWARDS IN THE 17<sup>TH</sup> CLOCK TOWER SCHOOL INTERNATIONAL MATHEMATICS CONTEST HELD IN VALCEA, ROMANIA

Introduced by Senator Maria Lourdes Nancy S. Binay

To the Committees on Rules

Proposed Senate Resolution No. 632, entitled

RESOLUTION CONGRATULATING MANNY PACQUIAO FOR WINNING THE APRIL 2014 WBO WORLD WELTERWEIGHT CHAMPIONSHIP TITLE AT THE MGM GRAND GARDEN ARENA IN LAS VEGAS

Introduced by Senator Maria Lourdes Nancy S. Binay

To the Committee on Rules

Proposed Senate Resolution No. 633, entitled

RESOLUTION CONGRATULATING MICHAEL CHRISTIAN MARTINEZ FOR WINNING THE GOLD MEDAL IN THE SENIOR MEN'S DIVISION AT THE 2014 TRIGLAV TROPHY INTERNATIONAL FIGURE SKATING COMPETITION IN JESENICE, SLOVENIA

Introduced by Senator Maria Lourdes Nancy S. Binay

To the Committee on Rules

Proposed Senate Resolution No. 634, entitled

RESOLUTION CALLING ON THE APPROPRIATE SENATE COMMITTEES TO INQUIRE, IN AID OF LEGISLATION, INTO THE RAPID INCREASE OF KIDNEY FAILURE OR END STAGE RENAL DISEASE AMONG FILIPINOS

Proposed Senate Resolution No. 629, entitled

RESOLUTION COMMENDING FILIPINO JOURNALIST ROWENA PARAAN FOR BEING INCLUDED IN THE "100 INFORMATION HEROES" BY THE PARIS-BASED FREEDOM WATCHDOG REPORTERS SANS FRONTIERS FOR HER ACTIVE ROLE IN DEFENDING MEDIA WORKERS' RIGHTS AND UPHOLDING PRESS FREEDOM

Introduced by Senator Grace Poe

To the Committee on Rules

Proposed Senate Resolution No. 630, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON CLIMATE CHANGE TO LOOK INTO THE GOVERNMENT'S ADAPTATION AND MITIGATION STRATEGIES IN LIGHT OF THE REPORTED ONSET OF EL NIÑO THIS YEAR WITH THE END VIEW OF INSTITUTING LONG-TERM MEASURES TO IMPROVE THE COUNTRY'S RESILIENCE TO THE WORSENING IMPACT OF A CHANGING CLIMATE

Introduced by Senator Legarda

To the Committees on Climate Change; and Agriculture and Food

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Introduced by Senator Maria Lourdes Nancy S. Binay

**To the Committee on Health and Demography**

Proposed Senate Resolution No. 635, entitled

RESOLUTION CALLING UPON THE PROPER SENATE COMMITTEES TO STUDY AND REVIEW EXISTING SALARY STANDARDIZATION LAWS IN ORDER TO GRANT THE NECESSARY INCREASE IN COMPENSATION AND BENEFITS OF GOVERNMENT EMPLOYEES

Introduced by Senator Maria Lourdes Nancy S. Binay

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

Proposed Senate Resolution No. 636, entitled

RESOLUTION CONGRATULATING THE IGLESIA NI CRISTO ON ITS 100<sup>TH</sup> YEAR FOUNDING ANNIVERSARY TO BE CELEBRATED ON THE 27<sup>TH</sup> DAY OF JULY 2014

Introduced by Senator Sotto III

**To the Committee on Rules**

Proposed Senate Resolution No. 637, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON ENERGY TO LOOK INTO THE SHARE OF RENEWABLE ENERGY IN THE OVERALL ENERGY MIX OF THE COUNTRY WITH THE END VIEW OF DETERMINING WEAKNESSES IN THE CURRENT IMPLEMENTATION OF REPUBLIC ACT NO. 9513 ALSO KNOWN AS THE RENEWABLE ENERGY ACT OF 2008

Introduced by Senator Legarda

**To the Committee on Energy**

Proposed Senate Resolution No. 638, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON HEALTH AND DEMOGRAPHY AND OTHER APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE SERVICES AND PRODUCTS PROVIDED BY SPAS AND WELLNESS CLINICS WHICH MAY HAVE DETRIMENTAL EFFECTS ON THE HEALTH OF THEIR PATRONS

Introduced by Senator Lapid

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

Proposed Senate Resolution No. 639, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON WOMEN, FAMILY RELATIONS AND GENDER EQUALITY, THE SENATE COMMITTEE ON HEALTH AND DEMOGRAPHY, AND OTHER APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON MEASURES, POLICIES OR PROGRAMS TO PREVENT THE ALLEGED PROLIFERATION OF PROSTITUTION IN EVACUATION CENTERS

Introduced by Senator Lapid

**To the Committee on Women, Family Relations and Gender Equality**

**COMMITTEE REPORTS**

Committee Report No. 24, prepared and submitted jointly by the Committees on Trade, Commerce and Entrepreneurship; Social Justice, Welfare and Rural Development; Ways and Means; and Finance, on Senate Bill No. 2210, with Senator Paolo Benigno "Bam" Aquino IV as author thereof, entitled

AN ACT INSTITUTIONALIZING THE POVERTY REDUCTION THROUGH

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**SOCIAL ENTREPRENEURSHIP  
(PRESENT) PROGRAM AND PRO-  
MOTING SOCIAL ENTERPRISES  
WITH THE POOR AS PRIMARY  
STAKEHOLDERS,**

recommending its approval in substitution of  
Senate Bill No. 1026.

Sponsor: Senator Paolo Benigno "Bam"  
Aquino IV

**To the Calendar for Ordinary Business**

Committee Report No. 25, prepared and submitted  
by the Committee on Trade, Commerce and  
Entrepreneurship, on Senate Bill No. 2211, with  
Senators Cynthia A. Villar, Ejercito Estrada and  
Paolo Benigno "Bam" Aquino IV as authors  
thereof, entitled

**AN ACT STRENGTHENING CONSUMER  
PROTECTION IN THE PURCHASE  
OF BRAND NEW MOTOR VEHICLES  
AND FOR OTHER PURPOSES,**

recommending its approval in substitution of  
Senate Bill Nos. 306 and 1068.

Sponsor: Senator Paolo Benigno "Bam"  
Aquino IV

**To the Calendar for Ordinary Business**

**ADDITIONAL REFERENCE OF BUSINESS**

**COMMITTEE REPORT**

Committee Report No. 26, prepared and submitted  
jointly by the Committees on Youth; Education,  
Arts and Culture; Trade, Commerce and  
Entrepreneurship; and Finance, on Senate Bill  
No. 2212, with Senators Cynthia A. Villar,  
Cayetano (P.), Sonny Angara, Paolo Benigno  
"Bam" Aquino IV and Defensor Santiago, as  
authors thereof, entitled

**AN ACT TO ACTIVELY PROMOTE  
ENTREPRENEURSHIP AND FINAN-  
CIAL EDUCATION AMONG FILIPINO  
YOUTH,**

recommending its approval in substitution of

Senate Bill Nos. 147, 153, 201, 1032, 1192, 1327  
and 1713.

Sponsor: Senator Paolo Benigno "Bam"  
Aquino IV

**To the Calendar for Ordinary Business**

**SPECIAL ORDER**

Upon motion of Senator Angara, there being no  
objection, the Body approved the transfer of  
Committee Report No. 24 on Senate Bill No. 2210  
from the Calendar for Ordinary Business to the  
Calendar for Special Orders.

**COMMITTEE REPORT NO. 24  
ON SENATE BILL NO. 2210**

Upon motion of Senator Angara, there being no  
objection, the Body considered, on Second Reading,  
Senate Bill No. 2210 (Committee Report No. 24),  
entitled

**AN ACT INSTITUTIONALIZING THE  
POVERTY REDUCTION THROUGH  
SOCIAL ENTREPRENEURSHIP  
(PRESENT) PROGRAM AND PRO-  
MOTING SOCIAL ENTERPRISES  
WITH THE POOR AS PRIMARY  
STAKEHOLDERS.**

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 Senator Aquino  
for the sponsorship.

**SPONSORSHIP SPEECH  
OF SENATOR AQUINO**

Senator Aquino presented Senate Bill No. 2210  
for plenary consideration and delivered his sponsorship  
speech, as follows:

It is my honor and privilege to stand before  
you today to sponsor Senate Bill No. 2210 under  
Committee Report No. 24, otherwise known as  
the Poverty Reduction Through Social Enterprise  
or PRESENT bill.

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The objective of this measure is to empower our marginalized sectors and provide them with the proper infrastructure where they can get the right opportunities to grow and progress. We need to create an environment where they can stand on their own, and be able to fully participate in our economy and our society. These conditions are to be inclusive and fair, where individuals and communities are able to think of new ways of solving ever-growing complex problems of poverty and injustice.

*Sa kabila po ng nababalitang economic growth, marami pa rin tayong kailangang gawin para maibahagi natin ang growth na ito sa ating mga kababayan. Tinatayang may 2.969 milyong Pilipino ang walang trabaho ngayong taon, at dagdag pa dito ang mga nagsipagtapos na mga estudyante noong nakaraang buwan sa mga walang trabaho. Paano nila masasabing unuunlad ang bansa samantalang makikipagbuno sila sa paghahanap ng trabaho upang makatulong lang sa kanilang mga pamilya? Paano natin matutulongan ang ating maliliit na negosyante, ang mga tintera sa palengke, ang mga may-ari ng sari-sari store, mga magsasaka at mangingisda upang mapalago ang kanilang kinikita upang lalong masustentuhan nila ang kanilang mga pamilya?*

*Kaya't, mga kaibigan, kailangan ay patuloy tayo sa ating pagtugon upang malagpasan po natin ang ating mga pagsubok at kahinaan.*

***The Poverty Reduction through Social Enterprise or PRESENT Bill of 2014***

If we are to take on the challenge to join in the movement to decrease our poverty rate, bridge the big divide between the rich and the poor, and be able to spread the wealth to more Filipinos, there is a need for us to think of creative and innovative solutions to address inequality in our country.

*Kailangang bigyan ng pantay-pantay na pagkakataon at access sa trabaho at kapital para umangat ang estado at quality of life ng lahat ng Pilipino.*

Through the Poverty Reduction through Social Enterprise or PRESENT Act of 2014, the existing Micro, Small and Medium Enterprise Development (MSMED) Council, which is attached to the Department of Trade and Industry (DTI), shall be strengthened and expanded to become the National Enterprise Development Council or NEDC to effectively spur the growth and development not only of MSMEs but of Social Enterprises as well.

A social enterprise, or SE, is a social mission-driven organization that conducts economic activities of providing goods and services directly related to its primary mission of improving the well-being of the poor and marginalized sectors. *Ang pangunahing motibo ng mga Social Enterprise ay tulungan ang mga komunidad na masolusyonan ang kanilang deka-dekadang problema ng kahirapan gamit ang mga makabagong modelo sa pagnenegosyo at sa pagsugpo sa kahirapan.*

The NEDC will develop and implement a comprehensive program that will progressively improve the lives and economic situation of the poor and the marginalized. It shall identify strategic economic subsectors with the potentials for growth, considering where the poor are concentrated so they can play a major role in their own development. In the process, it shall identify key SEs and resource institutions as partners in providing transactional and transformational services towards poverty reduction. SEs shall be developed as vehicles to ensure that the poor benefit the most from the sustainable subsector development.

DTI shall establish a center where it will implement policies, plans and programs that will promote social enterprise initiatives, and identify sources of financing for the social enterprise sector for enterprise incubation, start-up and expansion.

It will provide capacity building and sustainability programs, supported by a Social Enterprise Development Fund (SEDF).

It will also provide research and development services for poverty reduction and assistance for the market expansion of social enterprises in both domestic and foreign markets.

The bill encourages the establishment of more social enterprises by promoting greater access to appropriate financing and insurance mechanisms, and providing greater participation in public procurement.

With this Act, we do not just aim to support one or two social enterprises but we wish to develop a social enterprise sector engaged in poverty reduction in our country.

*Alam po ninyo, bago ako naging senador, ako ay naging isang social entrepreneur.*

*Sa programa po namin noon na "Hapinoy," tinulungan namin ang mga nanay na may-ari ng mga sari-sari store na mapalaki ang kanilang negosyo.*

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*Ang lokohan nga po nila, noong panahong iyon, ay hindi naman sila sari-sari store, kundi sara-sara store dahil sa mga balakid na naranasan nila sa pagnenegosyo.*

*Ngunit sa pamamagitan ng dagdag na training at mentoring, wastong pagpapautang at market linkage, dahan-dahang lumago ang kanilang mga negosyo.*

*At pagkatapos ng ilang taon, ang mga nanay na mismo ang siyang naging mga trainor ng aming mga programa.*

*Sila mismo ang nagbahagi ng kanilang mga success stories para ma-inspire at matulongan ang ibang mga nanay.*

*Hindi lamang umunlad ang kanilang negosyo, nabigyan din sila ng kumpiyansa sa kanilang sarili, at sa kanilang pinaghirapan na kabuhayan.*

*Noong nakaraang linggo naman po, bumisita kami sa San Jose, Nueva Ecija para makipagkwentuhan sa Kalasag Farmers Producers Cooperative. Sila po ang ating mga magsasaka ng sibuyas doon sa Nueva Ecija.*

*Sa aming kwentuhan, nabanggit nila na dati raw, pana-panahon ang presyo ng kanilang sibuyas. Hindi pa sigurado kung may bibili ng kanilang ani. Kaya hirap na hirap silang iangat ang kanilang kabuhayan pati na rin ang kalagayan ng kanilang pamilya.*

*Ngunit nagbago ang kanilang buhay nang mai-ugnay sila sa isang malaking kumpanya dito sa Maynila na nangangailangan ng malaking order ng sibuyas.*

*Tinulungan po sila ng isang NGO na nagsilbing social enterprise. Ang pangalan po noon ay Catholic Relief Services na konektado po sa simbahan. Inorganisa po sila, timuruan ng makabagong paraan ng pagsasaka, nabigyan ng access sa capital, at higit sa lahat, tinulungan silang magbenta ng kanilang mga produkto sa mas malaking merkado.*

*Lumaki po ang kanilang kita, nabigyan ng trabaho ang kanilang mga kapitbahay at nabigyan ng marangal na buhay ang kanilang pamilya.*

*Ngayon po, noong nagkuwentuhan kami noong isang araw, napag-aaral na raw nila ang kanilang mga anak hanggang college, napasamento na nila ang kanilang mga bahay at nakapaghuhulog na sila para mabayaran ang isang tricycle para sa kanilang pamilya. At siyempre, noong kami ay mag-aalisan na at magkokodakan na, naglabasan ang kanilang*

*mga smart phone at tablet at kita namang may asenso na sila ngayon.*

*Ito po ang layunin ng PRESENT Act – na bumuo ng mas maraming organisasyong magpapatupad ng mga makabago at modernong solusyon na tutugon sa kahirapan.*

Let us empower our poor communities and bring pride to themselves by helping them realize how integral they are in the inclusive growth goals of our country.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2210**

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

#### **SPECIAL ORDER**

Upon motion of Senator Angara, there being no objection, the Body approved the transfer of Committee Report No. 26 on Senate Bill No. 2212 from the Calendar for Ordinary Business to the Calendar for Special Orders.

#### **COMMITTEE REPORT NO. 26 ON SENATE BILL NO. 2212**

Upon motion of Senator Angara, there being no objection, the Body considered, on Second Reading, Senate Bill No. 2212 (Committee Report No. 26), entitled

#### **AN ACT TO ACTIVELY PROMOTE ENTREPRENEURSHIP AND FINANCIAL EDUCATION AMONG FILIPINO YOUTH.**

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.

The Chair recognized Senator Aquino for the sponsorship.

#### **SPONSORSHIP SPEECH OF SENATOR AQUINO**

Senator Aquino presented to the Body Senate Bill No. 2212, otherwise known as the Youth Enterprise and Financial Literacy Bill.



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

With an estimated 700,000 fresh graduates this year joining the ranks of the unemployed, the number of jobless youth ranging from 15 to 24 years old in the country will unfortunately breach the two-million mark.

As the number of unemployed youth in the country grows each year, we really have to create new ways of thinking to address the epidemic.

The Youth Entrepreneurship and Financial Literacy Bill aims to build a culture of entrepreneurship as an alternative solution to unemployment and underemployment.

Starting them young, the Department of Education (DepEd) would develop and integrate subjects and competencies in entrepreneurship in the curriculum for primary, secondary and alternative learning modules.

In addition, the Commission on Higher Education (CHED), TESDA and other private institutions, would then create entrepreneurship modules for tertiary, post-secondary education that are aligned from the basic education modules.

Through training and exposure, young people would have an option of choosing to be their own boss and start their own businesses as an option, instead of being an employee for a company that is not their own.

Access to financing and grants would be provided, together with mentoring and much-needed market linkages.

One of this year's Ten Accomplished Youth Organizations or TAYO Awards is the Tagum City Youth Laboratory Cooperative Mindanao, and this is for their project, "Financial Literacy for Youth Program."

*Isang kwento lamang po. Bumuo sina Reven, na labimpitong taong gulang lamang, at ang kanyang mga kaibigan ng isang programa kung saan tinuruan nilang mag-ipon ang mga kabataan sa kanilang lugar.*

*Ang mga kabataan pong ito ay mula sa mga public schools sa Tagum City. Mula sa walong libong piso noong 2010, naging isang milyong piso na po ang kanilang naipon pagkatapos ng apat na taon. At mula sa apat napu't walong batang miyembro, lumaki po sa mahigit na isang libong miyembro ang kanilang grupo.*

*Nagamit po nila ang perang iyon – iyong savings – para mabayaran ang kanilang tuition fees, pantustos sa mga gastusin sa bahay at upang makatulong sa pamilya.*

*Higit sa lahat, nagkaroon ang mga kabataang miyembro nila ng pondo upang makapagnegosyo.*

Now, there is a bigger chance for us to produce young businessmen and women if we start them young. Financial literacy in the basic education system is a good foundation for entrepreneurship in the future.

At the same time, let us enable an environment where these young people can harness their innate energy and creativity and provide them the opportunity to start on their own and build their own businesses.

As we create new enterprises from the youth, we, of course, address the unemployment and underemployment that are currently impeding the growth of our country, and have true inclusive growth with the largest sector in the Philippines – the youth sector.

In behalf of the Filipino youth, I encourage our colleagues to join me and empower the next set, the new entrepreneurs of our country.

## **MANIFESTATION OF SENATOR ANGARA**

Senator Angara manifested that Senator Cayetano (P), author of one of the bills that were consolidated in Committee Report No. 26, would also deliver her cosponsorship remarks on the bill. He said that he too was an author of one of the consolidated bills.

## **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2212**

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

## **SPECIAL ORDER**

Upon motion of Senator Angara, there being no objection, the Body approved the transfer of Committee Report No. 25 on Senate Bill No. 2211 from the Calendar for Ordinary Business to the Calendar for Special Orders.

## **COMMITTEE REPORT NO. 25 ON SENATE BILL NO. 2211**

Upon motion of Senator Angara, there being no

objection, the Body considered, on Second Reading, Senate Bill No. 2211 (Committee Report No. 25), entitled

**AN ACT STRENGTHENING CONSUMER PROTECTION IN THE PURCHASE OF BRAND NEW MOTOR VEHICLES AND FOR OTHER PURPOSES.**

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.

The Chair recognized Senator Aquino for the sponsorship.

**SPONSORSHIP SPEECH OF SENATOR AQUINO**

Senator Aquino presented to the Body Senate Bill No. 2211, otherwise known as the Philippine Lemon Law.

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

**PROTECTING THE FILIPINO CONSUMER**

It is our utmost concern to protect the rights of the Filipino consumer as it is a driver of our national economy.

Many of our countrymen have saved part of their incomes just to be able to afford a decent motor vehicle for them and for their families.

Today, we are submitting the Philippine version of the Lemon Law, *upang maprotektahan ang mga bumibili po ng sasakyan at magkaroon ng pamantayan ng kalidad ang mga gumagawa po nito.*

The name of the Act, Lemon Law, is based from a Western idiom wherein buying lemon refers to a purchase of a vehicle that constantly gives problems or is a substandard product.

This is exactly what we are trying to avoid in our auto industry with this measure. If we have bought a vehicle *within a year or have used it for 20,000 kilometers or below 20,000 kilometers from the date of original delivery*, and yet we have experienced constant defects and constant problems with this vehicle, with this law we will now be allowed to have that vehicle replaced or to have our payment back.

*Ang binibili po nating sasakyan ay dapat ka-level at kapaki-pakinabang ng ating pinaghirapang kita sa buwan-buwan na ginamit po sa pambayad ng kotse.*

Once again, on behalf of our countrymen, I am privileged to sponsor the three bills today and, of course, these are: the Poverty Reduction through Social Enterprise or PRESENT bill, aimed to help Filipinos out of poverty and towards a path to prosperity; the Youth Enterprise and Financial Literacy Bill, aimed to create a culture of entrepreneurship among the young and addressing youth unemployment in this country; and the Philippine Lemon Law aimed to protect the Filipino consumer towards unjust business practices.

*Halina't sama-sama tayong sabihin  
Sa pag-aasenso ng bayan ko,  
Dapat bawat Pilipino, panalo!*

**SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2211**

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

**COMMITTEE REPORT NO. 19 ON SENATE BILL NO. 27**

*(Continuation)*

Upon motion of Senator Angara, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 27 (Committee Report No. 19), entitled

**AN ACT TO EFFECTIVELY INSTILL HEALTH CONSCIOUSNESS THROUGH PICTURE-BASED WARNINGS ON TOBACCO PRODUCTS.**

Senator Angara stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Cayetano (P), sponsor of the measure, and Senator Enrile for his interpellation.

**INTERPELLATION OF SENATOR ENRILE**

Preliminarily, adverting to the explanatory note of the bill, Senator Enrile asked where Senator Cayetano (P) obtained the data that 34.8% of the country's population is engaged in tobacco smoking. Senator Cayetano (P) replied that during the hearing of the

bill, the presentations had a footnote referring to a 2009 survey, aside from the other recent data which the Committee could put into the record later.

Senator Enrile explained that he wanted to know where the percentage of the population was taken because it has relevance to the population existing at that time. He added that he would later ask the magnitude of these figures in nominal terms *vis-a-vis* the total consumers of tobacco products in order to determine whether there was an increase or decrease of smoking habits in the country based on the measures taken by the government which affected the marketability of tobacco products. For instance, he recalled that the government increased the tax on tobacco products to rates that were rather heavy, the purpose of which, he believed, was to reduce its consumption because of its perceived deleterious effect. Since the Body had already adopted the textual health warning for tobacco products, he said he would like to know if the measure taken by the government had indeed reduced or eliminated smoking habits in the country.

Senator Cayetano (A) explained that the most recent data that would reflect the effects of the sin tax law was not reflected in the bill because what the Committee has was a progressive report on hearings that were conducted two Congresses ago and until the last Congress prior to the sponsorship of the measure. She said that most of the data, particularly the ones cited in the explanatory note, were based on the Global Youth Tobacco Survey done in 2009.

As regards the sin tax law, Senator Cayetano (P) stated that she did not expect that it would reflect some kind of health effect after its passage, primarily because it is a revenue measure. However, she said that she supported the measure believing that it would contribute to the overall effect that the health community would like to see. She said that the graphic health warning bill is just one of the many measures that the Body must undertake as responsible policymakers to have an impact on society, especially on the youth.

Senator Cayetano (P) said that if she were asked if the prices were high enough to have a significant effect on the purchasing power of the youth, she would say that it has not been prohibitive enough for the youth to purchase it, an opinion that is shared by experts.

Senator Enrile stated that two clashing government policies, from the viewpoint of the national interest of the country, come into fore when considering the measure, namely: 1) to minister to the health of the nation; and 2) to make available the money needed to minister to the health of the people. He explained that his questions were aimed to reconcile both interests of the government since it could not serve its people without the money to support its programs.

Senator Enrile further explained that he started his interpellation by laying out such important details to determine the extent by which such burdensome requirements could be imposed on a product which is a major source of revenue of the government.

In response, Senator Cayetano (P) disagreed with Senator Enrile that the proposed graphic health warning would be burdensome. She asserted that the very minor changes would be felt only in the beginning or in the laying out of the initial templates, the initial cost of which has been estimated to amount to a few centavos. She disclosed that during the last hearing, all tobacco companies had, in fact, expressed their willingness to undertake what would be required of them by the proposed measure.

In response, Senator Enrile said that it is but a matter of opinion, considering that the information he received was that while the taxes on tobacco products have been maintained at a reasonable level that is satisfactory to the government, the sales figure seemed to indicate a lower consumption which has an impact on the contributors to the tax revenues of government. He opined that while the manufacturers would not quibble about the additional expenses to be incurred in the printing cost of the health warnings, the impact of the expenses would be borne not by the manufacturers but by the consumers of the product who are already addicted to it despite knowledge of the health risks involved in its consumption. Likewise, noting that the thrust of the measure is to help control, decrease and possibly eliminate smoking, he stressed that it could pose an impact on the efficiency and viability of government functions.

In response, Senator Cayetano (P) said that during the last Congress, the manufacturers had indeed, initially quibbled about the effect of graphic warning in terms of pricing; however, in the last hearing conducted during the present Congress, they

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finally accepted the measure, a move which she considers as socially responsible on their part.

As regards the issue of decline in revenues, Senator Cayetano (P) believed that the government has been responsible enough to have anticipated the significant effects of the imposition of the sin tax law and other health measures in terms of decreasing the number of smokers. She expressed confidence that the government has made its own computations as to the effect of increasing taxes, even though at present the decrease in the number of smokers has not been significant enough to adversely affect the revenues. She stressed, however, that in the event the decrease in consumption has become substantial enough to decrease revenues, it should be viewed in a positive light because the economic loss that the government has to spend as shown in the figures that were presented during the hearings and in the past debates on the matter is definitely larger than the revenues brought in by tobacco industry.

Asked if the Department of Finance was consulted about the impact of the bill when it presented to the Senate for consideration, Senator Cayetano (P) answered in the affirmative, saying that they were actually present in the gallery.

Senator Enrile asked on the percentage of total tax revenues realized by government from tobacco products, including imported and locally-manufactured cigarettes, cigars, chewing tobacco, sucking tobacco, snuffing tobacco, and the like.

In response to the query, Senate President Drilon said that based on available data following the implementation of the new sin tax law or Republic Act No. 10351, the total excise tax collection in 2013 from tobacco alone was P70,392,271,373.00, an almost P42-billion incremental increase.

As to the percentage of the total tax revenue of the government, Senate President Drilon said that he did not have the actual figure but that the total tax collection for 2013 from the so-called sin products which include tobacco, alcohol and other addictive beverages was P103,380,012,337.00.

Senator Enrile noted that tobacco products contributed a very large amount of tax revenue to the government. He clarified that he was raising questions not to delay the approval of the measure as he himself was in favor of ministering to the health of

the people of the country. He admitted that he used to be a smoker and that he was aware that many people die of tobacco use-related diseases.

Senate President Drilon stated that in 2013, out of the collection of excise tax on tobacco, both for locally-manufactured Virginia type and other products, the farmers benefitted to the extent of P6.5 billion, which is a 15% share from the reformed tax measure. Senator Enrile said that the plight of tobacco farmers is one of his interests because the tendency of the passage of the bill would be to reduce, if not eliminate, smoking in the country which would effectively diminish or eradicate the benefits enjoyed by the rural population of the country living on tobacco products through tobacco farming.

Additionally, Senator Cayetano (P) emphasized that the focus of the measure in terms of the impact of reducing consumption of smoking is to avoid more incidence of smoke addiction among the youth. She opined that any other effect that the measure could bring would be secondary to the success of the endeavour among the youth who are the country's future. She stressed that looking into measures that would curb the consumption of tobacco should be taken as a primary responsibility considering the number of youth who are already addicted to smoking and who stand to have a wide range of health problems as they become adults which could either be caused or aggravated by smoking. She reiterated that the social cost of smoking greatly outweighs the revenues derived from tobacco.

Senator Cayetano (P) likewise pointed out that during a sin tax hearing, Dr. Dans of the University of the Philippines showed in his presentation that the social cost of smoking in 2011 was P177 billion. She said that she could provide the members with the table that shows the effects of smoking on a person in terms of health care cost, productivity loss, premature death loss, as well as how smoking cuts across different sicknesses.

As regards the ill-effects on the livelihood of tobacco farmers of the possible decline in tobacco consumption, Senator Cayetano (P) disclosed that there was, in fact, an 11.8% increase in production from 48,000 metric tons to 53,000 metric tons between 2012 and 2013. However, she reiterated the economic cost to the government if the country continues to have a lot of smokers.

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Senator Enrile asked if the country's finance officials have any idea how they could raise an alternative source of tax revenue income for the government to replace what would be lost when the law is put into effect. He pointed out that some services of government must suffer once the income of government is injured.

Senator Cayetano (P) said that the economic cost of smoking amounting to P127 billion in 2011 would certainly curb the expenses on health because many smoke-related diseases would be eliminated. She believed that the proposed measure, as one of the many measures that the Senate must put in place to really see a serious decline in smoking especially among the youth, will not have a drastic effect on the delivery of services of the government. On the contrary, she said that so much funds for health care and social services will be freed up because many of the recipients of the *Pantawid Pamilyang Pilipino Program* (4Ps) of the DSWD are indigent families, many of whom have members of their families who succumbed to diseases that are caused by cigarette smoking.

She asserted that the negative effect on the revenue collection can be outweighed by the positive effects of a healthy community. She added that if this were not the case, the developed and developing countries would not have pursued such a measure. She said that the Philippines is a signatory to the Convention but it is not compliant as a signatory. She believed that the government is doing what is necessary to protect the health of the people while government agencies will do what is needed to make up for any losses in revenues.

Senator Enrile said that he respected the opinion of Senator Cayetano (P) but that he would like to see empirical data from the DOF on the alternative sources of funds of the government in case the revenue collection from tobacco products would drop as a result of the measure. He reasoned that as a responsible legislator, he will not take chances in adopting a policy that will endanger the entire country even if it will reduce tobacco smoking in the country. He cautioned that the Senate should be very careful in adopting a policy that will hurt the interest of the government.

Senator Cayetano (P) gave assurance that the Committee will provide the data from the DOF to Senator Enrile.

On the assertion that 34.8% of the population is smoking tobacco, Senator Enrile asked how many of these are cigarette users, cigar smokers, suckers, chewers and snuffers. Senator Cayetano (P) replied that documents in her possession did not indicate any distinction among cigarette or cigar users but gave assurance that she would furnish Senator Enrile with the data if available.

Senator Enrile explained that he was raising questions on the details of the policy statements of the bill so that they will not be misleading. He hoped that he would not be misunderstood as delaying the passage of the bill as he explained that it was his duty to raise these questions because the number of people who are involved in cigar smoking would affect the rural population as well and the livelihood of the tobacco farmers who are able to send their children to school by planting tobacco.

Senator Cayetano (P) replied that while she did not have specific data on the percentages of tobacco products based on how they are packaged, one cigarette company provided the data that more than a hundred billion sticks are sold and consumed every year, which means that the same number of packed cigarettes are inhaled by the smokers as well as non-smokers who are affected by secondary smoke, all of whom, therefore, are affected by the detrimental hazards of cigarette smoking.

Senator Enrile clarified that he was asking the questions because of the effect of the measure on revenue collection, the tobacco farmers and the people employed by the industry who should also be protected by the government.

Senator Cayetano (P) agreed, but she pointed out that protecting these people should not be done in a way that will continue to perpetuate a harmful product in the market. She believed that the responsible thing to do is to create sound policies that will protect people from harm and at the same time balance the interest of the other members of the community. She cited a bill that was passed which requires specific support for the farmers who were affected by the measure, adding that tobacco production has even increased after the passage of the sin tax law. She asserted that the focus should really be on enacting the bill requiring picture-based warnings on tobacco products because the effect of smoking on the general public is no longer a question.

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Senator Enrile explained that he was asking these questions so that general statements in the bill like the assertion that 34.8% of the population is engaged in tobacco smoking, would be clarified in the Record and Journal of the Senate and future legislators will have a record of the discussion on the validity of arguments for or against the measure.

Senator Cayetano (P) expressed regret that the Committee does not have the breakdown of the figure, but she maintained that there is more than enough data to support the need for such a law. She argued that even if only a smaller percentage of the population is engaged in smoking, this would still be a valid measure because there is enough data to show that cigarette smoking is still prevalent and the fact remains that among the youth, it is cigarette smoking that they become familiar with because they are easily convinced by the marketing and advertising campaigns of cigarette manufacturers. She pointed out that the picture-based warning is a counter-advertisement of the DOH on the ill-effects of cigarette smoking on the health of the people. She added that even those who do not smoke or those who smoke cigars or hand-rolled cigarettes and other forms of tobacco products would benefit from the measure.

Senator Enrile pointed out that the bill covers all types of tobacco products regardless of their form or packaging. Senator Cayetano (P) said that she was trying to address Senator Enrile's concern about tobacco products that are home-made rolled cigarettes and cigars which are not commercially sold and would not fall under the definition of the proposed law.

At this point, Senator Enrile inquired into the five of the 10 death-causing diseases related to tobacco smoking.

To the statement that pneumonia is prevalent even to non-smokers, particularly children, Senator Cayetano (P) stressed that pneumonia is only one of the top ten diseases, five of which are associated with tobacco smoking.

Senator Enrile recalled that he never suffered from pneumonia at the time he was smoking but that when he stopped smoking, he was confined at the Makati Medical Center for lumbar pneumonia, the reason why he was raising the issue for clarificatory purposes so that people would not be led to believe on *ex cathedra* statements which are mere surmises.

Senator Cayetano (P) maintained that the claim that five out of the top 10 death-causing diseases is attributable to smoking is correct, and that precisely, a graphic health warning bill is needed as the images or pictures would easily make people, especially those who are illiterate, aware of the ill-effects of smoking and would address any misconceptions and wrong notions pertaining to cigarette smoking.

Asked when such text warnings on cigarettes was first adopted and by what country, Senator Cayetano (P) replied that it was first adopted by Canada in 2001, while the Philippines adopted the same in 2003. She disclosed that the shift from textual to graphic-based warnings was a result of the studies conducted in different countries that revealed that text warnings were insufficient deterrent and has less impact on smokers who most of the time simply glance at the text that "Smoking may cause death" or "Smoking is dangerous to your health."

Asked why picture-based health warnings were not adopted at the very beginning if they were more effective than text warnings, and why there are still countries that have yet to adopt either of the health warnings, Senator Cayetano (P) said that graphic warning measures were naturally opposed by tobacco lobbyists but countries with political will were able to push for their passage despite pressure from tobacco companies. She said that in the Philippine Congress, the bill had the same experience when tobacco companies prevented or delayed its enactment. Eventually, she said, tobacco companies have expressed their support for the passage of the bill, hence, it could move forward with less resistance than what it has encountered in the past.

As to the reason why textual health warnings were implemented first, Senator Cayetano (P) surmised that text was considered at the time as an avenue to health warnings, words being the most basic component of texts. She said that based on the history of smoking policies, there has been a gradual process to curtail cigarette smoking, thus, it makes sense for text-based warnings to be tried first before graphic-based health warnings.

Noting that it took a decade before the Philippines adopted picture-based warnings, Senator Enrile asked if tobacco lobby was the cause for its late adoption. Senator Cayetano (P) affirmed the observation, adding that from personal experience ever since sponsoring

the bill, the delay in its adoption has been due to the strong lobby of tobacco companies.

Asked if she had any proof that companies lobbied with legislators, Senator Cayetano (P) said that a study revealed that tobacco companies, mainly the Philippine Tobacco Industry which is considered the strongest tobacco lobbyist in Asia, tried to delay the passage of the bill. Senator Enrile asked for a copy of the paper.

At this juncture, the Chair requested Senator Cayetano (P) to also furnish the Secretariat with a copy of the research paper so that it could be reflected in the Record of the Senate.

Senator Enrile asked if the study's findings were validated before it was accepted as a reference of the bill, as he noted that the author was a foreigner. He pointed out the need for validation in the face of the serious accusation of the author against a legislative body that the passage of the measure was stopped due to pressure or lobby by persons with vested interests. Senator Cayetano (P) clarified that she was not validating the study but that she was only putting the article on record in answer to the queries relative to the matter being discussed on the floor.

Senator Enrile said that he would not immediately take an article written by a foreigner as true because it could be difficult to determine if he has likewise been paid by other people to write such a claim. Senator Cayetano (P) asserted that her previous statement had nothing to do with the research paper because she only mentioned the latter as additional information.

Senator Enrile stated that as a member of the Senate since 1987, he considers it a very serious allegation that such an important measure did not prosper in Congress because of the lobby of people with vested interests, as he pointed out the adoption of textual health warnings since 2003. Senator Cayetano (P) said that since she became chairperson of the Committee on Health and Demography, the graphic warning bill has not moved forward. She added that some senators have expressed concerns about the bill which could have been easily answered by the clean print of the bill itself and that such concerns were clearly reflective of the concerns of the tobacco companies, thus leading her to believe that the lobby was effective.

Senator Enrile asked how many of the 192 countries which participated in the adoption of the Framework Convention on Tobacco Control (FCTC), have adopted textual health warnings, noting that 15 developed and developing countries have already adopted picture-based health warnings. Senator Cayetano (P) clarified that 72 countries have already adopted picture-based health warnings.

Asked how many of the 192 participating countries were signatories to the convention, Senator Cayetano (P) said that 178 countries have ratified the framework and 72 countries have already adopted picture-based health warnings. She believed that the reason why some signatories have not adopted the picture-based health warnings was due to the tobacco lobby in each individual country.

Asked for specific figures on the economy of the 72 countries that have adopted the picture-based health warnings and the types of economy of those that have not done so, Senator Cayetano (P) noted that there is a general idea of the classification of countries considered as "developed" or "developing." She said that the wide range of economic models that have picture-based warnings on their tobacco products include Argentina, Australia, Bahrain, Belgium, Brazil, Burkina Faso, Canada, El Salvador, Fiji, Egypt, Indonesia, Yemen, Vietnam, Taiwan, Switzerland, Sudan, Qatar, Peru, Oman and Malaysia.

Pointing out that the Philippines was supposed to adopt the measure as far back as 2008, Senator Enrile asked whether the Philippines was under any compulsion to do so since other countries were seemingly not in a hurry to do the same. Senator Cayetano (P) explained that by the signing, the signatory declares its intention to comply with the convention. However, she explained that she was sponsoring the measure not out of a compulsion to meet any deadlines but only because she believed that this was the responsible action to take.

Following the principle that each country acts on its own best interest, Senator Enrile surmised that there was a reason why other signatories have not adopted picture-based warnings on their tobacco products. He asked whether these countries were penalized for not having adopted a similar measure. He noted that treaties are either mandatory or directory and some could be enforced without penalties. He believed that the reason the matter was being debated

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was due to the fact that people have different notions about this policy. He stressed the importance of implementing a policy that does not merely copy those of other countries but one that would serve the people. Senator Cayetano (P) clarified that no penalties are imposed on those that do not immediately adopt the terms of the convention. She said that the Philippines has long passed the deadline for compliance. She explained that while she could not give the individual reasons of the remaining 106 countries that have not adopted the measure, she was putting it forward because she believed that it is relevant to the Philippines.

Senator Enrile requested to be provided with a list of the countries that have complied with the convention and those that have not for the purpose of evaluating their situation with that of the Philippines. He also reiterated his concern that the measure would affect not only the government or the tobacco manufacturers but even consumers and people who make a living from the tobacco industry. Senator Cayetano (P) said that this could be done. However, she noted that Senator Enrile had earlier made a statement that he would make his decision as a policymaker regardless of the action of other countries. She asked why Senator Enrile was making the request for such information even though he did not believe that his actions would be affected by those taken by the other signatories. She manifested that she was putting the measure forward as a policy that is being initiated by the DOH regardless of what other countries were doing. She explained that she agreed with Senator Enrile's view that they ought to make such decisions because it is what is best for the people and not what is best for the citizens of other countries.

Senator Enrile explained that he was merely asking questions to put these as well as the responses to the same into the record. He expressed his intention to continue his interpellation on the text of the measure the following week.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 27**

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

#### **MANIFESTATION OF SENATOR EJERCITO**

Senator Ejercito noted that in the previous session, Proposed Senate Resolution No. 572 (Resolution Directing The Proper Senate Committee To Conduct

An Inquiry, In Aid Of Legislation, On The P7 Billion Real Estate Scam Involving The Home Development Mutual Fund and Globe Asiatique's Delfin Lee) of which he was the author, was referred to the Committee on Accountability of Public Officers and Investigations. Relative thereto, he informed the Body that the Committee on Urban Planning, Housing and Resettlement, of which he is chair, conducted a hearing regarding the Globe Asiatique and Pag-IBIG fund controversy last April 8, 2014, pursuant to Senate Resolution No. 9 (Resolution Authorizing All Committees of the Senate to Hold Meetings, Hearings or Conference During the Recess of the Congress of the Philippines for the Purpose of Studying and Preparing Any Proposed Legislation or to Investigate Any Matter or Subject Falling under their Jurisdiction). He said that his committee was scheduled to hold its second hearing on May 15, 2014, at 10 o'clock in the morning at the Senate session hall.

#### **SECOND ADDITIONAL REFERENCE OF BUSINESS**

The Acting Secretary read Committee Report No. 27, submitted by the Committee on Justice and Human Rights, on House Bill No. 4084, introduced by Representative Puno *et al.*, which the Chair assigned to the Calendar for Ordinary Business, entitled

#### **AN ACT GRANTING PHILIPPINE CITIZENSHIP TO ANDRAY BLATCHE,**

*recommending its approval with amendments taking into consideration Senate Bill No. 2108.*

Sponsors: Senators Sonny Angara and Pimentel III

#### **SPECIAL ORDER**

Upon motion of Senator Cayetano (P), there being no objection, the Body approved the transfer of Committee Report No. 27 on House Bill No. 4084 from the Calendar for Ordinary Business to the Calendar for Special Orders.

#### **COMMITTEE REPORT NO.27 ON HOUSE BILL NO. 4084**

Upon motion of Senator Cayetano (P), there being no objection, the Body considered, on Second Reading, House Bill No. 4084 (Committee Report No. 27), entitled

AN ACT GRANTING PHILIPPINE  
CITIZENSHIP TO ANDRAY  
BLATCHE.

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

The Chair recognized Senator Angara for the sponsorship.

**SPONSORSHIP SPEECH  
OF SENATOR ANGARA**

Senator Angara presented to the Body House Bill No. 4084 or “An Act Granting Philippine Citizenship to Andray Blatche.”

*The full text of Senator Angara’s sponsorship speech follows:*

The Filipino is a sports-loving citizen with a distinct affection for basketball. The robust professional basketball league in the Philippines, the Philippine Basketball Association (PBA), is the oldest running professional basketball league in Asia and is the second oldest in the world, next to the NBA of the United States. Along with several semi-professional, collegiate and recreational leagues all around the country, including the UNTV Cup where the Senate is currently fielding a team, it is safe to say that basketball is the country’s premier sport.

The recent modest ascent in FIBA standings is indicative of the development of Philippine basketball in the international scene, which *ought to be sustained*. The Philippine basketball stakeholders, including the Filipino cagers, have contributed to such positive trajectory of Philippine basketball in the Asian and world arenas.

International tournaments allow countries to be represented by naturalized players subject to certain conditions, *i.e.* the number of naturalized players in a team. Current FIBA rules allow one naturalized player per team. Other countries, while ranking higher than the Philippines, have opted to take advantage of this naturalized-player rule, meant to equalize the world basketball landscape with great benefit.

This will not be the first time the Philippines will naturalize athletes in order to represent our

country in international tournaments. In 1985, with three naturalized players — Dennis Still, Jeff Moore and Chip Engelland — the Philippines, represented by the RP-Northern Consolidated Corporation, won the William Jones Cup and the ABC Championships, now known as the FIBA Asia Championship which we hosted late last year and place second. I remember many of our members, including Senators J.V. Ejercito, Bam Aquino, Majority Leader Alan Cayetano and myself, were there to cheer on our cagers. Other naturalized athletes have likewise brought honor to the country like 14<sup>th</sup> and 15<sup>th</sup> SEA Games gold medalist for swimming, Akiko Thompson; and SEA games medalist and swimming champion, Christine Jacob-Sandejas.

The International Basketball Federation or FIBA, the governing body of international basketball competitions, allows one (1) naturalized player to play per tournament per country. In 2010, the Philippines’ naturalized citizen Marcus Eugene Douthit brought honor to the Philippines through his key contributions, leading to the Philippine team’s winning the 2010 Philippine Invitational Cup, third place in the 2010 William Jones Cup, and the 2012 William Jones Cup.

Known as the FIBA World Championship from 1950 until 2010, the FIBA Basketball World Cup is the flagship event of the International Basketball Federation. In August 2013, the Philippines, represented by the Smart Gilas, placed second with a 7-2 win-loss record in the 27<sup>th</sup> FIBA Asia Championship held at the Mall of Asia Arena, Pasay City, Philippines, not too far from this august building, and clinched a ticket to the coveted FIBA World Cup for the first time in 40 years.

The Philippines is now ranked 34<sup>th</sup> after the 2013 Continental Championships. With the 2014 FIBA Basketball World Cup set on August 30 to September 14 of this year, 2014, there is an urgent need to have a pool of naturalized players along with Marcus Douthit, to increase the team’s overall capability and as backup in case of injuries. It was noted that Marcus Douthit suffered injuries in previous tournaments and it is best to have as wide a pool as possible.

The subject of this bill is Mr. Andray Blatche, an American 6’11” power forward/center who is currently playing with the Brooklyn Nets who are currently engaged in a playoff series with the defending champions of the NBA, the Miami Heat. He has career averages in the NBA of almost 10 points and five rebounds per game and season averages of 12 points and

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six (6) rebounds. He played an important role when the Brooklyn Nets beat the Toronto Raptors in their first round playoff series.

He is in a position, at age 28, to make significant contributions to Philippine basketball and, even better than that, he has expressed his willingness to play for our country. Thus, he is eligible for the conferment of the honor of being a Philippine citizen.

In consideration of all of the above, approval of this measure is respectfully sought.  
*Mabuhay ang Pilipinas! Mabuhay ang Gilas!*

**SUSPENSION OF CONSIDERATION  
OF HOUSE BILL NO. 4084**

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

**ADJOURNMENT OF SESSION**

Upon motion of Senator Angara, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of Monday, May 12, 2014.

*It was 5:02 p.m.*

I hereby certify to the correctness of the foregoing.



EDWIN B. BELLEN  
*Acting Secretary of the Senate*



Approved on May 12, 2014