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SENATE

COMMITTEE REPORT NO. 35

RECEIVED BY: *ji*

Submitted by the Committee on Finance on MAY 28 2014, 2014.

Re: S.B. No. 1657

Recommending its approval with amendments.

Sponsors: **Sen. Francis “Chiz” G. Escudero** and **Sen. Antonio “Sonny” F. Trillanes**

MR. PRESIDENT:

The Committee on Finance to which was referred **S.B. No. 1657**, introduced by **Senator Antonio “Sonny” F. Trillanes**, *entitled:*

“AN ACT

**AMENDING SECTION 53 OF REPUBLIC ACT NO. 9184, OTHERWISE
KNOWN AS THE ‘GOVERNMENT PROCUREMENT REFORM ACT’,
AND FOR OTHER PURPOSES”**

has considered the same and has the honor to report it back to the Senate with the recommendation that it be approved with the following amendments:

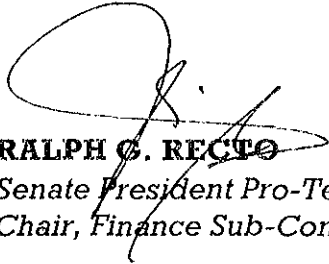
1. On page 1, line 17, Between the close parenthesis ()) and the word “PROCUREMENT” delete the phrase “**IN THE CASE OF**” and in lieu thereof insert the phrase “**UPON PRIOR APPROVAL BY THE PRESIDENT OF THE PHILIPPINES, AND WHEN THE**”
2. On the same page, line 18, before the word “USE” delete the word “**THE**”
3. On the same page, line 19, between enclosed acronym “(AFP)” and word “MAJOR” delete the word “**INVOLVING**” and in lieu thereof insert the phrase “**INVOLVES**”
4. On the same page, line 20, between the words “EQUIPMENT” and “MATERIEL” delete the word “**AND**” and in lieu thereof insert the word “**OR**”

5. On the same page, line 20, between the comma (,) and the word "CAPABILITY" delete the phrase "WHEN THE" and in lieu thereof insert the phrase "SUCH AS AIRCRAFT, VESSELS, TANKS, ARMORED VEHICLES, HIGH TECH COMMUNICATION EQUIPMENT, RADAR SYSTEMS, SOPHISTICATED WEAPONS SYSTEMS AND HIGH-POWERED FIREARMS AND/OR DEFENSE-RELATED CONSULTANCY SERVICES, WHEN THE EXPERTISE OR"
6. On the same page, line 21, between the words "LOCALLY" and "AND" insert a comma (,)
7. On the same page, line 21, after the word "AND" delete the word "WHEN"
8. On page 2, line 1, between the comma (,) and the word "INTEROPERABILITY" insert the word "AND"
9. On the same page, lines 1 to 11, between the comma (,) and the word "PROVIDED" delete the following: "AND/OR THE EXISTENSE DEFENSE PARTNERSHIPS, THE PROCUREMENT BY THE AFP OF THE ABOVEMENTIONED EQUIPMENT SHOULD BE EXEMPTED FROM THE REQUIREMENT OF PUBLIC BIDDING UNDER THIS ACT: PROVIDED, THAT, SAID DETERMINATION IS SUPPORTED BY THE APPROVAL BY THE PRESIDENT AND CONCURRED IN BY BOTH CHAIRMEN OF THE NATIONAL DEFENSE AND SECURITY COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES," and in lieu thereof insert the following: "THE INTERESTS OF THE COUNTRY SHALL BE PROTECTED BY EXEMPTING THE AFP FROM PUBLIC BIDDING AND ALLOWED TO NEGOTIATE DIRECTLY WITH AN AGENCY OR INSTRUMENTALITY OF ANOTHER COUNTRY WITH WHICH THE PHILIPPINES HAS ENTERED INTO A DEFENSE COOPERATION AGREEMENT OR OTHERWISE MAINTAINS DIPLOMATIC RELATIONS:"
10. On the same page, line 11, after the comma (,) delete the word "FURTHER" and the comma (,)
11. On the same page, line 14, between the words "BY" and "SECTION" insert the phrase "A PERFORMANCE SECURITY IN ACCORDANCE WITH"
12. On the same page, lines 15 to 21, between the word "ACT" and the period (.) delete the following: " : PROVIDED, FINALLY, THAT MAJOR DEFENSE EQUIPMENT AND MATERIEL SHALL REFER TO AIRCRAFT, VESSELS, TANKS, ARMORED VEHICLES, HIGH TECH COMMUNICATION EQUIPMENT, RADAR SYSTEMS, SOPHISTICATED WEAPONS AND HIGH-POWERED FIREARMS NOT OTHERWISE LOCALLY AVAILABLE"

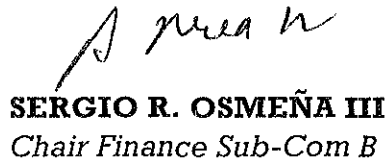
Respectfully submitted:



FRANCIS "CHIZ" G. ESCUDERO
Chairman, Committee on Finance



RALPH G. RECTO
Senate President Pro-Tempore
Chair, Finance Sub-Com D



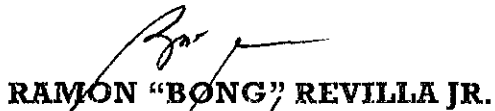
SERGIO R. OSMEÑA III
Chair Finance Sub-Com B



LOREN B. LEGARDA
Chair, Finance Sub-Com C

TEOFISTO L. GUINGONA III
Chair, Finance Sub-Com D

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RAMON "BONG" REVILLA JR.

PIA S. CAYETANO



FERDINAND R. MARCOS JR.



AQUILINO "KOKO" PIMENTEL III
may oneng ng Pilipinero
at presyonalista



GRACE POE



JUAN EDGARDO ANGARA

CYNTHIA A. VILLAR

MIRIAM DEFENSOR-SANTIAGO



MANUEL M. LAPID



JINGGOY EJERCITO ESTRADA



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