St. 11 of the Precestury

## SIXTEENTH CONGRESS OF THE ) REPUBLIC OF THE PHILIPPINES ) Second Regular Session )

"15 MAR 16 A10:46

RECEIVED BY:

SENATE P. S. Res. No. 1238

## Introduced by Senator Joseph Victor G. Ejercito

## RESOLUTION

## DIRECTING THE SENATE COMMITTEE ON ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS (BLUE RIBBON) TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED ANOMALIES IN THE PROCUREMENT, BY THE DEPARTMENT OF NATIONAL DEFENSE, OF TWENTY-ONE (21) UH-1 COMBAT HELICOPTERS

WHEREAS, the 1987 Philippine Constitution, Article II, Section 27 states that, "The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption"; moreover, under Section 28, it provides that, "Subject to reasonable conditions prescribed by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest";

WHEREAS, Article XI, Section 1 of the same, further provides that, "Public office is a public trust. Public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency; act with patriotism and justice, and lead modest lives;

**WHEREAS**, Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act), Section 1 states: "It is the policy of the Philippine Government, in line with the principle that a public office is a public trust, to repress certain acts of public officers and private persons alike which constitute graft or corrupt practices or which may lead thereto;

**WHEREAS**, Republic Act 10349 (Revised AFP Modernization Act) was implemented to continue modernizing all the branches of the Armed Forces of the Philippines;

WHEREAS, in line with the AFP modernization program, the Department of National Defense acquired twenty-one (21) units of refurbished UH-1 helicopters through public bidding;<sup>1</sup>

WHEREAS, published reports alleged that the procurement by the Department of National Defense, of the twenty-one 21 refurbished UH-1 or Huey helicopters was "tailor-fitted" for a "favored" bidder;<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> http://en.wikipedia.org/wiki/AFP\_Modernization\_Act

<sup>&</sup>lt;sup>2</sup> http://www.manilatimes.net/p1-2-b-chopper-deal-fixed/168301/

Huey helicopters was "tailor-fitted" for a "favored" bidder<sup>2</sup>. It was also stated in the reports that the contract was awarded to the Joint Venture of Rice Aircraft Services, Inc. and Eagle Copters, Ltd. on December 28, 2013 for a bid price of P1.25 billion;

WHEREAS, these reports alleged that the UH-1D units that were delivered by the supplier to the Philippine Air-Force (PAF) were non-compliant with the project contract's Terms of Reference (TOR). Furthermore, they have limited use due to some defects, thereby defeating the purpose of its acquisition and is a prima facie wastage of taxpayers' money;<sup>3</sup>

WHEREAS, as stated in reports, only seven (7) out of the twenty-one (21) UH-1D helicopters have been 'accepted', one undergoing testing and acceptance, and thirteen (13) are still in various stages of testing and assembly;<sup>4</sup>

WHEREAS, purportedly, albeit the delay in the completion of the turnover of the helicopters and the various violations made by the supplier, which are clearly disparaging and prejudicial to the government, the Department of National Defense made no termination of the contract and is still allowing the supplier to deliver;

WHEREAS, with the alleged defects of the delivered helicopters, the lives of our air force men, who are end-users, are put at risk;

WHEREAS, the government was denied the chance to negotiate the project to qualified suppliers who can deliver the best suited helicopters for the combat missions of the Philippine Air Force;

WHEREAS, the principles of transparency and accountability must always be ensured for what is at stake is taxpayers' money;

**NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, to direct the Senate Committee on Public officers and Investigations (Blue Ribbon) to conduct an inquiry, in aid of legislation, on the alleged anomalies in the procurement, by the Department of National Defense, of twenty-one (21) UH-1 combat helicopters.

Adopted,

**JOSEPH VICTOR G. EJERCITO** 

<sup>&</sup>lt;sup>2</sup> http://www.manilatimes.net/p1-2-b-chopper-deal-fixed/168301/

<sup>&</sup>lt;sup>3</sup>http://www.mb.com.ph/nothing-irregular-in-p1-26-b-chopper-deal-dnd-

official/#10uJWdduCbqmuGKq.99

<sup>&</sup>lt;sup>4</sup> http://www.mb.com.ph/nothing-irregular-in-p1-26-b-chopper-deal-dnd-official/