

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

5 FEB -9 P5:45

SENATE **178**  
P.S.R. No. \_\_\_\_\_

RECEIVED BY: \_\_\_\_\_

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Introduced by Senator Miriam Defensor Santiago

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RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS (BLUE RIBBON) AND COMMITTEE ON URBAN PLANNING, HOUSING AND RESETTLEMENT TO CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE ALLEGED QUESTIONABLE GRANT BY THE PAG-IBIG FUND OF A P353 MILLION LOAN TO THE REAL ESTATE FIRM OF EL SHADDAI LEADER MIKE VELARDE

WHEREAS, The Constitution, Article II, Section 28 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 interests";

WHEREAS, under Republic Act 3019, Section 3(j): "It is unlawful for any public officer to knowingly approve or grant any license, permit, privilege or benefit in favor of any person not qualified for or not legally entitled to such license, permit, privilege or advantage, or of a mere representative or dummy of one who is not so qualified or entitled";

WHEREAS, an article published by the *Philippine Daily Inquirer* on 12 November 2004 reported that militant groups assailed the grant of P353 Million Pag-ibig loan to the real estate firm of El Shaddai leader Mike Velarde, alleging that the administration of President Gloria Macapagal-Arroyo is now engaging in pay-back;

WHEREAS, according to Ms. Carol Araullo, convenor of the anti-graft group Plunder Watch, the loan "smacks of cronyism" and shows that Arroyo administration's lack of "sensitivity" to the public;

WHEREAS, Araullo also stated that: "This is payment for personal debt. This doesn't speak well of the administration. It is giving much preferential treatment to people identified with it";

WHEREAS, Araullo alleged further that Velarde's influence was used to secure the loan;

WHEREAS, government employees through Courage President Ferdie Gaité, called for an investigation and requested that housing officials be called to explain why Velarde's Amvel Condominium project is now the single biggest individual borrower in the history of Pag-ibig;

WHEREAS, if proven true, the loan will send an "insensitive" message to ordinary wage-earners contributing to the Pag-ibig fund;

WHEREAS, there is a need to elucidate to the general public the truth of the matter to maintain the integrity of the government, and to erase doubts concerning the procedures in its delivery of services.

WHEREFORE, be it resolved, as it is hereby resolved by the Philippine Senate, to direct the Senate Committee on Accountability of Public Officers and Investigations (Blue Ribbon) and Committee on Urban Planning, Housing and Resettlement to conduct an inquiry in aid of legislation on the alleged questionable grant by the Pag-ibig Fund of a P353 Million loan to the real firm of El Shaddai leader Mike Velarde.

Adopted,

  
MIRIAM DEFENSOR SANTIAGO

/mdc