


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

}  
}  
}

5 MAR -3 18:49

SENATE

RECEIVED BY: 

S.B. No. 1944

---

Introduced by SENATOR EDGARDO J. ANGARA

---

EXPLANATORY NOTE

Consistent with the policy of the State to ensure full public disclosure of all its transactions involving public interest, this bill seeks to require full disclosure of the identity, nature of work, and compensation of foreign consultants hired or retained by the Government, its agencies, instrumentalities, including government – owned or – controlled corporations (GOCCs) and their subsidiaries.

There are three (3) main objectives of this bill:

- First,* That the public's basic right to know who are providing expert advice and support to the government be fully accorded them;
- Second,* That the public be appraised if the services for which the consultants are being sought are indeed indispensable and cannot be rendered by our local experts; and
- Third,* That the public be informed of the money being spent from the national coffers to pay consultants hired by the Government.

Transparency, in all its forms, must be given upper-hand in the government. Relative to the bill, this is needed so that the public will know whether or not the consultancy fees paid to these consultants are commensurate with the benefits that the Government is supposed to get from such consultancy contracts.

Approval of this bill, therefore, is earnestly sought.

  
EDGARDO J. ANGARA  
Senator

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

5 MAR -3 A8:49

SENATE

RECEIVED BY: 

S.B. No. 1944

---

Introduced by SENATOR EDGARDO J. ANGARA

---

AN ACT REQUIRING ALL BRANCHES AND AGENCIES OF THE GOVERNMENT,  
INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS  
AND THEIR SUBSIDIARIES TO DISCLOSE THE IDENTITY OF THEIR FOREIGN  
CONSULTANTS, THE NATURE OF THEIR WORK  
AND THEIR COMPENSATION, PERKS AND OTHER PRIVILEGES,  
AND PROVIDING PENALTIES IN CASE OF VIOLATION THEREOF.

*Be it enacted by the Senate and House of Representatives of the Philippines in  
Congress assembled:*

1        **SECTION 1. *Short Title.*** This Act shall be known as the "***Foreign***  
2 ***Consultants' Disclosure Act of 2005.***"

3  
4        **SECTION 2. *Declaration of Policy*** ~ It is hereby declared the policy of the  
5 State to adopt and implement full public disclosure of all its transactions, following  
6 the constitutional mandate to make available to the people all information on  
7 matters of public concern.

8        Towards this end, it shall be the purpose and policy of this Act, pursuant to  
9 the principle of transparency in public office, to regulate the activities of foreign  
10 consultants and to require their registration and the disclosure of the nature of their  
11 work and their compensation and other privileges, so that the government and the  
12 people of the Philippines may be informed of their identity and may appraise their  
13 actions.

14

1           **SECTION. 3. Definition** ~ For purposes of this Act:

2           a) "**Foreign consultants**" shall refer to a national of another State who render  
3 services to the Philippine Government.

4  
5           **SECTION. 4 Disclosure Requirement** ~ All heads of branches, subdivisions,  
6 instrumentalities, and agencies of the Government, including government-owned or  
7 controlled corporations (GOCCs) or their subsidiaries shall, within six (6) months  
8 from the effectivity of this Act, provide the Department of Budget and Management  
9 (DBM), in writing and under oath, the following :

- 10  
11           a. The name, principal address, and all other principal business or residential  
12 addresses in the Philippines, of the foreign consultant hired or retained by  
13 their respective government office;  
14  
15           b. The compensation to be paid, if any, and the form and manner of such  
16 compensation, including *honoraria*, fees, financial or other benefits or  
17 privileges;  
18  
19           c. A copy of the contract / s of employment, or in the absence thereof, a full  
20 statement of the terms and conditions under which such foreign national acts  
21 or agrees to act as consultant, entered into by the Government office;  
22  
23           d. The date when such contract or each of such contracts was made, the date of  
24 commencement of activity thereunder and the period during which such  
25 contract or each of such contracts is to be in effect;  
26

1 e. Such other statements, information or documents as the DBM for purposes of  
2 this Act may, from time to time , require;

3  
4 f. The termination of the status of the foreign agent shall not relieve him from  
5 his obligation to file a registration statement in accordance with this Act for  
6 the period during which he was such an agent.

7  
8 **SECTION. 5 *Publication*** ~ The Department of Budget and Management  
9 (DBM) shall maintain a centralized data-file of all foreign consultants hired by the  
10 government, its agencies, branches, instrumentalities, including government-owned  
11 or controlled corporations or their subsidiaries. Every January of each year, the DBM  
12 shall cause the publication of the list of foreign consultants hired or retained by the  
13 Government, whether for the full year or for only a part thereof, in at least two (2)  
14 newspapers of general circulation.

15  
16 **SECTION. 6. *Penal Clause*** ~ The head of any branch, subdivision,  
17 instrumentality, and agency of the government, including a government-owned or  
18 controlled corporation or its subsidiary that violates Sections 3 and 5 of this Act  
19 shall be punished by a fine of not less than Fifteen Thousand Pesos (P30,000.00)  
20 but not more than Sixty Thousand Pesos (P120,000.00) and imprisonment of not  
21 less than six (6) years or both at the discretion of the court. Those convicted shall  
22 be perpetually disqualified from holding public office. Upon conviction by the  
23 Regional Trial Court, the official convicted shall immediately be suspended from  
24 office and shall remain suspended pending the final outcome of any appeal he or  
25 she shall have taken in the case.

26

1           **SECTION. 7. *Repealing Clause*** – All laws, executive orders, rules and  
2 regulations contrary to the provisions of this Act are hereby repealed or modified  
3 accordingly.

4  
5           **SECTION. 8. *Separability Clause*** ~ If any provision of this Act is declared  
6 unconstitutional or invalid, the other provisions not affected shall remain in full  
7 force and effect.

8  
9           **SECTION. 9. *Effectivity Clause*** ~ This Act shall take effect immediately  
10 following its publication in the Official Gazette or in two (2) newspapers of general  
11 circulation, whichever come first.

12  
13 *Approved,*