

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



SENATE

P. S. Res. No. 507

Introduced by Senator Ralph G. Recto

RESOLUTION

EXPRESSING THE SENSE OF THE SENATE TO PROHIBIT FROM RECEIVING AWARDS FOR GOVERNMENT CONTRACTS OR CONDUCTING BUSINESS IN THE PHILIPPINES FOREIGN ENTITIES WHO HAVE ENGAGED IN OR ABETTED ACTIVITIES THAT INFRINGE ON THE SOVEREIGNTY OF THE COUNTRY OVER THE WEST PHILIPPINE SEA AND OTHER AREAS WITHIN ITS TERRITORIAL JURISDICTION

1 WHEREAS, the Constitution mandates the State to protect the nation’s marine
2 wealth in its archipelagic waters, territorial sea, and exclusive economic zone, and
3 reserve its use and enjoyment exclusively to Filipino citizens;

4 WHEREAS, China’s construction of the “Great Wall of Sand” and the rampant
5 militarization of the maritime area within or in proximity to the West Philippine Sea
6 have affected the lives and threatened the livelihood of Filipinos in terms of
7 degradation of the environment and deterioration of fisheries production;

8 WHEREAS, conservative estimates from a maritime expert from the University
9 of the Philippines Maritime Science Institute show that the Philippines is losing about
10 P33.1 billion annually in terms of food and other resource production, climate and
11 environmental regulation, animal habitat provision, and cultural and recreational
12 services due to the damaged ecosystems in the Panatag Shoal and the Spratlys Island
13 brought about by dredging, reclamation activities and illegal fishing operations
14 conducted by Chinese entities;

15 WHEREAS, the United States (US) Government has imposed sanctions against
16 the People’s Republic of China for dredging and reclaiming more than 3,000 acres of
17 artificial islands within or in proximity to the West Philippine Sea, instigating

1 destabilization in the region, encroaching on the rights of sovereign nations, and
2 causing untold levels of environmental destruction;

3 WHEREAS, the US Government has imposed visa restrictions against Chinese
4 individuals responsible for, or complicit in, either the large-scale reclamation,
5 construction, militarization of disputed maritime feature within or in proximity to the
6 West Philippine Sea, or the use of coercion against Southeast Asian claimants to inhibit
7 their access to offshore resources;

8 WHEREAS, the US Government has also included several Chinese companies,
9 including the China Communications Construction Company and its twenty-four (24)
10 subsidiaries, into the US Department of Commerce Entity List, which imposes
11 restrictions on doing business with American companies;

12 WHEREAS, the Philippine Government has yet to impose any sanction against
13 any Chinese enterprise or entity despite being directly affected by their aggressive
14 reclamation activities, establishment of Chinese districts on disputed maritime
15 features, and continuous military buildup in areas within or in proximity to the West
16 Philippine Sea and the Philippine Exclusive Economic Zone;

17 WHEREAS, while many local contractors were blacklisted for violation or
18 circumvention of procurement laws, Chinese enterprises, notwithstanding a history of
19 fraudulent public procurement practices or direct involvement in the reclamation
20 activities in the disputed territories, are securing contracts for major infrastructure
21 projects in the Philippines;

22 WHEREAS, Philippine businesses have, for pragmatic or political reasons,
23 ventured with foreign business enterprises, some being identified by other
24 governments as "foreign military companies" or "entities owned by, controlled by, or
25 affiliated with foreign governments, militaries, or defense industries;"

26 WHEREAS, the Philippine government must be determined not only in deterring
27 foreign military aggression, but also in upholding the rule of law and protecting the
28 national interests of the country against non-traditional threats to national security;

29 WHEREAS, the Philippine government must develop effective mechanisms to
30 prevent and deter corruption and other criminal acts, ensure prudence in the use of
31 public funds and foreign development assistance, protect and secure local businesses
32 and enterprises, and preserve the integrity of government institutions and public
33 service;

1 WHEREAS, bearing in mind efforts to liberalize the Philippine economy,
2 particularly in the sectors of public services, retail trade and foreign investments, there
3 is a need to ensure that foreign entities conducting business in the country shall
4 respect and obey the Philippine laws, including, and most importantly, laws governing
5 national territory and patrimony: Now, therefore, be it

6 RESOLVED BY THE SENATE, as it is hereby resolved, To prohibit from receiving
7 awards for government contracts or conducting business in the Philippines foreign
8 entities who have engaged in or abetted activities that infringe on the sovereignty of
9 the country over the West Philippine Sea and other areas within its territorial
10 jurisdiction.

Adopted,

/mdg



RALPH G. RECTO