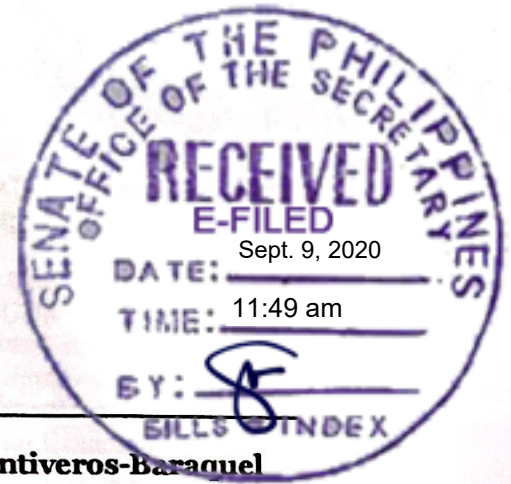


**EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)**

SENATE

P.S.R. No. 520



Introduced by Senator Ana Theresia "Risa" Hontiveros-Baraquel

**RESOLUTION
CALLING FOR AN INVESTIGATION IN AID OF LEGISLATION
INTO THE USE BY THE AFP OF ITS SHARE IN THE PROCEEDS
DERIVED BY THE BCDA FROM THE DISPOSITION OF MILITARY
ASSETS TO ENSURE THAT VITAL NATIONAL SECURITY
INTERESTS ARE BEING REALIZED**

WHEREAS, the Bases Conversion & Development Act, as amended, requires that 35% of the proceeds of the sale of Metro Manila military camps be used to finance the modernization program of the Armed Forces of the Philippines (AFP);

WHEREAS, Republic Act (R.A.) No. 7898, as amended, provides that at least fifty percent (50%) of the proceeds from leases, joint ventures, or other dispositions involving the aforementioned assets should be used for the same purpose;

WHEREAS, during the September 3, 2020 hearing of the Commission on Appointments, Gen. Gilbert Gapay, Chairman of the Joint Chiefs of the AFP, stated that the Bases Conversion & Development Authority (BCDA) had failed to remit PhP13.2 billion of this amount to the armed forces, as required by law;

WHEREAS, on September 7, 2020, the BCDA denied that it had failed to remit the PhP13.2 billion to the AFP, claiming that the amount was "parked" with the Bureau of Treasury, awaiting appropriation;

WHEREAS, the conflicting claims of these two agencies should be reconciled, considering as well that the Commission on Audit (COA), in its 2017 Annual Audit Report (AAR) for the BCDA, found that the AFP had no share in the proceeds derived from BCDA operations in military camps outside Metro Manila, including the Clark Special Economic Zone, and recommended that legislation to correct this deficiency be enacted by Congress;

WHEREAS, the COA also found that land donated by the BCDA to the City of Taguig in 2008, a portion which was subsequently leased to SM Prime Holdings, Inc., and developed, contrary to a stipulation in the deed of

donation, as a community and retail complex ("SM Aura"), resulted in the AFP being denied its share in the disposition of the said asset;

WHEREAS, in the interest of transparency, it is thus imperative that a comprehensive audit of the proceeds from the BCDA's operations be conducted, to determine whether the AFP has received its rightful share thereof, as mandated by law, as well as whether or not agreements have been entered into with companies involved in activities detrimental to the interests of national security, such as the construction of artificial islands in the West Philippine Sea and other disputed areas;

WHEREAS, PhP300 billion of the AFP's projects remain unfunded, including the current phase of its modernization program, despite claims by the BCDA of record remittances to the military;

WHEREAS, the lack of funding for these projects threatens to, among others, undermine the modernization of the AFP and the consequent ability of the Philippine military to project a credible external defense posture, police the country's territorial sea and exclusive economic zone, and secure the islands and other maritime features claimed or occupied by the Philippines in the West Philippine Sea; and

WHEREAS, the use of past remittances from the BCDA *vis-à-vis* the AFP's modernization program should also be made subject to Congressional oversight, to ensure that the country's strategic objectives are being achieved.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED TO CALL FOR AN INVESTIGATION IN AID OF LEGISLATION INTO THE USE BY THE AFP OF ITS SHARE IN THE PROCEEDS DERIVED BY THE BCDA FROM THE DISPOSITION OF MILITARY ASSETS TO ENSURE THAT VITAL NATIONAL SECURITY INTERESTS ARE BEING REALIZED.

Adopted.


RISA HONTIVEROS
Senator