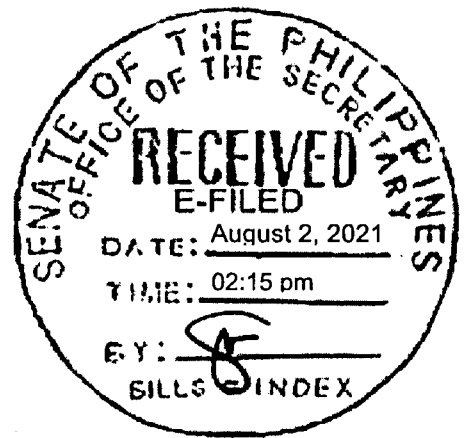


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Third Regular Session )



SENATE

P.S. Res. No. 809

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Introduced by **SENATOR LEILA M. DE LIMA**

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**RESOLUTION**  
**DIRECTING THE APPROPRIATE SENATE COMMITTEE, TO CONDUCT**  
**AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGATIONS OF**  
**CONFLICTS OF INTEREST IN THE REPORTED AWARDING OF**  
**GOVERNMENT CONTRACTS TO THE KIN OF GOVERNMENT**  
**OFFICIALS AND THE PROBLEMS ARISING FROM SIMULATED JOINT**  
**VENTURES WITH THE END VIEW OF DETERMINING, IDENTIFYING,**  
**AND ELIMINATING CORRUPTION AND IRREGULARITIES IN THE**  
**IMPLEMENTATION OF INFRASTRUCTURE PROJECTS**

1           WHEREAS, Article II, Section 27 of the 1987 Constitution provides that “the  
2 State shall maintain honesty and integrity in the public service and take positive and  
3 effective measures against graft and corruption”;

4           WHEREAS, Article VI, Section 14 of the same provides that “[n]o Senator or  
5 Member of the House of Representatives may personally appear as counsel before any  
6 court of justice or before the Electoral Tribunals, or quasi-judicial and other  
7 administrative bodies. Neither shall he, directly or indirectly, be interested financially  
8 in any contract with, or in any franchise or special privilege granted by the  
9 Government, or any subdivision, agency, or instrumentality thereof, including any  
10 government-owned or controlled corporation, or its subsidiary, during his term of  
11 office. He shall not intervene in any matter before any office of the Government for his  
12 pecuniary benefit or where he may be called upon to act on account of his office;”

13           WHEREAS, Article VII, Section 13 of the same declares, in part, that “[t] he  
14 President, Vice-President, the Members of the Cabinet, and their deputies or assistants  
15 shall not, unless otherwise provided in this Constitution, hold any other office or  
16 employment during their tenure. They shall not, during said tenure, directly or  
17 indirectly, practice any other profession, participate in any business, or be financially

1 interested in any contract with, or in any franchise, or special privilege granted by the  
2 Government or any subdivision, agency, or instrumentality thereof, including  
3 government-owned or controlled corporations or their subsidiaries. They shall strictly  
4 avoid conflict of interest in the conduct of their office”;

5 WHEREAS, Article XI, Section 1 of the same proclaims that “[p]ublic office is a  
6 public trust. Public officers and employees must, at all times be accountable to the  
7 people, serve them with utmost responsibility, integrity, loyalty, and efficiency; act  
8 with patriotism and justice, and lead modest lives”;

9 WHEREAS, Section 3 (e) of Republic Act No. 3019, otherwise known as the  
10 “Anti-Graft and Corrupt Practices Act”, considers as corrupt practice of public officers  
11 “[c]ausing any undue injury to any party, including the Government, or giving any  
12 private party any unwarranted benefits, advantage or preference in the discharge of  
13 his official administrative or judicial functions through manifest partiality, evident bad  
14 faith or gross inexcusable negligence. This provision shall apply to officers and  
15 employees of offices or government corporations charged with the grant of licenses or  
16 permits or other concessions”;

17 WHEREAS, Section 3 (h) of the same likewise prohibits “[d]irectly or indirectly  
18 having financial or pecuniary interest in any business, contract or transaction in  
19 connection with which he intervenes or takes part in his official capacity, or in which  
20 he is prohibited by the Constitution or by any law from having any interest”;

21 WHEREAS, under the same law, Section 4 thereof states that it is unlawful for  
22 “any person having family or close personal relation with any public official to  
23 capitalize or exploit or take advantage of such family or close personal relation by  
24 directly or indirectly requesting or receiving any present, gift or material or pecuniary  
25 advantage from any other person having some business, transaction, application,  
26 request or contract with the government, in which such public official has to  
27 intervene”;

28 WHEREAS, the law states that “family relation” includes not only the spouse of  
29 public officials but also “relatives by consanguinity or affinity in the third civil degree”.  
30 While the word “close personal relation” under the law includes close personal  
31 friendship, social and fraternal connections, and professional employment all giving  
32 rise to intimacy which assures free access to such public officer”;

1           WHEREAS, Section 4 (a) of the same further provides that “[p]ublic officials  
2 and employees shall always uphold the public interest over and above personal  
3 interest”;

4           WHEREAS, in 2018, according to a report by the Philippine Center for  
5 Investigative Journalism (PCIJ), among the top contractors for government  
6 infrastructure projects in the Davao region is CLTG Builders, a firm owned by  
7 Desiderio Go, father of former Special Assistant to the President (SAP) and incumbent  
8 Senator Christopher Lawrence “Bong” Go. At the time, it was noted that “CLTG  
9 Builders is among the firms with the most projects with the government in the region,  
10 and part of those with delayed projects under its watch”;<sup>1</sup>

11           WHEREAS, recently, the firm’s activities were once again brought to the public  
12 attention as former Senator Antonio Trillanes IV, in a video posted on social media,  
13 presented what he purported were Department of Trade and Industry (DTI) and  
14 Commission on Audit (COA) documents about their projects. CLTG Builders was  
15 reportedly awarded 125 road-widening projects from March to May 2018, worth a total  
16 of ₱4.89 billion;<sup>2</sup>

17           WHEREAS, the video also mentions a separate firm, Alfrego Builders, owned  
18 by Senator Go’s half-brother Alfredo Amero Go, who was awarded 59 projects from  
19 June 2007 to July 2018 altogether worth ₱1.74 billion. Taken together, CLTG’s and  
20 Alfrego’s road projects were worth ₱6.6 billion. Of the amount, ₱5.1 billion worth of  
21 projects were reportedly awarded in the first two years of Rodrigo Duterte’s presidency  
22 while ₱1.5 billion was awarded when he was Mayor of Davao City;<sup>3</sup>

23           WHEREAS, PCIJ reported that in 2017, CLTG won three individual projects  
24 and 18 projects with joint ventures (JVs). CLTG teamed up with other bigger  
25 contractors to meet contracting capacity requirements of the DPWH Region XI’s  
26 bigger projects. Alfrego Builders, on the other hand, entered into JVs with other  
27 contractors as it only had a D-license;<sup>4</sup>

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<sup>1</sup> Rappler.com. (10 September 2018). *Top Davao gov't infra contractor owned by Bong Go kin – PCIJ*. Retrieved 13 July 2021, from <https://www.rappler.com/nation/bong-go-family-members-top-davao-government-infrastructure-contractors-pcij-report>

<sup>2</sup> Ranada, P. (5 July 2021). *Trillanes accuses Bong Go of plunder over P6.6-B road projects awarded to family*. Retrieved 13 July 2021, from <https://www.rappler.com/nation/trillanes-accuses-bong-go-plunder-road-projects-awarded-family>

<sup>3</sup> *Ibid.*

<sup>4</sup> Mangahas, Malou and Karol Ilagan. PCIJ (6 September 2018). *Firms of Bong Go kin, top contractors: Many JVs, delayed projects in Davao*. Retrieved from: <https://pcij.org/article/1395/firms-of-bong-go-kin-top-contractors-many-jvs-delayed-projects-in-davao>

1           WHEREAS, several contractors interviewed by PCIJ said that joint ventures  
2 have provided a legal backdoor for smaller contractors to win big projects that they  
3 would not have qualified for on their own by “using” or “borrowing” the license of a  
4 bigger contractor. On paper, both contractors are supposed to implement the project,  
5 but in reality, only the small contractor gets the project and implements it. A “royalty  
6 fee” worth two to five percent of the contract amount is paid to the big contractor for  
7 “lending” its license;<sup>5</sup>

8           WHEREAS, the report added that DPWH records show that joint ventures are  
9 also the ones with a significant number of projects left unfinished, leaving Davaoëños  
10 unhappy and inconvenienced;<sup>6</sup>

11           WHEREAS, there is presently no procedure in the DPWH as to the monitoring  
12 of the actual participation of parties in a JV;

13           WHEREAS, while the parties are allowed to agree upon the terms of JVs, the  
14 law should ensure that the credentials that qualified the JV are indeed present during  
15 the implementation of the project. Legislation must be introduced to ensure that all  
16 members of JVs are held responsible for the delays and any shortcomings in the  
17 implementation of the infrastructure projects;

18           WHEREAS, it is imperative to verify whether acts that amount to taking undue  
19 advantage of one’s official position, authority, relationships, connections, and  
20 influence to the damage and prejudice of the people, have been committed in the  
21 Desiderio Go and Alfredo Go contracts with government, considering that close family  
22 relations were involved in possibly accessing influence from the highest office of the  
23 land, further considering that both contractors’ son and brother, respectively, is  
24 known to be the closest political associate of the Chief Executive who has direct control  
25 and supervision over the DPWH as implementor of the contracted projects;

26           WHEREAS, the Senate should inquire into the circumstances surrounding  
27 these controversial transactions to determine whether any of the acts prohibited by  
28 the Anti-Graft and Corrupt Practices Act and the Plunder Law have been committed;

29           WHEREAS, it behooves the Senate, as the highest institutional body of checks  
30 and balances in government, to perform one of its key functions as legislative oversight

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<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

1 and investigate such claims so as to ensure that these contracts were awarded to the  
2 CLTG Builders and Alfrego without the undue interference of close relatives in public  
3 office who have direct access to, and exercise unquestioned influence over the Chief  
4 Executive, the latter having the final say in said contracts;

5 WHEREAS, it is vital for public accountability to ascertain whether gaps in the  
6 law as they are presently written have been used to circumvent the policies behind  
7 them to the detriment of the public;

8 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE, to direct the  
9 appropriate Senate Committee, to conduct an inquiry, in aid of legislation, on the  
10 allegations of conflicts of interest in the reported awarding of government contracts to  
11 the kin of government officials and the problems arising from simulated joint ventures  
12 with the end view of determining the identifying and eliminating corruption and  
13 irregularities in the implementation of infrastructure projects.

*Adopted,*

  
**LEILA M. DE LIMA**