

REPUBLIC OF THE PHILIPPINES

**S e n a t e**

**Pasay City**

# **Journal**

**SESSION NO. 21**

Monday, September 13, 2004

**THIRTEENTH CONGRESS  
FIRST REGULAR SESSION**

**SESSION NO. 21**

Monday, September 13, 2004

**CALL TO ORDER**

At 3:31 p.m., the Senate President, Hon. Franklin M. Drilon, called the session to order.

**PRAYER**

Sen. Ramon "Bong" Revilla Jr. led the prayer, to wit:

Allow me to begin this prayer by sharing with you the poem *Footprints in the Sand*:

One night, a man dreamed that he was walking along the beach with the Lord. Many scenes from his life flashed across the sky. In each scene, he noticed footprints in the sand. Sometimes, there were two sets of footprints, other times, there was only one.

This bothered him because he noticed that during the low periods of his life, when he was suffering from anguish, sorrow or defeat, he could see only one set of footprints. So he said to the Lord, "You promised me, Lord, that if I followed You, You would walk with me always. But I have noticed that during the most trying periods of my life, there has only been one set of footprints in the sand. Why? When I needed You most, have You not been there for me?"

The Lord replied "My son, my precious son, I love you and I would never leave you. The times when you have seen only one set of footprints, it was then that I carried you."

*Let us put ourselves in the presence of our Lord:*

Heavenly Father, we, the members of this august Chamber, and the entire Filipino nation humbly submit ourselves to You and implore You to look down upon us with Your kindness and shower us with Your blessings.

*Mahal na Ama, hinihiling namin na gabayan Ninyo ang lahat ng aming mga gagawin. Bigyan Ninyo kami ng liwanag ng pag-iisip upang maunawaan naman ng lubusan at matugunan ang mga pinakamahalagang suliranin na hinaharap ng aming bansa.*

Lord, give us the wisdom to discern Your divine will and the courage to face the present challenges of our nation. In these times of hardships, we have only You to rely on for guidance.

Lord, in these most trying periods of our country, we especially pray for You to strengthen our faith. As in the poem *Footprints in the Sand*, constantly remind us, Lord, that we are not walking this difficult path alone.

That when we see only one set of footprints in the sand, we trust that they are Yours, when You are carrying our country when we could not walk on our own.

All these in Jesus' Name we pray.

Amen.

**NATIONAL ANTHEM**

The Trinity College High School Chorale led the singing of the national anthem and thereafter, rendered the song entitled *May Ibong Kakanta-kanta*.

**ROLL CALL**

Upon direction of the Chair, the Secretary of the Senate, Oscar G. Yabes, called the roll, to which the following senators responded:

Angara E. J.	Ejercito Estrada, J.
Arroyo, J. P.	Ejercito Estrada, L. L. P.
Biazon, R. G.	Enrile, J. P.
Cayetano, C. P. S.	Flavier, J. M.
Defensor Santiago, M.	Gordon, R. J.
Drilon, F. M.	Lacson, P. M.

AP

Lapid, M. L. M.            Pangilinan, F. N.  
 Lim, A. S.                 Pimentel Jr., A. Q.  
 Madrigal, M. A.         Revilla Jr., R. B.  
 Magsaysay Jr., R. B.    Roxas, M.  
 Osmeña III, S. R.

With 21 senators present, the Chair declared the presence of a quorum

Senators Recto and Villar arrived after the roll call.

#### **ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS**

At this juncture, the Chair acknowledged the presence of Congresswoman Judy Syjuco of the 2<sup>nd</sup> district of Iloilo and TESDA Director Buboy Syjuco.

Likewise, Senator Pangilinan acknowledged the presence of Mr. Mikio Shimoji of Okinawa, Japan, former member of the Parliament; Mr. Morio Touma and Mr. Hiroshi Goya, members of the Okinawa Prefectural Assembly; Mr. Kensuke Shito, Trade and Commerce Attaché of the Embassy of Japan; and 50 Japanese women tourists from Okinawa.

#### **APPROVAL OF THE JOURNAL**

Upon motion of Senator Pangilinan, there being no objection, the Body dispensed with the reading of the Journal of Session No. 20 and considered it approved.

#### **REFERENCE OF BUSINESS**

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

#### **BILLS ON FIRST READING**

Senate Bill No. 1251, entitled

AN ACT PENALIZING THE USE OF COMPUTERS TO COMMIT, FACILITATE OR CONCEAL THE COMMISSION OF A CRIME OR TO VIOLATE THE RIGHT TO PRIVACY OF PERSONS

Introduced by Senator Defensor Santiago,  
 Miriam

**To the Committees on Science and Technology; and Constitutional Amendments, Revision of Codes and Laws**

Senate Bill No. 1252, entitled

AN ACT DEFINING THE CRIME OF ECONOMIC ESPIONAGE AND PROVIDING PENALTIES THEREFOR

Introduced by Senator Defensor Santiago,  
 Miriam

**To the Committees on Trade and Commerce; and Constitutional Amendments, Revision of Codes and Laws**

Senate Bill No. 1253, entitled

AN ACT ESTABLISHING LEGAL STANDARDS AND PROCEDURES FOR PRODUCT LIABILITY LITIGATION AND FOR OTHER PURPOSES

Introduced by Senator Defensor Santiago,  
 Miriam

**To the Committees on Justice and Human Rights; and Trade and Commerce**

Senate Bill No. 1254, entitled

AN ACT AMENDING THE FAMILY CODE OF THE PHILIPPINES, ARTICLE 36

Introduced by Senator Defensor Santiago,  
 Miriam

**To the Committees on Youth, Women and Family Relations; and Constitutional Amendments, Revision of Codes and Laws**

Senate Bill No. 1255, entitled

AN ACT AMENDING THE PENAL CODE, ARTICLE 259

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Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws; and  
Youth, Women and Family Relations**

Senate Bill No. 1256, entitled

AN ACT AMENDING REPUBLIC ACT  
NO. 386, ALSO KNOWN AS THE  
CIVIL CODE OF THE PHILIPPINES,  
ARTICLE 941

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1257, entitled

AN ACT AMENDING ARTICLES  
204, 205, 206, AND 207 OF THE  
REVISED PENAL CODE

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Justice and Human  
Rights**

Senate Bill No. 1258, entitled

AN ACT TO ESTABLISH A JOB  
TRAINING PROGRAM FOR MATURE  
OR OLDER WORKERS

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Labor, Employment  
and Human Resources Development; and Social  
Justice, Welfare and Rural Development**

Senate Bill No. 1259, entitled

ANTI-INCEST ACT

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Youth, Women and  
Family Relations; and Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1260, entitled

AN ACT ESTABLISHING THE  
COMMISSION ON THE  
ADVANCEMENT OF WOMEN IN  
SCIENCE, ENGINEERING, AND  
TECHNOLOGY DEVELOPMENT

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Science and  
Technology; Youth, Women and Family  
Relations; and Finance**

Senate Bill No. 1261, entitled

AN ACT TO PROVIDE FOR MORE  
DETAILED AND UNIFORM  
DISCLOSURE BY CREDIT AND  
CHARGE CARD ISSUERS WITH  
RESPECT TO INFORMATION  
RELATING TO INTEREST RATES  
AND OTHER FEES WHICH MAY  
BE INCURRED BY CONSUMERS  
THROUGH THE USE OF ANY  
CREDIT OR CHARGE CARD

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Trade and Commerce;  
and Banks, Financial Institutions and Currencies**

Senate Bill No. 1262, entitled

AN ACT REQUIRING ADVERTISE-  
MENTS OF ALCOHOLIC  
BEVERAGES TO BEAR HEALTH  
WARNINGS

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Health and  
Demography; and Trade and Commerce**

Senate Bill No. 1263, entitled

AN ACT PRESCRIBING A HIGHER  
PENALTY FOR PERSONS IN  
AUTHORITY AS ACCESSORIES,  
WHO DIRECTLY CAUSE OR ORDER

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THE DESTRUCTION OR  
CONCEALMENT OF VITAL  
EVIDENCE FOR HEINOUS  
CRIMES, AMENDING FOR THE  
PURPOSE THE PENAL CODE,  
ARTICLE 19

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Justice and Human  
Rights; and Public Order and Illegal Drugs**

Senate Bill No. 1264, entitled

AN ACT AMENDING SECTION 32 OF  
R. A. NO. 7166 OTHERWISE KNOWN  
AS THE 1991 SYNCHRONIZED  
ELECTION LAW

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1265, entitled

AN ACT TO PROHIBIT THE  
RESTRICTION OF CERTAIN TYPES  
OF MEDICAL COMMUNICATIONS  
BETWEEN A HEALTH CARE  
PROVIDER AND A PATIENT

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Health and  
Demography; and Social Justice, Welfare and  
Rural Development**

Senate Bill No. 1266, entitled

AN ACT TO ESTABLISH MINIMUM  
STANDARDS REGARDING  
THE QUALITY OF WIRELESS  
TELEPHONE SERVICE AND  
TO MONITOR COMPLAINTS  
REGARDING SUCH SERVICE

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Public Services;  
and Trade and Commerce**

Senate Bill No. 1267, entitled

AN ACT CREATING THE OIL SPILL  
LIABILITY FUND

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Environment and  
Natural Resources**

Senate Bill No. 1268, entitled

AN ACT ALLOWING MARRIED OR  
LEGALLY SEPARATED WOMEN  
TO USE THEIR MAIDEN  
FIRST NAME AND SURNAME,  
AMENDING FOR THE PURPOSE  
REPUBLIC ACT NO. 386, ALSO  
KNOWN AS THE CIVIL CODE OF  
THE PHILIPPINES, ARTICLES 370  
AND 372, AND EXECUTIVE  
ORDER 209 SERIES OF 1987,  
ALSO KNOWN AS THE FAMILY  
CODE OF THE PHILIPPINES,  
ARTICLE 63

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Youth, Women  
and Family Relations; and Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1269, entitled

AN ACT AMENDING REPUBLIC ACT  
SEVENTY NINE FORTY ONE,  
OTHERWISE KNOWN AS THE  
PARTY-LIST SYSTEM ACT

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws;  
and Youth, Women and Family Relations**

Senate Bill No. 1270, entitled

AN ACT AMENDING REPUBLIC ACT  
NO. 7394, ALSO KNOWN AS THE  
CONSUMER ACT OF THE  
PHILIPPINES, ARTICLE 94

*MC*

*KS*

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Trade and Commerce;  
and Health and Demography**

Senate Bill No. 1271, entitled

AN ACT PROVIDING FOR A SPECIAL  
POLLING PLACE FOR THE  
DISABLED AND THE ELDERLY

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws; and  
Social Justice, Welfare and Rural Development**

Senate Bill No. 1272, entitled

AN ACT REQUIRING THE  
PREPARATION AND ISSUANCE OF  
THE CERTIFICATE OF VOTES AS  
REPLICA OF THE ELECTION  
RETURNS AND PRESCRIBING A  
REVISED C.E. FORM NO. 13,  
AMENDING FOR THAT PURPOSE  
SECTION 215 OF THE OMNIBUS  
ELECTION CODE, AS AMENDED  
BY R. A. NO. 6646, SECTION 16

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1273, entitled

AN ACT PROVIDING FOR PROGRAMS  
TO FACILITATE A SIGNIFICANT  
REDUCTION IN THE INCIDENCE  
AND PREVALENCE OF SUBSTANCE  
ABUSE THROUGH REDUCING THE  
DEMAND FOR ILLEGAL DRUGS  
AND THE INAPPROPRIATE USE OF  
LEGAL DRUGS

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Public Order and  
Illegal Drugs; and Finance**

Senate Bill No. 1274, entitled

AN ACT TO AMEND CERTAIN  
SECTIONS OF TITLE THREE, BOOK  
FOUR, OF EXECUTIVE ORDER  
NUMBERED TWO HUNDRED  
AND NINETY-TWO, OTHERWISE  
KNOWN AS THE ADMINISTRATIVE  
CODE OF 1987

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Justice and Human  
Rights; and Constitutional Amendments,  
Revision of Codes and Laws**

Senate Bill No. 1275, entitled

AN ACT AMENDING SECTION 8 OF  
REPUBLIC ACT NO. 7353, ALSO  
KNOWN AS THE RURAL BANKS  
ACT OF 1992

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Banks, Financial  
Institutions and Currencies; and Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1276, entitled

AN ACT AMENDING THE FAMILY  
CODE OF THE PHILIPPINES,  
ARTICLE 26

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Youth, Women  
and Family Relations; and Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1277, entitled

AN ACT AMENDING REPUBLIC ACT  
NO. 7160, SECTION 469

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Local Government**

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Senate Bill No. 1278, entitled

**AN ACT TO PREVENT CHILDREN'S  
ACCESS TO FIREARMS**

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Public Order and  
Illegal Drugs; and Youth, Women and Family  
Relations**

Senate Bill No. 1279, entitled

**AN ACT RATIONALIZING THE LAW  
AGAINST GAMBLING AND/OR  
BETTING BY PROVIDING STIFFER  
PENALTIES, FORFEITURE AND  
CONFISCATION PROVISIONS AND  
ESTABLISHING A PRIMA FACIE  
PRESUMPTION FOR VIOLATIONS  
THEREFOR, AMENDING FOR  
THESE PURPOSES PRESIDENTIAL  
DECREE NO. 1602**

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Games, Amusement  
and Sports; and Constitutional Amendments,  
Revision of Codes and Laws**

Senate Bill No. 1280, entitled

**AN ACT PROVIDING FOR  
REPRODUCTIVE HEALTH CARE  
STRUCTURES AND APPROPRIATING FUNDS THEREFOR**

Introduced by Senator Biazon

**To the Committees on Health and  
Demography; Youth, Women and Family  
Relations; and Finance**

Senate Bill No. 1281, entitled

**AN ACT ESTABLISHING AN  
INTEGRATED POPULATION AND  
DEVELOPMENT POLICY,  
STRENGTHENING ITS IMPLE-  
MENTING MECHANISM AND  
FOR OTHER PURPOSES**

Introduced by Senator Biazon

**To the Committees on Health and  
Demography; and Finance**

Senate Bill No. 1282, entitled

**AN ACT AMENDING SECTION 8  
OF REPUBLIC ACT NO. 7227,  
OTHERWISE KNOWN AS THE  
BASES CONVERSION AND  
DEVELOPMENT ACT OF 1992, AS  
AMENDED, AUTHORIZING THE  
PRESIDENT TO SELL CERTAIN  
PORTIONS OF LAND WHICH  
ARE HEREBY EXEMPTED  
FROM SALE AND THE PROCEEDS  
THEREOF SHALL EXCLUSIVELY  
BE USED FOR THE AFP  
MODERNIZATION PROGRAM**

Introduced by Senator Biazon

**To the Committees on Government  
Corporations and Public Enterprises; National  
Defense and Security; and Ways and Means**

Senate Bill No. 1283, entitled

**AN ACT PROVIDING FOR THE  
PAYMENT THROUGH VETERANS  
BONDS OF ARREARS IN THE  
VETERANS PENSIONS MANDATED  
BY REPUBLIC ACT NO. 7696 AND  
FOR OTHER PURPOSES**

Introduced by Senator Biazon

**To the Committees on Finance; and National  
Defense and Security**

Senate Bill No. 1284, entitled

**AN ACT PRESCRIBING A FIXED TERM  
FOR THE CHIEF OF STAFF AND  
MAJOR SERVICE COMMANDERS  
OF THE ARMED FORCES OF THE  
PHILIPPINES AND FOR OTHER  
PURPOSES**

Introduced by Senator Biazon

**To the Committees on National Defense and  
Security; and Constitutional Amendments,  
Revision of Codes and Laws**

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Senate Bill No. 1285, entitled

AN ACT REDEFINING THE TERM "VETERAN" THEREBY AMENDING FURTHER REPUBLIC ACT NO. 6948 AS AMENDED

Introduced by Senator Biazon

**To the Committee on National Defense and Security**

Senate Bill No. 1286, entitled

AN ACT CREATING THE RANK OF FIRST CHIEF MASTER SERGEANT/ FIRST MASTER CHIEF PETTY OFFICER IN THE ENLISTED RANKS OF THE ARMED FORCES OF THE PHILIPPINES (AFP), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on National Defense and Security; and Finance**

Senate Bill No. 1287, entitled

AN ACT TRANSFERRING THE PHILIPPINE COAST GUARD TO THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS AS A SEPARATE AND DISTINCT SERVICE, FURTHER AMENDING REPUBLIC ACT NO. 5173, AS AMENDED, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on National Defense and Security; Civil Service and Government Reorganization; and Finance**

Senate Bill No. 1288, entitled

AN ACT PENALIZING THE SELLING OF FIREARMS, AMMUNITION OR EXPLOSIVES OR ANY PARTS OR COMPONENTS USED IN THE

MANUFACTURE OF FIREARMS, AMMUNITION OR EXPLOSIVES TO THE ENEMIES OF THE STATE, IMPOSING PENALTIES THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Public Order and Illegal Drugs; and National Defense and Security**

Senate Bill No. 1289, entitled

AN ACT CREATING A TWO-LEVEL NATIONAL POLICE, AMENDING FOR THIS PURPOSE SECTION TWENTY-FIVE (25) OF REPUBLIC ACT NUMBERED SIXTY NINE HUNDRED AND SEVENTY FIVE (R. A. 6975), OTHERWISE KNOWN AS THE ACT ESTABLISHING THE PHILIPPINE NATIONAL POLICE UNDER A REORGANIZED DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Public Order and Illegal Drugs; and Local Government**

Senate Bill No. 1290, entitled

AN ACT AMENDING THE ADMINISTRATIVE CODE OF 1987 BY PROHIBITING A PERSON FROM BEING APPOINTED AS THE SECRETARY OF THE DEPARTMENT OF NATIONAL DEFENSE WITHIN THREE (3) YEARS AFTER RETIREMENT FROM ACTIVE DUTY AS A COMMISSIONED OFFICER OF A REGULAR COMPONENT OF THE ARMED FORCES OF THE PHILIPPINES (AFP)

Introduced by Senator Biazon

**To the Committees on National Defense and Security; and Constitutional Amendments, Revision of Codes and Laws**

*Handwritten marks:* A signature or initials at the bottom right, and a vertical line with the number '26' written next to it.



Senate Bill No. 1291, entitled

AN ACT INCREASING THE SPECIAL GROUP TERM INSURANCE COVERAGE FOR THE MEMBERS OF THE ARMED FORCES INCLUDING THE MEMBERS OF THE PHILIPPINE NATIONAL POLICE, AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NUMBERED 352, AS AMENDED, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on National Defense and Security; Public Order and Illegal Drugs; and Finance**

Senate Bill No. 1292, entitled

AN ACT PROVIDING FOR THE ARTICLES OF MILITARY JUSTICE IN THE ARMED FORCES OF THE PHILIPPINES REPEALING FOR THAT PURPOSE COMMONWEALTH ACT NUMBERED FOUR HUNDRED EIGHT, OTHERWISE KNOWN AS THE ARTICLES OF WAR, AS AMENDED, OTHER SPECIAL LAWS, AND APPROPRIATING FUNDS THEREFOR

Introduced by Senator Biazon

**To the Committees on National Defense and Security; Constitutional Amendments, Revision of Codes and Laws; and Finance**

Senate Bill No. 1293, entitled

AN ACT PROVIDING FOR THE NATIONAL DEFENSE AND SECURITY OF THE REPUBLIC OF THE PHILIPPINES, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on National Defense and Security; Foreign Relations; and Finance**

Senate Bill No. 1294, entitled

AN ACT GRANTING THE MAGNA CARTA FOR HOMEOWNERS' ASSOCIATIONS AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Urban Planning, Housing and Resettlement; and Local Government**

Senate Bill No. 1295, entitled

AN ACT CREATING LOCAL HOUSING BOARDS IN EVERY CITY AND MUNICIPALITY, PROVIDING FOR ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Urban Planning, Housing and Resettlement; and Local Government**

Senate Bill No. 1296, entitled

AN ACT MANDATING THAT AT LEAST TEN PERCENT (10%) OF THE GOVERNMENT-OWNED LAND TO BE SOLD, ALIENATED OR OTHERWISE ENCUMBERED FOR DEVELOPMENT PURPOSES, BE SEGREGATED FOR SOCIALIZED HOUSING PROJECTS

Introduced by Senator Biazon

**To the Committee on Urban Planning, Housing and Resettlement**

Senate Bill No. 1297, entitled

AN ACT INSTITUTING A NATIONAL LAND USE POLICY, PROVIDING THE IMPLEMENTING MECHANISMS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Environment and Natural Resources; Urban Planning, Housing and Resettlement; and Finance**

AP  
JES

Senate Bill No. 1298, entitled

AN ACT DEFINING THE VISION AND POLICIES OF GOVERNMENT IN THE HOUSING AND URBAN DEVELOPMENT SECTOR, CREATING THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, DEFINING ITS MANDATE, POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Urban Planning, Housing and Resettlement; Civil Service and Government Reorganization; and Finance**

Senate Bill No. 1299, entitled

AN ACT AMENDING REPUBLIC ACT NO. 6938, OTHERWISE KNOWN AS THE COOPERATIVE CODE OF THE PHILIPPINES

Introduced by Senator Biazon

**To the Committees on Cooperatives; and Ways and Means**

Senate Bill No. 1300, entitled

AN ACT PROVIDING FOR GOVERNMENT REGULATION AND SELF-REGULATION WITHIN THE COOPERATIVE SECTOR OF COOPERATIVES ENGAGED IN FINANCIAL SERVICES, AND DEFINING THE RESPONSIBILITIES, POWERS AND FUNCTIONS OF COOPERATIVES AND COOPERATIVE FEDERATIONS ENGAGED IN SAVINGS, CREDIT AND OTHER FINANCIAL SERVICES, AMENDING THEREFOR REPUBLIC ACT NO. 6938, OTHERWISE KNOWN AS THE COOPERATIVE CODE OF THE PHILIPPINES, AND REPUBLIC ACT NO. 6939, CREATING THE COOPERATIVE DEVELOPMENT AUTHORITY

Introduced by Senator Biazon

**To the Committees on Cooperatives; and Finance**

Senate Bill No. 1301, entitled

AN ACT ESTABLISHING A FIVE BILLION PESO (Php5,000,000,000.00) COOPERATIVE TRUST FUND THAT WILL PROVIDE FINANCING FACILITIES TO LIVELIHOOD PROGRAMS OF COOPERATIVES AND APPROPRIATING THE NECESSARY SUM FOR INCLUSION IN THE GENERAL APPROPRIATIONS ACT OVER A PERIOD OF FIVE (5) CONSECUTIVE FISCAL YEARS IN FIVE EQUAL APPORTIONMENTS

Introduced by Senator Biazon

**To the Committees on Cooperatives; and Finance**

Senate Bill No. 1302, entitled

AN ACT GRANTING CIVIL SERVICE ELIGIBILITY TO CONTRACTUAL OR CO-TERMINOUS GOVERNMENT EMPLOYEES WHO HAVE RENDERED A TOTAL OF FIVE YEARS OF EFFICIENT SERVICE, AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committee on Civil Service and Government Reorganization**

Senate Bill No. 1303, entitled

AN ACT CREATING A NATIONAL TRANSPORTATION SAFETY BOARD, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Public Services; and Finance**

Senate Bill No. 1304, entitled

AN ACT REQUIRING THE  
REGISTRATION OF PRE-PAID  
SIM CARD USERS

Introduced by Senator Biazon

**To the Committee on Public Services**

Senate Bill No. 1305, entitled

AN ACT REQUIRING ANY PERSON  
RUNNING FOR AN ELECTIVE  
NATIONAL OR LOCAL POSITION  
TO UNDERGO A NEURO-  
PSYCHIATRIC EXAMINATION  
PRIOR TO FILING A CERTIFICATE  
OF CANDIDACY

Introduced by Senator Biazon

**To the Committee on Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1306, entitled

AN ACT ESTABLISHING A MECHANISM  
FOR THE NATIONAL IDENTIFI-  
CATION SYSTEM IN THE  
PHILIPPINES, PROVIDING FOR  
BENEFITS AND RIGHTS AND  
CORRESPONDING OBLIGATIONS  
AND FOR OTHER PURPOSES

Introduced by Senator Biazon

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws; and  
Finance**

Senate Bill No. 1307, entitled

AN ACT EXEMPTING FROM TAX ALL  
ALLOWANCES AND BENEFITS  
GRANTED TO PUBLIC SCHOOL  
TEACHERS, INCLUDING THOSE IN  
THE STATE COLLEGES AND  
UNIVERSITIES

Introduced by Senator Biazon

**To the Committees on Ways and Means; and  
Educational, Arts and Culture**

Senate Bill No. 1308, entitled

AN ACT AMENDING ARTICLES 155  
AND 157 OF EXECUTIVE ORDER  
NO. 209, AS AMENDED, OTHERWISE  
KNOWN AS THE FAMILY CODE  
OF THE PHILIPPINES, SO AS TO  
STRENGTHEN THE PROVISIONS  
OF THE LAW GOVERNING THE  
FAMILY HOME

Introduced by Senator Biazon

**To the Committees on Justice and Human  
Rights; Local Government; and Ways and Means**

Senate Bill No. 1309, entitled

AN ACT REGULATING THE  
INSTALLATION AND MAINTEN-  
ANCE OF CHECKPOINTS

Introduced by Senator Biazon

**To the Committees on Public Order and  
Illegal Drugs; and National Defense and Security**

Senate Bill No. 1310, entitled

AN ACT ESTABLISHING A COLLEGE  
EDUCATION TRUST FUND FOR  
CHILDREN OF GSIS AND SSS  
MEMBERS

Introduced by Senator Biazon

**To the Committees on Government  
Corporations and Public Enterprises; and  
Educational, Arts and Culture**

Senate Bill No. 1311, entitled

AN ACT TO IMPROVE THE  
ADMINISTRATION OF JUSTICE  
BY DECRIMINALIZING AND  
PROVIDING FOR THE IMPOSITION  
OF ALTERNATIVE PENALTIES  
SHORT OF DEPRIVATION OF  
LIBERTY FOR CERTAIN OFFENSES

Introduced by Senator Biazon

**To the Committee on Justice and Human  
Rights**

Senate Bill No. 1312, entitled

AN ACT TO ORDAIN AND INSTITUTE  
THE MARITIME CODE OF THE  
PHILIPPINES

Introduced by Senator Biazon

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws; and  
Public Services**

Senate Bill No. 1313, entitled

AN ACT CONSOLIDATING ADMIRALTY  
AND MARITIME LAWS TO  
MODERNIZE THE MARITIME  
INDUSTRY, PROMOTE AND  
REGULATE MERCHANT MARINE  
ACTIVITIES, RATIONALIZE THE  
ORGANIZATION AND FUNCTIONS  
OF GOVERNMENT AGENCIES  
RELATED TO ADMIRALTY AND  
MARITIME MATTERS, AND  
INSURE THE PROTECTION OF  
THE MARINE WEALTH IN THE  
PHILIPPINE TERRITORY

Introduced by Senator Biazon

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws;  
Public Services; and Ways and Means**

Senate Bill No. 1314, entitled

AN ACT REQUIRING THE OFFICERS  
AND DIRECTORS OF BANKS  
AND OTHER FINANCIAL  
INSTITUTIONS TO UTILIZE AS  
THE BASIS FOR THE APPROVAL  
OF CREDIT ACCOMMODATIONS  
THE FINANCIAL STATEMENTS  
USED FOR PAYMENT OF  
TAX OBLIGATIONS BY THE  
PROSPECTIVE BORROWERS,  
PROVIDING PENALTIES FOR  
VIOLATIONS THEREOF, AMENDING  
REPUBLIC ACT NO. 337,  
OTHERWISE KNOWN AS THE  
GENERAL BANKING ACT AND  
FOR OTHER PURPOSES

Introduced by Senator Serge Osmeña

**To the Committees on Banks, Financial  
Institutions and Currencies; and Ways and  
Means**

Senate Bill No. 1315, entitled

AN ACT PUNISHING THE CRIME OF  
FRAMING UP, FABRICATING  
CHARGES OR FALSELY INDICTING  
ANOTHER WITH A CRIME WHICH  
THE LATTER HAS NOT  
COMMITTED, AND FOR OTHER  
PURPOSES

Introduced by Senator Lim

**To the Committee on Justice and Human  
Rights**

Senate Bill No. 1316, entitled

AN ACT INCREASING THE PENALTY  
FOR THE CRIME OF PERJURY  
PUNISHABLE UNDER ARTICLE 183  
OF THE REVISED PENAL CODE,  
AND FOR OTHER PURPOSES

Introduced by Senator Lim

**To the Committees on Constitutional  
Amendments, Revision of Codes and Laws;  
and Justice and Human Rights**

Senate Bill No. 1317, entitled

AN ACT TO PROHIBIT POLITICAL  
DYNASTY, PROVIDE PENALTIES  
FOR VIOLATION THEREOF, AND  
FOR OTHER PURPOSES

Introduced by Senator Lim

**To the Committee on Constitutional  
Amendments, Revision of Codes and Laws**

Senate Bill No. 1318, entitled

AN ACT PENALIZING MEMBERS OF  
A LAW ENFORCEMENT AGENCY,  
OTHER GOVERNMENT OFFICIALS

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OR EMPLOYEES WHO FAIL OR REFUSE TO TESTIFY AS PROSECUTION WITNESSES IN ANY CRIMINAL PROCEEDINGS AND FOR OTHER PURPOSES

Introduced by Senator Lim

**To the Committee on Justice and Human Rights**

Senate Bill No. 1319, entitled

AN ACT INSTITUTING THE ONE FUND CONCEPT IN THE GOVERNMENT BY PROVIDING THAT ANY AND ALL SHARE OR PERCENTAGE OF AN INCOME, EARNING, COLLECTION OR REVENUE OF A GOVERNMENT AGENCY, CORPORATION OR ACTIVITY THAT IS EARMARKED BY LAW FOR DIRECT REMITTANCE TO ANOTHER AGENCY, SHALL ACCRUE TO THE NATIONAL TREASURY

Introduced by Senator Recto

**To the Committees on Finance; and Ways and Means**

Senate Bill No. 1320, entitled

AN ACT AMENDING SECTION 34 PARAGRAPH D SUBSECTION 3 OF REPUBLIC ACT 8424 OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1321, entitled

AN ACT AMENDING SECTION 66 OF BATAS PAMBANSA BILANG 881 OTHERWISE KNOWN AS, "THE OMNIBUS ELECTION CODE," AND FOR OTHER PURPOSES

Introduced by Senator Recto

**To the Committee on Constitutional Amendments, Revision of Codes and Laws**

Senate Bill No. 1322, entitled

AN ACT CLARIFYING THE AGGREGATE DURATION OF TIME THAT A CANDIDATE, OR REGISTERED POLITICAL PARTY, PARTY-LIST GROUP, ORGANIZATION AND/OR COALITION MAY USE FOR THEIR BROADCAST ADVERTISEMENTS OR ELECTION PROPAGANDA, AMENDING FOR THE PURPOSE SECTION 6.2 OF REPUBLIC ACT NO. 9006, OTHERWISE KNOWN AS THE FAIR ELECTIONS ACT

Introduced by Senator Recto

**To the Committees on Constitutional Amendments, Revision of Codes and Laws; and Public Information and Mass Media**

Senate Bill No. 1323, entitled

AN ACT PRESCRIBING A REVISED COMPENSATION AND POSITION CLASSIFICATION SYSTEM IN THE GOVERNMENT AND FOR OTHER PURPOSES

Introduced by Senator Recto

**To the Committees on Civil Service and Government Reorganization; and Finance**

Senate Bill No. 1324, entitled

AN ACT AMENDING SECTIONS 3 AND 11 OF REPUBLIC ACT NO. 9161, OTHERWISE KNOWN AS THE RENTAL REFORM ACT OF 2002

Introduced by Senator Recto

**To the Committee on Urban Planning, Housing and Resettlement**

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Senate Bill No. 1325, entitled

AN ACT TO MAXIMIZE THE COLLECTION OF REVENUES BY REQUIRING THE FILING OF STATEMENT OF ASSETS, LIABILITIES AND NETWORTH AS OF DECEMBER 31, 2001 AND BY GRANTING TAX AMNESTY ON ALL UNPAID INTERNAL REVENUE TAXES IMPOSED BY THE NATIONAL GOVERNMENT FOR TAXABLE YEAR 2001 AND PRIOR YEARS

Introduced by Senator Recto

To the Committee on Ways and Means

Senate Bill No. 1326, entitled

AN ACT MANDATING THE AUDIT OF INFRASTRUCTURE PROJECTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NUMBERED SIX THOUSAND NINE HUNDRED FIFTY-SEVEN (R.A. 6957), ENTITLED "AN ACT AUTHORIZING THE FINANCING, CONSTRUCTION, OPERATION, AND MAINTENANCE OF INFRASTRUCTURE PROJECTS BY THE PRIVATE SECTOR, AND FOR OTHER PURPOSES," AS AMENDED BY REPUBLIC ACT NO. 7718

Introduced by Senator Recto

To the Committee on Public Works

Senate Bill No. 1327, entitled

AN ACT CREATING THE NATIONAL REVENUE AUTHORITY, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Recto

To the Committees on Ways and Means; Civil Service and Government Reorganization; and Finance

Senate Bill No. 1328, entitled

AN ACT HARMONIZING AND RATIONALIZING THE ADMINISTRATION AND GRANT OF FISCAL AND NON-FISCAL INCENTIVES, REPEALING FOR THE PURPOSE CERTAIN PROVISIONS OF EXECUTIVE ORDER NO. 226, OTHERWISE KNOWN AS THE OMNIBUS INVESTMENTS CODE OF 1987

Introduced by Senator Recto

To the Committees on Ways and Means; and Economic Affairs

Senate Bill No. 1329, entitled

AN ACT INSTITUTING CAMPAIGN FINANCE REFORM AND STRENGTHENING THE POLITICAL PARTY SYSTEM AND PROVIDING FUNDS THEREFOR

Introduced by Senator Recto

To the Committees on Constitutional Amendments, Revision of Codes and Laws; Ways and Means; and Finance

Senate Bill No. 1330, entitled

AN ACT PROVIDING FOR COMPENSATION TO THE VICTIMS OF HUMAN RIGHTS VIOLATIONS DURING THE REGIME OF FORMER PRESIDENT FERDINAND MARCOS, DOCUMENTATION OF SAID VIOLATIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Recto

To the Committees on Justice and Human Rights; and Finance

Senate Bill No. 1331, entitled

AN ACT ALLOWING FARMER-BENEFICIARIES TO USE THE

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LAND AWARDED TO THEM UNDER THE COMPREHENSIVE AGRARIAN REFORM PROGRAM AS COLLATERAL FOR PURPOSES OF SECURING AGRICULTURAL LOANS, GRANTING TAX EXEMPTIONS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Recto

**To the Committees on Agrarian Reform; Social Justice, Welfare and Rural Development; and Ways and Means**

Senate Bill No. 1332, entitled

AN ACT GRANTING TAX INCENTIVES ON CAPITAL EQUIPMENT, AMENDING FOR THE PURPOSE EXECUTIVE ORDER NO. 226, AS AMENDED, OTHERWISE KNOWN AS THE OMNIBUS INVESTMENTS CODE OF 1987

Introduced by Senator Recto

**To the Committees on Ways and Means; and Economic Affairs**

Senate Bill No. 1333, entitled

AN ACT TO LIMIT THE BORROWINGS OF THE REPUBLIC OF THE PHILIPPINES TO THE PROGRAMMED NET FINANCING SUBMITTED BY THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES TO CONGRESS EVERY FISCAL YEAR

Introduced by Senator Recto

**To the Committees on Finance; and Economic Affairs**

Senate Bill No. 1334, entitled

AN ACT TO STRENGTHEN THE UNIVERSITY OF THE PHILIPPINES AS THE NATIONAL UNIVERSITY

Introduced by Senator Recto

**To the Committees on Education, Arts and Culture; Ways and Means; and Finance**

Senate Bill No. 1335, entitled

AN ACT INCREASING THE CEILING FOR TOTAL EXCLUSION OF 13<sup>TH</sup> MONTH PAY AND OTHER BENEFITS FROM THE COMPUTATION OF TAXABLE INCOME FROM THIRTY THOUSAND PESOS (Php30,000.00) TO SIXTY THOUSAND PESOS (Php60,000.00), THEREBY, AMENDING SECTION 32 OF REPUBLIC ACT 8424 OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1336, entitled

AN ACT EXCLUDING OVERTIME PAY FROM THE COMPUTATION OF COMPENSATION GROSS INCOME THEREBY AMENDING SECTION 32 OF REPUBLIC ACT 8424 OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1337, entitled

AN ACT ALLOCATING FIFTY PERCENT OF VALUE-ADDED TAX COLLECTIONS TO HEALTH, EDUCATION, AND AGRICULTURE, THEREBY AMENDING THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED

Introduced by Senator Recto

**To the Committee on Ways and Means**

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Senate Bill No. 1338, entitled

AN ACT TO LIMIT ANNUAL GOVERNMENT GUARANTEES TO THIRTY PERCENT OF ONE PERCENT (0.30%) OF THE GROSS DOMESTIC PRODUCT (GDP), AT CURRENT PRICES, OF THE PRECEDING YEARS

Introduced by Senator Recto

**To the Committees on Economic Affairs; and Finance**

Senate Bill No. 1339, entitled

AN ACT AMENDING SECTION 34 OF REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1340, entitled

AN ACT REDUCING THE TAX ON INTEREST INCOME, AMENDING FOR THE PURPOSE THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1341, entitled

AN ACT CONSTITUTING THE LEGISLATIVE-EXECUTIVE REVENUE OVERSIGHT COUNCIL AND FOR OTHER PURPOSES

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1342, entitled

AN ACT PROVIDING FOR THE EXEMPTION OF FIXED INCOME

EARNERS FROM THE FILING OF INCOME TAX RETURNS, AMENDING FOR THE PURPOSE SEC. 51, (A) (2) (b) OF REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE TAX REFORM ACT OF 1997

Introduced by Senator Recto

**To the Committee on Ways and Means**

Senate Bill No. 1343, entitled

AN ACT ESTABLISHING A PROVIDENT PERSONAL SAVINGS PLAN KNOWN AS THE PERSONAL EQUITY AND RETIREMENT ACCOUNT

Introduced by Senator Recto

**To the Committees on Banks, Financial Institutions and Currencies; and Ways and Means**

Senate Bill No. 1344, entitled

AN ACT ALLOWING EMPLOYEES TO AVAIL OF PRE-NEED PLANS AS AN OPTION TO HOME DEVELOPMENT MUTUAL FUND (HDMF) MEMBERSHIP

Introduced by Senator Recto

**To the Committee on Banks, Financial Institutions and Currencies**

Senate Bill No. 1345, entitled

AN ACT REQUIRING BUSINESS ESTABLISHMENTS NATION-WIDE TO SET UP CONSUMER WELFARE DESKS (CWDs) AND DEVELOP COMPREHENSIVE COMPLAINTS-HANDLING PROGRAM

Introduced by Senator Recto

**To the Committee on Trade and Commerce**

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Senate Bill No. 1346, entitled

AN ACT REQUIRING THE INCLUSION OF FIBER CONTENT INFORMATION IN THE LABELING OF TEXTILE PRODUCTS, AMENDING FOR THE PURPOSE REPUBLIC ACT 7394, OTHERWISE KNOWN AS THE CONSUMER ACT OF THE PHILIPPINES, AS AMENDED

Introduced by Senator Recto

**To the Committee on Trade and Commerce**

Senate Bill No. 1347, entitled

AN ACT INCREASING THE PENALTIES FOR VIOLATIONS OF CERTAIN PROVISIONS OF REPUBLIC ACT NUMBERED SEVEN THOUSAND THREE HUNDRED NINETY-FOUR (R.A. NO. 7394), OTHERWISE KNOWN AS THE CONSUMER ACT OF THE PHILIPPINES

Introduced by Senator Recto

**To the Committee on Trade and Commerce**

Senate Bill No. 1348, entitled

AN ACT PROMOTING SMALL BUSINESS LOCATION AND INCUBATOR PROGRAM

Introduced by Senator Recto

**To the Committees on Trade and Commerce; Ways and Means; and Finance**

Senate Bill No. 1349, entitled

AN ACT PROVIDING FOR TAX CREDITS AS PAYMENT TO PROPONENTS OF INFRASTRUCTURE PROJECTS WHO ADVANCE THE FUNDS REQUIRED BY GOVERNMENT TO ACQUIRE THE RIGHT OF WAY

Introduced by Senator Recto

**To the Committees on Ways and Means; and Public Works**

Senate Bill No. 1350, entitled

AN ACT AMENDING REPUBLIC ACT NUMBERED SIX THOUSAND NINE HUNDRED FIFTY-SEVEN (R.A. NO. 6957), ENTITLED "AN ACT AUTHORIZING THE FINANCING, CONSTRUCTION, OPERATION, AND MAINTENANCE OF INFRASTRUCTURE PROJECTS BY THE PRIVATE SECTOR, AND FOR OTHER PURPOSES," AS AMENDED

Introduced by Senator Recto

**To the Committee on Public Works**

#### CONFEREES

Upon nomination by Senator Pangilinan, there being no objection, Senate President Drilon designated the following as members of the Senate panel in the Bicameral Conference Committee on the disagreeing provisions of Senate Bill No. 1757 (resetting the ARMM elections) and its counterpart House bill: on the part of the Majority, Senator Gordon as Chair, and Senator Villar; on the part of the Minority, Senator Angara.

Senator Pangilinan informed the Body that the Bicameral Conference would take place at 8:00 o'clock that night at the Pecson Room.

In view of Senator Gordon's information that Senator Villar might not be able to attend the conference that night, Senate President Drilon designated Senator Revilla as Senator Villar's substitute.

#### PARLIAMENTARY INQUIRY OF SENATOR DEFENSOR SANTIAGO

Asked by Senator Defensor Santiago if her privilege speech on the Smokey Mountain reclamation project had been referred to the Committee on Accountability of Public Officers and

Investigations and the Committee on Government Corporations and Public Enterprises, Senator Pangilinan replied in the affirmative.

Senator Defensor Santiago requested that a committee hearing be convened in light of a Senate Press Corps report that according to certain financial documents, P13.2 billion worth of reclaimed land had already been sold by the contractor.

Asked whether the Committee on Urban Planning, Housing and Resettlement had been authorized to conduct its own parallel hearing provided that it would be limited to the jurisdiction of the Committee, Senator Pangilinan said that the matter was referred to the Committee on Rules which would report out its position on whether or not a referral to a third committee is needed. He affirmed that there is no legal obstacle that prevents the two primary committees from commencing their committee hearing.

Pertinent to her speech on the Binga Dam, Senator Defensor Santiago said that under the Rules, a committee may, on its own volition, take notice of any subject matter that falls within its jurisdiction. Precisely, she said, she moved for the referral of the speech to the Committee on Energy which she chairs, but with a notice to the Senate that the Committee would initiate hearings on that and similar contracts. She asked if there is any legal obstacle to the procedure.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 4:08 p.m.*

#### **RESUMPTION OF SESSION**

At 4:10 p.m., the session was resumed.

Senator Pangilinan, in reply to the inquiry of Senator Defensor Santiago, affirmed that the Committee on Energy may initiate its own inquiry as provided for under Section 2 of the Rules of Procedure Governing Inquiries in Aid of Legislation.

He opined that since the matter was brought to the attention of the Senate through a privilege

speech, under said section the Senate or any of its committees may initiate an inquiry.

#### **ANNOUNCEMENT OF SENATOR PANGILINAN**

At this point, Senator Pangilinan announced the commencement of the interpellations on the privilege speech of Senator Defensor Santiago on the Binga hydroelectric power plant contract.

#### **INTERPELLATION OF SENATOR GORDON**

Senator Gordon recalled that Napocor, using the taxpayers' money, paid Catalino Tan more than P3 billion in order to rehabilitate the Binga Dam, in effect, privatizing it. Noting that presently the plant is even worse than it was before, he added that the siltation of Binga Dam has affected the San Roque Dam that has caused flooding in North and Central Luzon.

Senator Gordon asked if the acceptance by Napocor of the contract with Mr. Tan made it liable for negligence, so gross as to amount to bad faith because (1) it gave the contract to a contractor who was not skilled in doing the project; and (2) the siltation continues to worsen.

Senator Defensor Santiago replied in the affirmative as she remarked that some legislators have already spoken out on this particular issue: Rep. Hernani Perez who made a privilege speech about the Binga Dam being used as milking cow for government; Rep. Ronald Cosalan who filed a resolution to investigate what he viewed as a gross anomaly but was talked out of it; and Senator Osmeña who delivered a speech last year. She noted that one of the most glaring anomalies is that it was the first contract under the Energy Power Crisis Act, thus, there was no need for public bidding; the contract was negotiated with a semblance of a public bidding termed very quizzically as "casual canvass of bids." She added that there was no due diligence in the selection of the contractor because his field of expertise was in other areas of business very far related to rehabilitation work.

Senator Gordon said that the Napocor appears to have committed a list of errors because it favored the continuation of a contract that,

according to Senator Osmeña, would take a thousand years to complete. He averred that the Napocor was also guilty of being totally negligent as far as countenancing the various transfers to cover up the trail of the real owner of the project.

Senator Defensor Santiago agreed, stating that Mr. Catalino Tan, who happens to be a godbrother of former President Ramos, was a major campaign contributor during the 1992 presidential and 1995 senatorial elections. She also mentioned that Mr. Tan donated P100,000 to a concert of Jo Ramos, the daughter of President Ramos; and withdrew P100 million from a company account registered in his name so that a professorial chair could be established at the Pangasinan State University and several school buildings could be constructed, serendipitously named after the father and mother, respectively, of the former president.

She surmised that the contract was granted to Mr. Tan not on the basis of his professional track record but on the basis of the love he entertained for his godbrother. She mentioned that Mr. Tan even named his building in Binondo "Lakas Tao Building." Pointing out that there was a lack of due diligence in researching the background and qualifications of the contractor, she noted that the Napocor did not also analyze the terms of the contract with Binga Hydroelectric Power, Inc., the firm of Mr. Tan. She opined that at the rate it was dredging the silt, it would take 29 years to complete the project although the lifetime of the contract is only 15 years. She asserted that Napocor was not only guilty of lack of due diligence but also purposively accommodated the slippage, delays and other examples of failure of the firm to carry out the terms of the contract.

Senator Defensor Santiago recalled that the contract was originally signed in 1993, but in 1997, when Mr. Tan allowed his name to surface in the documents as the signatory, as the president and chair of the firm, he immediately entered into a supplemental agreement with Napocor. The supplemental agreement, she said, allowed him to do less than the terms and conditions that had been imposed in the original contract including paying less to the government for the lease of the facilities of Napocor. She posited that this was a case of blatant discrimination in favor of a private contractor that prejudiced public interest.

Senator Gordon remarked that aside from indications of favoritism on the part of certain government personalities in awarding the contract, there was also some extraordinary degree of recklessness on the part of the agencies involved which failed to look at the problem of siltation. He added that if this is not addressed with dispatch, Northern and Central Luzon would always be inundated.

Agreeing thereto, Senator Defensor Santiago maintained that there was criminal intent in allowing the lake to silt above and beyond the original level of siltage in 1993 when the contract was first executed. This, she said, indicates the intent to make the project a white elephant so that it could be used as a channel to steal public funds in such enormous sums. She added that the private contractor was said to have made P1.5 billion out of a non-existing service contract.

Senator Gordon asked if the government agencies involved should give an overview of the kind of danger the country would be exposed to so that a proper contract could be drawn up. He opined that desilting the dam once is not enough because the erosion from upland forest will fill the dam with silt continuously. The better contract, he said, is for a competent contractor to undertake constant dredging so that the dams downstream would not be affected, like the San Roque Dam whose capacity to contain rainfall has been adversely affected.

Senator Defensor Santiago added that the Committee on Energy would bring this issue to the attention of the Napocor and the other authorities involved. Further, she noted that the original contract tried to anticipate such problem by providing that the contractor would establish a sluice channel which would flush down any silt, so that there would be no need to redredge every few years. She pointed out that in the supplemental agreement, the requirement to establish a sluice channel was removed, thus, the silt increased. She said that the country has paid P300 billion, over half of which has gone to a private, unqualified individual for a service that has never been performed and had been consistently reduced with the authorization of Napocor over the 11 years of the existence of the contract. She agreed that the new contractor should not only remove the silt

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but also provide a permanent solution such as a sluice channel.

### INTERPELLATION OF SENATOR ENRILE

At the outset, Senator Enrile mentioned that the hydroelectric power system has a capacity of 100 megawatts and a gross income of P1.5 billion.

As regards the \$143 million contract price, Senator Defensor Santiago said that the contract was always stated in dollars, thus, if there is an increase in the peso-dollar exchange rate, the government will have to absorb the loss.

Computing the output of the plant, Senator Enrile stated that 100,000 kilowatts multiplied by 24 hours would give a total of 2,400,000 kWh a day which, if multiplied by 365 days, would give 876,000,000 kWh per year.

With a conservative price of P2 per kWh, which is probably a cheap price for power coming from a hydroelectric system, he stated that the gross income would be about P1.752 billion annually. He pointed out that if the income of the 48-year old hydroelectric plant is P1.5 billion, then it would seem that the siltation was not that heavy.

Asked why the country is spending \$143 million to desilt the dam for a period of 15 years, Senator Defensor Santiago replied that President Aquino initially authorized the project because in 1993, Benguet experienced a very severe earthquake which resulted in flashfloods and the heavy siltation of the lake. She assumed that former President Aquino merely took advantage of the opportunity to rebuild the dam, which was constructed in 1956.

Senator Enrile reiterated that if the dam is heavily silted, then it could not produce an output that would give it 80% of its revenue at full capacity. Perhaps, he said, the siltation is not that much to warrant an investment of \$143 million.

Senator Defensor Santiago admitted that Senator Enrile had a valid point as she adverted to a memorandum sent to President Ramos relevant to the project.

She disclosed that the 1993 memorandum from then Secretary Carpio stated that Napocor President Viray requested authority from the President to negotiate for the rehabilitation of the Binga hydroelectric plant which had been experiencing heavy siltation, and Energy Secretary Lazaro indorsed said project for negotiation. With the passage of the Electric Power Crisis Act, she said, the plant was included in the list of priority projects although it was earning P1 billion from its electric output.

Asked whether there is any data regarding the rate of siltation of the plant per year that would be useful in determining whether the amount of US\$143 million is reasonable, Senator Defensor Santiago said that she does not think that Napocor ever conducted a review of the siltation rate.

As to the volume of silt that must be removed from the Binga Dam, Senator Defensor Santiago disclosed that in the supplemental agreement that Mr. Catalino Tan entered into in 1997, the duties of the new contractor included the continuation of the dredging operations within the reservoir at an annual sediment removal rate of 375,000 cubic meters for the first six years and 200,000 cubic meters for the remaining years with priority areas for dredging being identified annually by the Napocor to the contractor.

Senator Enrile said that it was hard to understand why the government should spend US\$143 million to remove 575,000 cubic meters or US\$286 more or less per cubic meter of mud over a period of 15 years.\*

Senator Defensor Santiago stated that one scientist remarked that given the rate it would take the contractor 29 years to clean up the silt in the lake. The contractor, she pointed out, did not remove the silt as stated in the agreement and he even earned P1.5 billion.

Senator Enrile said that in the process, the contractor would be earning US\$143 million by using the revenues from Binga to desilt it.

### INTERPELLATION OF SENATOR OSMEÑA

Senator Osmeña said that a contractor had told him that it would take a thousand years to finish dredging or desilting Binga Dam because the surrounding mountains have been deforested and

\*As corrected by Senator Enrile on September 14, 2004

denuded several decades prior to 1989 when an earthquake occurred and even increased desiltation when the gravel poured down from the mountains into the reservoir. After that, he stated, illegally cut logs clogged the drains of the Ambuklao and Binga dams. He asked whether Senator Defensor Santiago knew that the initial scope of work under the rehabilitate-operate-lease contract that had been signed by the Napocor with Chiang Jiang Energy Corporation of China, the original proponent in 1992, involved dredging 3.5 million cubic meters within three years.

Senator Defensor Santiago replied in the affirmative, saying that while the project suffered 65% slippage in 1996 that is more than the legally allowable 15% slippage to justify a contract termination, the Napocor, with the approval of Malacañang, continued to pay the contractor. It is very obvious, she pointed out, that there was a criminal syndicate operating within Malacañang dispensing a bribe so huge that the Napocor was persuaded to issue a supplemental contract even though the slippage had reached 73%, to remove the requirement to construct sluice channels, to reduce the amount of silt to be dredged annually, and to pay more for the power produced although there was a dispute as to the accuracy of the contractor's meter.

Senator Osmeña pointed out that while the supplemental contract in 1997 reduced the original one-time dredging volume by 90%, from 3.5 million cubic meters in three years to 375,000 cubic meters in six years which, in effect, gave the contractor twice the length of time to finish the task, it also lessened the annual maintenance dredging volume by 60%, from 500,000 cubic meters to 200,000 cubic meters. He disclosed that Binga never stopped producing power although in diminished capacity because of the low water volume and siltation.

Further, Senator Osmeña said that while there is no direct relationship between the power being produced by Binga Dam and the amount of money that the proponent would spend on the contract, the contract was drawn up in a way that allowed the contractor to collect on the power production by the dam regardless of whether he finished his part of the contract, and that, in fact, the price per kilowatt hour was even increased.

Asked if she was aware that the price of power was overpriced in a roundabout way by 10% by including the VAT when Mr. Catalino Tan was paid although the EPIRA already exempted all power plants from the payment of the VAT, Senator Defensor Santiago replied that it would appear that Mr. Delgado accommodated all the requests of Mr. Tan and went against the recommendation of then Secretary Lazaro, the interagency task force and government counsels to immediately terminate the contract with the company of Mr. Tan. She believed that Mr. Delgado could be one of the key witnesses in the investigation.

In this regard, Senator Osmeña disclosed that when President Estrada assumed office in 1998, Mr. Tan offered to terminate the contract. Senator Defensor Santiago recalled that Mr. Tan attempted to unilaterally terminate the contract because Napocor refused to pay him any longer due to his failure to renew the project undertaking but as soon as President Macapagal Arroyo assumed office, he apparently tried to get back the contract through certain contacts like former President Ramos.

Senator Osmeña also disclosed that during the Estrada Administration, Mr. Tan asked for US\$11.8 million as a final payment, US\$5 million of which would go to his company and US\$6.8 million to the contractors and suppliers; however, he failed to get the said amount. Eventually, he pointed out that Napocor Officer-in-Charge and SVP Rolando Quilala approved the settlement. He added that Mr. Quilala's son, Rabindranath Abet Quilala, worked for Mr. Tan.

Senator Osmeña continued that in January 2001, Napocor negotiated again with Mr. Tan, as a result of which, he would receive P5 billion instead of the US\$5 million or P350 million excluding payments to his suppliers. He disclosed that recently, Mr. Tan had demanded payment for power that was generated and delivered from 1998 to 2004 by the Binga plant which was built and paid for by the Philippine government.

Further, Senator Osmeña noted that Napocor's contract with Mr. Tan is similar to the one-sided CBK contract whereby a firm repaired the power plant and was able to collect payment for the entire

power being generated by the facility. He stated that these were anomalous contracts through which Napocor officials completely bled dry the institution.

#### **REFERRAL OF SPEECH TO COMMITTEE**

Upon motion of Senator Pangilinan, there being no objection, the Chair referred the privilege speech and the interpellations thereon to the Committee on Energy.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 4:59 p.m.*

#### **RESUMPTION OF SESSION**

At 5:00 p.m., the session was resumed.

#### **PROPOSED SENATE RESOLUTION NO. 36**

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 36, entitled

#### **RESOLUTION COMMENDING THE PHILIPPINE HUMANITARIAN CONTINGENT IN IRAQ FOR THEIR EXEMPLARY SERVICE.**

Thereupon, the Chair recognized Senator Gordon for the sponsorship.

#### **SPONSORSHIP SPEECH OF SENATOR GORDON**

In sponsoring Proposed Senate Resolution No. 36, Senator Gordon delivered the following speech:

I rise before this Chamber today for the distinct honor of asking the Chamber's support for Proposed Senate Resolution No. 36, entitled "Resolution Commending the Philippine Humanitarian Contingent in Iraq for their Exemplary Service." This resolution is coauthored by Sen. Joker P. Arroyo.

The 96 members of the Philippine contingent are composed of 15 personnel from the Department of Health, 26 personnel from the Philippine National Police, and 55 personnel from the Armed Forces of the Philippines. They contributed to the cause of democracy not through bullets and force but through humanitarian efforts to cure the unnecessarily evil, that is the ravages of war.

Late though it may be in the day, let us remember these unsung heroes who constructed facilities for water, school buildings, village roads, foot bridges, public health centers, and conducted various medical and civic action programs for 16,000 needy people in Iraq. They came when they were needed. They served without expectation of reward, they abided by the lawful orders of this sovereign government, and silently swallowed the uneducated insults hurled against them at times.

This nation has become a donee nation. In the past, we used to be able to contribute to other countries. It is very, very heartening to note that while we sent troops to Vietnam, even before that, we also sent "Operation Brotherhood" as a contingent to undertake humanitarian efforts for that beleaguered country.

This time, we sent a composite group of doctors from the Department of Health, from the Philippine National Police, and from the Armed Forces of the Philippines. And we would like to remember the names of those whose lives were imperiled by terrorists. On the other hand, let us also pay attention to the memories of those who went to Iraq to serve not for personal gain but for the interest of the country and the ideals of democracy.

Let us commend the people who went to Iraq for their courage and willingness to fight terrorism through constructive means and to fight for freedom through their actions which exemplify civility, kinship, and humanity.

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These people went to Iraq following the orders of our government. They were not there for war. They did not carry weapons of war. They went there with their skills. They went there with the kind heart of the Filipino people to represent our country and I think the Members of this Senate ought to recognize that.

In view of the outstanding character exhibited by our troops in going to Iraq and, despite the dangerous conditions, in staying in that country to help until they were bidden by the government to return to the Philippines to save the life of a fellow Filipino, Angelo de la Cruz; and for maintaining a dignified silence in the face of unfair judgment, I urge this Chamber to support this resolution.

#### INTERPELLATION OF SENATOR ENRILE

Asked by Senator Enrile whether the humanitarian contingent was sent to Iraq by the Philippine government as a member of the Coalition of the Willing, Senator Gordon replied in the affirmative, as he stressed that the non-combatant troops were sent to Iraq because the Filipinos there were also being victimized by the terrorists. He added that the troops were on a mission to provide aid to the Iraqis and help in the rehabilitation of Iraq.

On whether the sending of the humanitarian troops to Iraq was an offshoot of the membership of the Philippines in the Coalition of the Willing, Senator Gordon said that he was not aware if there is such a term as "Coalition of the Willing" but he surmised that it is a coalition to fight terrorism.

But Senator Enrile pointed out that it is public knowledge that there is a Coalition of the Willing. He then asked whether the Philippine government is not accepting the fact that it became a member of the coalition. Senator Gordon clarified that he was merely commenting on the term because there was no official statement from the Philippine government which mentioned the term "Coalition of the Willing."

On whether the Coalition of the Willing was organized precisely because the United Nations did not authorize the United States to wage a war against Iraq, Senator Gordon replied that was probably one of the reasons why it was called the Coalition of the Willing.

Asked if U.S. Secretary of State Collin Powell appeared before the UN Security Council to argue the case of the United States for a UN resolution authorizing the U.S. to wage war against Iraq, Senator Gordon replied in the affirmative.

On whether the United States invited other nations to join a coalition as a consequence of the Council's denial of its request for the resolution, Senator Gordon also replied in the affirmative. He stated that the Philippines became part of the Coalition of the Willing.

Senator Enrile noted that the Coalition of the Willing was principally composed of the United States, Great Britain and Australia, among others. Senator Gordon said that in Southeast Asia, only the Philippines and Thailand joined the coalition.

Asked if the Coalition of the Willing is a coalition of nations willing to wage war against Iraq. Senator Gordon disagreed as he said that if the government had been willing to send a contingent of armed troops, it could not have done so without congressional approval especially in the light of the constitutional provision.

Asked if the President was serious in joining the Coalition of the Willing, Senator Gordon surmised that in the hierarchy of global cooperation, many countries sent troops, some to fight and others to help rebuild Iraq. He averred that countries sent troops, depending on their financial capability or how strenuous they have interpreted the situation or how it could affect their national interest.

Senator Enrile stated that up to now, he does not understand whether the Filipino contingent was sent to Iraq as a consequence of the country's membership in the coalition or if it was an answer to the call of the UN for contribution of personnel to participate in the rehabilitation of Iraq. Senator Gordon replied that initially, the Philippine contingent was sent to Iraq to provide

help that the government felt should be given to a nation that is undergoing a transition from a dictatorship to a democracy; later on, it became a response to the UN's call for a contingent that would encourage other nations to participate in the rehabilitation of Iraq.

Asked if it was the United Nations or the United States which made the call to help war-torn Iraq, Senator Gordon clarified that it was a call to people of goodwill who wanted to give aid to countries in distress. Knowing the pragmatism involved in international diplomacy, he said, the President also reacted to the situation.

Senator Enrile recalled that the contingent was an answer to the call of UN Secretary General Kofi Annan to nations belonging to the United Nations to contribute personnel to rebuild Iraq. Senator Gordon said that he was not really aware as to who made the call but he would take Senator Enrile's word for it.

Senator Enrile stated that when the Philippine contingent was pulled out of Iraq, the Philippines was removed from the list of the Coalition of the Willing and up to the present, there is still an ongoing debate on the consequence of that act. He said that OFWs are no longer being sent to Iraq and the Philippines would no longer participate in the economic development of Iraq. Senator Gordon clarified that he did not agree with the pullout of the troops based on threat. He said that the administration opted to pull out the troops to protect an individual's life to the gratitude of an entire nation.

Had he been the President of the Philippines at that time, asked if he would have sent to Iraq the same number of uniformed personnel, Senator Gordon replied that he would have suggested that the President let the hostage takers know that human life is precious to Filipinos and that Angelo de la Cruz was not there to fight or defy the Iraqis but to earn a living; and if the hostage takers took de la Cruz' life, the Philippine government would take care of his family and moreover, more Filipino troops would be sent to Iraq.

Asked when the Coalition of the Willing was formed and when the war started, Senator Gordon said that he was not sure of the exact date. At this

point, Senator Pangilinan said that the coalition started sometime in March 2003.

Senator Gordon added that the Philippine contingent was sent to Iraq on August 20, 2003.

Observing that there was a five-month interval between the time the coalition started and when the Filipino troops were sent, Senator Enrile asked if the contingent was part of the Philippines' participation as a member of the Coalition of the Willing. Senator Gordon replied in the affirmative.

Senator Enrile cited Article 118 of the Revised Penal Code prohibiting any act that would provoke war or retaliation against Philippine nationals, adding that it carries a very heavy penalty for public officials. He said that it is not to put the blame on anybody but to remind public officers that they must act according to the country's laws.

If the contingent was part of the country's participation as a member of the coalition and the same was waging a war against Iraq, Senator Enrile asked if there was any authority from Congress for the Philippines to participate in the war. Senator Gordon replied that there was no participation from Congress as he expressed the belief that even before the Philippine troops flew to Iraq, the war was practically over as announced by President Bush. This was why Kofi Annan, he said, requested countries to participate in the rehabilitation of Iraq and being a member-country, the Philippines was just fulfilling its duty to the United Nations and to humanity.

Senator Enrile argued that the deployment of the Philippine contingent was provocative to the point of inviting reprisals against Philippine nationals as exemplified by the case of Angelo de la Cruz. Senator Gordon replied that kidnapping happens everyday in Iraq, some for political reasons and others for ransom, just like what happens in the Philippines. He pointed out that precisely, the Philippine contingent was sent to Iraq because the country has been a victim of terrorism. He said that people were being kidnapped in the country by terrorists. He pointed out that the deployment of Filipino troops is a way of manifesting in a peaceful manner that the building of a country is a better choice.

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Senator Enrile argued that the Philippine contingent had to be pulled out because that was the demand of Iraqis. He said that it was not really for ransom or for political purposes, but a condition imposed by Iraqis fighting the members of the Coalition of the Willing. Senator Gordon revealed that he has heard rumors that there were ransom payments about to be made but these were not verified. He explained that the act of kidnapping a Filipino with threats to behead him should the troops not pull out was something that the President and the people reacted to. The pullout, he said, was in recognition of the country's interest to save the life of Angelo de la Cruz.

Senator Enrile recalled that Angelo de la Cruz was released only when the Philippine government agreed to the demand of the kidnappers to pull out all its uniformed contingent; however, no demand was made for the pullout of the civilian component of the Philippine contingent. He stressed that what the Iraqis asked for was the pullout of the armed elements.

Senator Gordon explained that the intention of the pullout was two-fold, one is that the Iraqis did not want the Americans to stay there, and two, anybody who helped the Americans is considered an enemy of the Iraqis. He remarked that there could be other reasons.

Asked if anti-U.S. Iraqis demanded the pullout of Philippine troops in exchange for the life of Angelo de la Cruz, Senator Gordon replied in the affirmative.

#### **INTERPELLATION OF SENATOR PIMENTEL**

Senator Pimentel believed the Philippine government's decision to send a humanitarian contingent to Iraq was justified because it was deployed following a call made by United Nations Secretary General Kofi Annan for all members to help in the rehabilitation of Iraq. He stressed that this gave the assurance that the contingent was not sent to wage war but to undertake rehabilitation work for Iraq as a result of the unjustified invasion and bombings primarily by the United States and its chief ally, Great Britain.

In this connection, Senator Pimentel inquired whether Senator Gordon knew about the

participation of General Jovito Palparan in the Philippine contingent. Senator Gordon replied that he did not know General Palparan personally but said he was aware that the latter was stationed somewhere in Mindoro.

Senator Pimentel disclosed that General Palparan had been accused of human rights violations in Occidental Mindoro particularly in the summary killings of some activists. Despite this accusation and the fact that witnesses had openly indicted the man, he lamented that General Palparan had been promoted to the rank of general even though his appointment has been not been confirmed by the Commission on Appointments.

Upon further query, Senator Gordon identified General Palparan as the head of the RP contingent to Iraq.

Senator Pimentel expressed concern that General Palparan could use the resolution as an additional citation in his curriculum vitae to show the world that even the Philippine Senate has recognized his bravery or achievements in Iraq. As such, he said that he would object to the resolution if it does not consider General Palparan's tainted record.

For his part, Senator Gordon believed that the Members still adhere to the doctrine that a person is innocent unless proven otherwise. Therefore, he opined that the Members should not presume General Palparan to be guilty of the charges until a proper tribunal has declared him to be so. He pointed out that soldiers are sent to fight for their country or do their duties which do not include harming civilians or violating human rights. Relative thereto, he noted that the Members should appreciate the fact that General Palparan went to Iraq as part of his duty.

On whether the Body should withdraw the resolution if General Palparan is pronounced guilty of committing human rights violations, Senator Gordon replied in the negative as he explained that the commendation applies to the act of the collective unit. However, Senator Pimentel opined that waiting for the court's decision is out of bounds insofar as the Senate is concerned. He explained that the court will

decide whether or not to send General Palparan to jail while the Senate will decide whether or not to commend him for being part of the Philippine contingent in spite of his tainted record.

Moreover, Senator Pimentel disagreed with the proposition that cabinet members facing criminal charges could be appointed to sensitive positions. He cited the case of Angelo Reyes who, although charged with murder, has been allowed to continue holding his post as DILG secretary which gives him supervision over the national police. He noted that the allegations that Secretary Reyes was involved in the killing of an airport manager is a matter for the police to investigate. However, he wondered how the police could investigate their own chief without being hindered in their pursuit of the truth. He also did not believe that the Members should wait until Secretary Reyes is convicted considering the sensitive position he is occupying. Although Secretary Reyes is not involved in the issue, Senator Pimentel said there is a parity of circumstances between his case and that of General Palparan. He noted that the Senate is also a court of public opinion, therefore, legal arguments like presuming a person to be innocent until proven guilty should not be used because this deals with another level of responsibility. In this instance, he explained that the guilt or innocence as well as punishment or acquittal of an individual is not involved in the commendation of an official whose service record, as in the case of General Palparan, leaves much to be desired.

While saying that he appreciated the sensitivity of Senator Pimentel to the issue, Senator Gordon opined that General Palparan could also be acquitted of the charges against him. Moreover, he noted that some Members, in pursuit of their duty, had also been accused of human rights abuse although they are still accorded respect because of the principle in law that a man is presumed innocent until proven otherwise. He cited the case of Senator Lim who painted signs in drug dealers' homes. He reiterated that the resolution seeks to commend the act of the Philippine contingent and not General Palparan alone. He expressed hope that the commendation could be passed without controversy.

Should General Palparan appear before the Commission on Appointments where the measure of evidence required is not guilt beyond reasonable doubt, Senator Gordon said that the Commission could reject him on the issue of his alleged involvement in human rights violations. Senator Pimentel, however, disagreed, observing that the allegations against Senator Lim had been raised as a political issue and that the Filipino people had acquitted him of the crime by voting him as one of the top 10 senators. Moreover, he said that he was not certain whether a case had been filed against Senator Lim whereas General Palparan is facing charges in court and has been identified by witnesses as the one responsible for the killing of human rights activists in Mindoro Occidental.

Expressing disinterest in the ideology being promoted by the human rights activities, Senator Pimentel said, however, that the point of the matter was that no one, including General Palparan, has any right to kill these activists for espousing ideas contrary to his own. He strongly objected to the resolution if it does not contain a provision that would keep it from being used by General Palparan in his curriculum vitae. Moreover, he said he was willing to continue speaking against the proposed resolution. However, he stated that he did not wish to block the resolution because General Palparan's errors should not reflect on the members of the contingent. He stressed that he would vote in favor of the resolution if Senator Gordon could reword the commendation to exclude General Palparan.

Further, Senator Pimentel opined that the Body has every right to question commendations emanating from the Senate particularly when these could be misused by the person being commended. As such, he expressed hope that Senator Pangilinan and Senator Gordon could work out a safety clause to prevent General Palparan from using the commendation for his purposes. Senator Gordon believed that they could find a solution to address Senator Pimentel's concern.

#### **INTERPELLATION OF SENATOR BIAZON**

At the outset, Senator Biazon said that he shared the same reservation on the inclusion of General Palparan in the proposed resolution.

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Senator Biazon stated that the Iraq war could be divided into two phases: the first started on March 19 when the Americans entered Iraq and ended on April 19 when the government of Saddam Hussein was toppled; and the second, when the Americans got involved in a fight against insurgents.

Senator Biazon said that record would show that he opposed the deployment of the Philippine contingent to Iraq for three reasons: 1) the troops and resources were needed more in Mindanao; 2) the Filipino workers in the Middle East could be put in jeopardy by such an act that could result in political instability at home; and 3) the financial implication of sending and supporting the contingent in terms of salaries, allowances, insurance, and other maintenance and operating expenses.

Asked how much the government spent for the contingent for the duration of its stay in Iraq, Senator Gordon replied that he did not have the figure at the moment. However, he pointed out that the troops flew to Iraq by Bayani Air which was paid for by the U.S. government, although their return home via Kuwait Airlines was paid for by the Philippine government; while their food was funded by the U.S. government, the maintenance and operating expenses including transportation, salaries, allowances, office supplies and miscellaneous expenses were funded by the Philippine government.

Senator Biazon recalled that the expense initially estimated at P30 million was supposed to be shouldered by the U.S. government and would be reimbursed later on by an international body. He then asked whether the expenses incurred by the Philippine contingent were reimbursed to the Philippine government. In reply, Senator Gordon stated that when the Philippine government sends a contingent to another country, it should do so with a high sense of responsibility, not as a donee nation or as mercenaries who are only taking advantage of the allowances or benefits involved in the operations. He lamented that sometimes, in these operations, the Filipinos, by taking crumbs, lose sight of the real objective which reduces the level of respect of other nations for them.

Senator Biazon asked if the representatives of the Executive branch were not telling the truth in the hearing when they answered questions regarding the expenses. Senator Gordon replied that he was not aware of the factual situation at that time.

Senator Biazon recalled that the government sent almost a battalion-size Philippine contingent to East Timor that did more than what was expected in terms of educating and providing trainings for the East Timorese. He said that the cost of the deployment was reimbursed to the Philippine government by the United Nations.

Senator Gordon replied that East Timor was a different matter because the United Nations sanctioned the mission and the Philippines fulfilled its mission as part of the United Nations. In the case of Iraq, he said, there was no UN sanction, therefore, while some expenses were shared by the U.S. government, it was a source of pride that at least, the Philippine government spent its own resources on allowances and salaries.

Asked about the basis of the government's decision to send a Philippine contingent to Iraq and precisely, what authority it was responding to as it did its job on the ground, Senator Gordon replied that the President sent the contingent in response to Kofi Annan's call, and, at the same time, as part of the government's policy to coalesce with nations that oppose terrorism. He stated that adherence to international law is pursuant to Section 2, Article II of the Constitution. He believed that the Philippine troops were also cooperating with the Coalition of the Willing. He maintained that sending the troops was part of the government's response to adhere to the principle of helping other countries get back their democracy; perhaps, be part of a peace dividend in terms of contracts for the reconstruction of Iraq; and at least, be able to purchase oil under beneficial terms as a result of that help extended to Iraq during the reconstruction.

At this juncture, Senator Biazon made reservation to continue his interpellation later on

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particularly on the issue involving the funds used to support the troops.

**SUSPENSION OF CONSIDERATION OF PROPOSED SENATE RESOLUTION NO. 36**

Upon motion of Senator Pangilinan, there being no objection, the Body suspended consideration of the resolution.

**COMMITTEE MEMBERSHIP**


Upon motion of Senator Pangilinan, there being no objection, Senator Biazon was elected member of the Committee on Cooperatives in lieu of Senator Cayetano.

**ADJOURNMENT OF SESSION**

Upon motion of Senator Pangilinan, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of the following day.

*It was 6:10 p.m.*

I hereby certify to the correctness of the foregoing.

  
OSCAR G. YABES  
Secretary of the Senate  
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Approved on September 14, 2004