



REPUBLIC OF THE PHILIPPINES

**S e n a t e**

**Pasay City**

# **Journal**

**SESSION NO. 27**

Monday, October 25, 2004

**THIRTEENTH CONGRESS  
FIRST REGULAR SESSION**

**SESSION NO. 27**  
 Monday, October 25, 2004

**CALL TO ORDER**

At 3:34 p.m., the Senate President, Hon. Franklin M. Drilon, called the session to order.

**PRAYER**

Sen. Compañera Pia S. Cayetano led the prayer, to wit:

Our God and Heavenly Father, today we humbly ask for wisdom to discern what ails our nation and what each one of us can do to cure this ailment; for humility and the ability to listen to the opinions of others without casting judgment; for strength of character to make the right decisions though they may be unpopular.

We ask, dear Lord, that You clear our hearts and minds of prejudice and distrust that have been built through the years.

We ask that You give us unity that we, in this Chamber, may act as one in seeking for solutions to our nation's problems.

In Jesus' Name we ask.

Amen.

**NATIONAL ANTHEM**

The Senate Choir led the singing of the national anthem and thereafter rendered the song entitled, *Waway*.

**ROLL CALL**

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

- |                    |                       |
|--------------------|-----------------------|
| Arroyo, J. P.      | Defensor Santiago, M. |
| Biazon, R. G.      | Drilon, F. M.         |
| Cayetano, C. P. S. | Ejercito Estrada, J.  |

- |                            |                     |
|----------------------------|---------------------|
| Ejercito Estrada, L. L. P. | Osmeña III, S. R.   |
| Enrile, J. P.              | Pangilinan, F. N.   |
| Flavier, J. M.             | Pimentel Jr., A. Q. |
| Gordon, R. J.              | Recto, R. G.        |
| Lacson, P. M.              | Revilla Jr., R. B.  |
| Lim, A. S.                 | Roxas, M.           |
| Magsaysay Jr., R. B.       | Villar Jr., M. B.   |

With 20 senators present, the Chair declared the presence of a quorum.

Senators Angara and Lapid were on official mission.

Senator Madrigal was absent.

**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. 26 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. 1797, entitled

**AN ACT REORGANIZING AND RECONSTITUTING THE PHILIPPINE NATIONAL POLICE (PNP) AND FOR OTHER PURPOSES**

Introduced by Senators Lim, Pimentel Jr., Angara, Enrile, Jinggoy Ejercito Estrada, Luisa "Loi" P. Ejercito Estrada, Lacson, M. A. Madrigal and Serge Osmeña

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

Senate Bill No. 1798, entitled

AN ACT REGULATING THE OPERATION OF COMPUTER RENTAL SHOPS AND SIMILAR ESTABLISHMENTS, PRESCRIBING PENALTIES FOR VIOLATION THEREOF AND FOR OTHER PURPOSES

Introduced by Senator Compañera Pia S. Cayetano

**To the Committees on Trade and Commerce; and Local Government**

Senate Bill No. 1799, entitled

AN ACT PROVIDING FOR RETIREMENT BENEFITS OF ALL MEMBERS OF THE JUDICIARY, FURTHER AMENDING FOR THE PURPOSE SECTION ONE OF REPUBLIC ACT NO. 910, AS AMENDED

Introduced by Senator Compañera Pia S. Cayetano

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

Senate Bill No. 1800, entitled

AN ACT REQUIRING THE ISSUANCE OF EMPLOYMENT CERTIFICATION IN FAVOR OF RESIGNED, DISMISSED OR SEPARATED EMPLOYEES AND PROVIDING PENALTIES FOR VIOLATION THEREFOR, AMENDING FOR THIS PURPOSE THE LABOR CODE OF THE PHILIPPINES

Introduced by Senator Compañera Pia S. Cayetano

**To the Committee on Labor, Employment and Human Resources Development**

Senate Bill No. 1801, entitled

AN ACT INCREASING THE MAXIMUM VALUE OF THE FAMILY HOME EXEMPT FROM EXECUTION, FORCED SALE OR ATTACHMENT, AMENDING FOR THE PURPOSE ARTICLE 157 OF THE FAMILY CODE OF THE PHILIPPINES, AS AMENDED

Introduced by Senator Compañera Pia S. Cayetano

**To the Committees on Justice and Human Rights; and Youth, Women and Family Relations**

Senate Bill No. 1802, entitled

AN ACT INCREASING THE PENALTY IMPOSED AGAINST POLLUTERS OF OUR NAVIGABLE WATERS BY AMENDING SECTION 7 OF PRESIDENTIAL DECREE NO. 979 PROVIDING FOR THE REVISION OF PRESIDENTIAL DECREE NO. 600 GOVERNING MARINE POLLUTION

Introduced by Senator Compañera Pia S. Cayetano

**To the Committees on Environment and Natural Resources; and Public Services**

Senate Bill No. 1803, entitled

AN ACT AMENDING EXECUTIVE ORDER NO. 209, OTHERWISE KNOWN AS THE FAMILY CODE OF THE PHILIPPINES AND FOR OTHER PURPOSES

Introduced by Senator Compañera Pia S. Cayetano

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

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Senate Bill No. 1804, entitled

AN ACT PROVIDING FOR PENSION AND HEALTH BENEFITS TO COMFORT WOMEN, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Compañera Pia S. Cayetano

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

Senate Bill No. 1805, entitled

AN ACT PRESCRIBING ENTREPRENEURSHIP EDUCATION TO HIGH SCHOOL AND COLLEGE STUDENTS AND FOR OTHER PURPOSES

Introduced by Senator Compañera Pia S. Cayetano

To the Committee on Education, Arts and Culture

Senate Bill No. 1806, entitled

AN ACT PROHIBITING DRUNK DRIVING, PROVIDING FOR STRICT PENALTIES THEREFOR, AMENDING FOR THE PURPOSE THE REVISED PENAL CODE AND FOR OTHER PURPOSES

Introduced by Senator Compañera Pia S. Cayetano

To the Committees on Justice and Human Rights; and Public Services

Senate Bill No. 1807, entitled

AN ACT ESTABLISHING THE PHILIPPINE SPECIAL CHILDREN CENTER, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Compañera Pia S. Cayetano

To the Committees on Education, Arts and Culture; Youth, Women and Family Relations; and Finance

Senate Bill No. 1808, entitled

AN ACT PROVIDING FOR A SYSTEM OF COMPENSATION TO BUILDERS AND CONTRACTORS OF BUILD-OPERATE-TRANSFER (BOT) PROJECTS WHICH ENHANCE THE VALUE OF LANDS OR PROPERTY

Introduced by Senator Magsaysay Jr.

To the Committee on Public Works

Senate Bill No. 1809, entitled

AN ACT ALLOCATING TEN PERCENT (10%) OF THE INTERNAL REVENUE ALLOTMENT (IRA) ALLOCATED TO BARANGAYS TO THE SANGGUNIANG KABATAAN, MANDATING THE AUTOMATIC RELEASE THEREFOR, AMENDING FOR THIS PURPOSE THE PERTINENT PROVISIONS OF REPUBLIC ACT NUMBERED SEVENTY-ONE HUNDRED AND SIXTY (R.A. NO. 7160), OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE" AND FOR OTHER PURPOSES

Introduced by Senator Magsaysay Jr.

To the Committees on Local Government; and Finance

Senate Bill No. 1810, entitled

AN ACT EXPANDING THE COVERAGE OF THE DEFINITION OF THE CRIME OF SEXUAL HARASSMENT BY INCLUDING UNWANTED TEXT MESSAGES, ELECTRONIC MAIL OR

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COMMUNICATIONS ADOPTING  
SIMILAR MEANS, AMENDING FOR  
THIS PURPOSE REPUBLIC ACT  
NUMBERED SEVENTY-EIGHT  
HUNDRED AND SEVENTY-SEVEN,  
OTHERWISE KNOWN AS THE  
SEXUAL HARASSMENT LAW

Introduced by Senator Magsaysay Jr.

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

Senate Bill No. 1811, entitled

AN ACT INSTITUTING LINE ITEM  
BUDGETING IN THE BUDGETARY  
PROCESS OF THE GOVERNMENT,  
REPEALING FOR THIS PURPOSE  
PRESIDENTIAL DECREE 1177, AS  
AMENDED

Introduced by Senator Pimentel Jr.

**To the Committee on Finance**

Senate Bill No. 1812, entitled

AN ACT TO ENFORCE WARRANTIES  
ON THE SALE OF MOTOR  
VEHICLES, AND IMPOSING  
PENALTIES FOR VIOLATION  
THEREOF

Introduced by Senator Pimentel Jr.

**To the Committee on Trade and Commerce**

Senate Bill No. 1813, entitled

AN ACT TO PROVIDE CRIMINAL  
PENALTIES FOR UNAUTHORIZED  
RECORDING OF MOTION  
PICTURES IN A MOTION PICTURE  
EXHIBITION FACILITY, TO  
PROVIDE CRIMINAL AND CIVIL  
PENALTIES FOR UNAUTHORIZED  
DISTRIBUTION OF COMMERCIAL  
PRERELEASE COPYRIGHTED  
WORKS, AND FOR OTHER  
PURPOSES

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committees on Public Information  
and Mass Media; and Trade and Commerce**

Senate Bill No. 1814, entitled

AN ACT TO INCLUDE IN THE  
CURRICULA OF ALL PUBLIC  
AND PRIVATE SCHOOLS,  
COLLEGES AND UNIVERSITIES A  
COMPREHENSIVE COURSE ON  
ETHICS AND VALUES FORMATION

Introduced by Senator Defensor Santiago,  
Miriam

**To the Committee on Education, Arts and  
Culture**

Senate Bill No. 1815, entitled

AN ACT FURTHER AMENDING  
SECTION 145 OF THE NATIONAL  
INTERNAL REVENUE CODE  
OF 1997

Introduced by Senator Enrile

**To the Committee on Ways and Means**

Senate Bill No. 1816, entitled

AN ACT TO PROVIDE FOR THE  
REDUCTION OF ADOLESCENT  
PREGNANCY, HIV RATES, AND  
OTHER SEXUALLY TRANSMITTED  
DISEASES

Introduced by Senator Defensor Santiago,  
Miriam

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

Senate Bill No. 1817, entitled

AN ACT ADDRESSING THE SYSTEM  
OF PROSTITUTION, IMPOSING  
PENALTIES ON ITS

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PERPETRATORS, PROVIDING PROTECTIVE MEASURES AND SUPPORT SERVICES FOR ITS VICTIMS, AMENDING FOR THE PURPOSE THE REVISED PENAL CODE

Introduced by Senator Defensor Santiago, Miriam

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

Senate Bill No. 1818, entitled

AN ACT PROHIBITING POLITICAL TURNCOATISM AND PROVIDING PENALTIES FOR VIOLATION THEREOF

Introduced by Senator Jinggoy Ejercito Estrada

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

Senate Bill No. 1819, entitled

AN ACT AMENDING SECTION 46 OF REPUBLIC ACT 8189 OTHERWISE KNOWN AS "THE VOTER'S REGISTRATION ACT OF 1996" BY INCREASING THE PENALTY PROVIDED AND FOR OTHER PURPOSES

Introduced by Senator Jinggoy Ejercito Estrada

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

Senate Bill No. 1820, entitled

AN ACT TO AMEND BATAS PAMBANSA BLG. 881, OTHERWISE KNOWN AS THE OMNIBUS ELECTION CODE OF THE PHILIPPINES, AS AMENDED, AND FOR OTHER PURPOSES

Introduced by Senator Jinggoy Ejercito Estrada

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

Senate Bill No. 1821, entitled

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

Introduced by Senator Angara

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

Senate Bill No. 1822, entitled

AN ACT AMENDING REPUBLIC ACT NUMBERED SEVENTY-SIX HUNDRED AND FIFTY-THREE ENTITLED "THE NEW CENTRAL BANK ACT" AND FOR OTHER PURPOSES

Introduced by Senator Angara

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

## RESOLUTIONS

Senate Joint Resolution No. 4, entitled

JOINT RESOLUTION EXPRESSING THE SENSE OF CONGRESS TO INCREASE THE DAILY SUBSISTENCE ALLOWANCE OF ALL OFFICERS, ENLISTED PERSONNEL, THOSE UNDERGOING TRAINING AND MNLF INTEGREGES OF THE ARMED FORCES OF THE PHILIPPINES (AFP) AND THE PHILIPPINE NATIONAL POLICE (PNP),

INCLUDING UNIFORMED PERSONNEL AND OFFICERS OF THE BUREAU OF JAIL MANAGEMENT AND PENOLOGY (BJMP) AND THE BUREAU OF FIRE PROTECTION (BFP) TO ONE HUNDRED PESOS AND PROVIDING FOR ITS PERIODIC ADJUSTMENT

Introduced by Senator Lacson

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

Proposed Senate Resolution No. 104, entitled

RESOLUTION DIRECTING THE APPROPRIATE COMMITTEE OF THE SENATE TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, INTO THE STATE OF IMPLEMENTATION OF REPUBLIC ACT 7394 OTHERWISE KNOWN AS THE CONSUMERS ACT OF THE PHILIPPINES, MORE PARTICULARLY INTO THE SALE OF MOTOR VEHICLES AND TO INSTITUTE REMEDIES AGAINST FRAUDULENT PRODUCT WARRANTIES

Introduced by Senator Pimentel Jr.

To the Committee on Trade and Commerce

Proposed Senate Resolution No. 105, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEES ON FOREIGN RELATIONS; AND LABOR, EMPLOYMENT AND HUMAN RESOURCES DEVELOPMENT TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE ALARMING REPORTS OF DEATHS AMONG OFWS, WITH THE END VIEW OF ASCERTAINING GOVERNMENT AGENCIES AND

PERSONNEL' GROSS NEGLIGENCE IN LOOKING OUT FOR THE WELFARE OF OVERSEAS FILIPINO WORKERS (OFWs) AND RECOMMENDING POLICY MEASURES TO AVERT FURTHER UNNECESSARY DEATHS"

Introduced by Senator Villar Jr.

To the Committees on Foreign Relations; and Labor, Employment and Human Resources Development

Proposed Senate Resolution No. 106, entitled

RESOLUTION DIRECTING THE COMMITTEE ON ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS, THE COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES AND THE COMMITTEE ON EDUCATION, ARTS AND CULTURE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE ALLEGED INDISCRIMINATE CUTTING AND SMUGGLING OF TREES, VIOLATION OF THE LAW ON PUBLIC BIDDING, GREATLY DISADVANTAGEOUS CONTRACTS ENTERED INTO, AND OTHER UNSCRUPULOUS ACTS ALLEGEDLY PERPETUATED BY THE ADMINISTRATION OF THE UNIVERSITY OF THE PHILIPPINES LOS BAÑOS (UPLB) WITH THE END IN VIEW OF ENACTING MEASURES TO MAINTAIN THE HONOR AND INTEGRITY OF THE ADMINISTRATION AND STRENGTHEN THE UNIVERSITY'S ENVIRONMENTAL PROTECTION POLICIES

Introduced by Senator M. A. Madrigal

To the Committees on Accountability of Public Officers and Investigations; and Environment and Natural Resources

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Proposed Senate Resolution No. 107, entitled

RESOLUTION DIRECTING THE COMMITTEE ON HEALTH AND DEMOGRAPHY TO INVESTIGATE, IN AID OF LEGISLATION, THE INCREASING NUMBER OF HEALTH PROFESSIONALS LEAVING THE COUNTRY

Introduced by Senator Compañera Pia S. Cayetano

**To the Committee on Health and Demography**

Proposed Senate Resolution No. 108, entitled

RESOLUTION DIRECTING THE COMMITTEE ON EDUCATION, ARTS AND CULTURE OF THE SENATE TO INVESTIGATE, IN AID OF LEGISLATION, THE QUALITY OF TEXTBOOKS USED IN PUBLIC AND PRIVATE SCHOOLS

Introduced by Senator Pimentel Jr.

**To the Committee on Education, Arts and Culture**

Proposed Senate Resolution No. 109, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION ON THE ALLEGED UNNECESSARY AND UNJUSTIFIED PURCHASE OF EXPENSIVE PAINTINGS BY THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS)

Introduced by Senator Defensor Santiago, Miriam

**To the Committee on Government Corporations and Public Enterprises**

Proposed Senate Resolution No. 110, entitled

RESOLUTION URGING PRESIDENT GLORIA MACAPAGAL-ARROYO TO CONSIDER THE GRANT OF AMNESTY TO ALL LEADERS AND PARTICIPANTS OF THE "OAKWOOD MUTINY" HELD ON JULY 27, 2003 AND THOSE SIMILARLY SITUATED

Introduced by Senators Lim, Pimentel Jr. and Jinggoy Ejercito Estrada

**To the Committee on Peace, Unification and Reconciliation**

Proposed Senate Resolution No. 111, entitled

RESOLUTION CALLING ON THE COMMITTEE ON PUBLIC SERVICES TO URGE THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS TO CONDUCT AN INSPECTION AND SUBMIT A COMPREHENSIVE OFFICIAL REPORT ON THE PRESENT PHYSICAL CONDITION OF THE NINOY AQUINO INTERNATIONAL AIRPORT TERMINAL 3

Introduced by Senator Pangilinan

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

Proposed Senate Resolution No. 112, entitled

RESOLUTION STRONGLY URGING THE SENATE COMMITTEE ON FINANCE TO CONSIDER THE POSSIBILITY OF REALIGNING THE BUDGET OF THE DEPARTMENT OF EDUCATION FOR 2005 WITH THE END IN VIEW OF INCREASING THE SALARIES OF PUBLIC SCHOOL TEACHERS NATIONWIDE

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Introduced by Senator Jinggoy Ejercito Estrada

To the Committee on Finance

**ADDITIONAL REFERENCE OF BUSINESS**

**BILLS ON FIRST READING**

Senate Bill No. 1823, entitled

AN ACT CREATING AN INDEPENDENT COMMISSION TO CONDUCT A THOROUGH FACT-FINDING INVESTIGATION OF ALLEGATIONS OF GRAFT AND CORRUPTION IN THE ARMED FORCES OF THE PHILIPPINES

Introduced by Senator Pangilinan

To the Committees on National Defense and Security; Justice and Human Rights; and Finance

Senate Bill No. 1824, entitled

AN ACT PROVIDING FOR THE RETIREMENT BENEFITS OF MEMBERS OF THE JUDICIARY, FURTHER AMENDING FOR THE PURPOSE SECTION 1 OF REPUBLIC ACT NO. 910, AS AMENDED

Introduced by Senator Villar Jr.

To the Committees on Justice and Human Rights; Civil Service and Government Reorganization; and Finance

**RESOLUTIONS**

Proposed Senate Resolution No. 113, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON PUBLIC ORDER AND ILLEGAL DRUGS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION ON THE CONDITION OF DETENTION FACILITIES THROUGHOUT THE

COUNTRY AMIDST REPORTS OF HARSH LIVING CONDITIONS WITH THE END IN VIEW OF RECOMMENDING MEASURES AS MAY BE NECESSARY TO ENSURE A HUMANE LIVING CONDITIONS FOR ITS INMATES

Introduced by Senator Villar Jr.

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

Proposed Senate Resolution No. 114, entitled

RESOLUSYON NA NAGMUMUNGKAHI NG DAMDAMIN NG SENADO NG PILIPINAS PATUNGKOL SA PAGSUPPORTA SA "YES FOR PEACE-BAYANIHAN PARA SA KAPAYAPAAN" PROGRAMA PARA SA PANGMATAGALANG KAPAYAPAAN DITO SA ATING BANSA

Introduced by Senator Ramon Bong Revilla Jr.

To the Committee on Rules

**REPORT OF SENATOR PIMENTEL**

Senator Pimentel presented the report of the Senate delegation regarding its participation in the 111th Inter-Parliamentary Union in Geneva and his report about his talks with officials in The Hague and Brussels, highlighting some portions of it, in particular on matters of interest to the Senate.

*Hereunder is the full text of Senator Pimentel's report:*

This report has two parts. Part I deals with the report of our delegation to the IPU assembly in Geneva. Part II deals with the report of the Minority Leader on his talks with officials in The Hague and Brussels.

A small delegation led by Senate President Franklin Drilon attended the 111<sup>th</sup> Inter-Parliamentary Union (IPU) Annual Assembly of the Governing

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Council in Geneva, Switzerland from September 27 to October 1, 2004.

The delegation, aside from the Senate President, included Sen. Richard Gordon, House Speaker Emilio Espinosa, Congressmen Arthur Defensor and Antonino Roman, and the Minority Leader.

The delegation was done, among other things, to demonstrate the commitment of our Congress to the goals of the IPU and to drum up attendance by IPU delegations from other parts of the world to the 112<sup>th</sup> IPU Assembly in Manila which the Senate is hosting in April 2005.

### *The IPU*

The IPU is the international organization of the parliaments of sovereign states. It is the sole organization that represents the legislative branches of government on a global scale. It has a membership of 144 national parliaments and five associate parliamentary assemblies.

Established in 1889, through the initiative of two respected parliamentarians, William Randal Cramer of the United Kingdom and Frederic Passy of France, the IPU aims to underscore the importance of legislatures as representative institutions in the search for peace and cooperation among the peoples of the world. For that achievement and for their lifelong dedication to the cause of peace, Messrs. Passy and Cramer won the Nobel Peace Prize in 1901 and 1903, respectively.

Today, the IPU is a forum where the elected representatives of the people around the globe, regardless of political, cultural and religious persuasions, "can come to grips with the conflicts which afflict the planet, and bring the concerns of their electorates to the multi-lateral negotiating table."

In recognition of its importance to the search for peace and the settlement

of conflicts anywhere in the world, the IPU obtained observer status with the UN in 2002.

### *Highlights of activities*

The highlights of our delegation's activities during the 111<sup>th</sup> Assembly follow:

On September 27, Senate President Franklin Drilon had his hands full presiding first at the regular Meeting of the ASEAN+3 Regional Group, and then, moderating the discussion on Japan's proposals on Confidence Building in the Asia-Pacific Region and the Role of Parliamentarians in Matters of Universal Primary Education and Eliminating Disparities in Primary and Secondary Education.

In the Asia-Pacific Group Meeting that followed, the delegation also successfully worked for the adoption of several amendments to the rules of procedure of the Asia-Pacific Group.

On the succeeding days, the Senate President and your delegation joined the individual meetings of five (5) geopolitical groups, namely, the Asia-Pacific Group, the Arab Group, the Latin American and Caribbean Group, the Eurasian Group and the European Twelve Plus Group, and invited them to attend the 112<sup>th</sup> Assembly in Manila next year.

### *Titillating power-point*

Senator Gordon's power-point presentation titillated the IPU groups with the wonders of the country that await their delegates when they come to Manila for the conference.

In one presentation, the European 12-plus, however, Group, Dick's machismo met its comeuppance. When Dick said that the "wives of the delegates" can go shopping in so many malls in Manila and elsewhere in the country, Canadian lady parliamentarians reminded him that "it is

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not only the wives of the delegates who shop but also their husbands.”

*RP booth swamped*

With the support of Ambassador Enrique Manalo of our Mission in Geneva, Director-General Carmen Arceño manned the Philippine Information and Tourism Booth at the Main Lobby of the convention center.

The booth was swamped by the delegates who gobbled up not only the brochures depicting the beauty of our country and the hospitality of our people but also samples of Filipino native delicacies, candies and sweets.

On September 30, Senate Secretary Oscar Yabes discussed with the members of the Association of the Secretaries-General of Parliaments (ASGP) the preparations for the IPU and ASGP assembly in Manila next year, which are being undertaken by the Senate.

On October 1, at the Closing Session of the 111<sup>th</sup> Assembly, the Senate President reiterated his invitation to the 144 IPU country delegations to attend the 112<sup>th</sup> Assembly next year in Manila. He assured them of a fruitful and pleasant visit to the country.

*Congress, a relevant agent*

Two years ago, the Senate President said in a report to this Chamber that our hosting of the IPU General Assembly in 2005 will put our Congress on the map of world legislatures. And indeed, it will do that because hosting an IPU conference here is a rare opportunity for us to show the international community that our legislature is an active and relevant agent of the people in the continuing search for freedom, justice and peace in the country.

For the record, let it be said that the hosting of the IPU General Assembly by the Senate is the culmination of the

persistent efforts in this Chamber that started with the Senate Presidency of the late Blas F. Ople in 1999, and continued during my stint as the head of this Chamber in the latter part of the 11<sup>th</sup> Congress. It got the seal of approval by the IPU Executive Committee in September 2002 during Senate President Drilon's presidency of the 12th Congress.

*Earmarks of success*

As I end the first part of this report, let me say that you, Mr. President, deserve the commendation of this Chamber because this early, the forthcoming IPU conference in Manila next year appears to have all the earmarks of success. Even as I speak at this moment, the Senate IPU secretariat is flooded with requests for information about the conference. More importantly, thus far, we have already received confirmation of attendance from 472 parliamentarian-delegates representing 39 IPU member-countries.

I am optimistic that this event will be an immediate shot in the arm of our ailing economy. I submit that the successful hosting of this event can surpass the impact of a multi-million peso marketing and advertising tourism and investments campaign to promote the country. The reason for this optimism is that we will be hosting in the conference not simple tourists but the elected leaders of the parliaments of 144 countries whose influence in their home countries cannot be gainsaid. These world leaders, then, will see for themselves that the country is not only a working democracy but also a beautiful country to visit and a safe haven for their investments as well. From our end as legislators, we can show them that our legislative institutions are capable of playing a bigger role in the search for global peace and cooperation in the community of nations.

Thus, the holding of the IPU 112<sup>th</sup> General Assembly in Manila next year deserves the multipartisan support of

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all the senators and, indeed, the unqualified endorsement of all sectors of our society. For the success of the conference will bring untold benefits, not to us, as legislators, but to the country first and foremost.

The second part of this report follows.

On October 1 (Friday), I was in The Hague for a series of meetings that were principally arranged by the Dutch Ambassador Robert Vornis.

#### *Election council meeting*

Accompanied by our Ambassador to the Netherlands, Romeo Arguelles, I met with Mr. Peter Stolk, an official of the Election Council of the Netherlands at the Ministry of Interior Affairs.

Our discussion focused on two main issues: 1. Their experience in absentee voting; and 2. How voting is done in their own country.

#### *5,000 voted abroad*

The Netherlands did not have much difficulty in implementing their absentee voting law. Dutch nationals are allowed to vote only in the elections for the Dutch parliament and for the European parliament.

In the parliamentary elections of June 2004, only 15,000 Dutch nationals abroad registered to vote but only 5,000 actually voted. So there was not much problem in that regard.

#### *Registration with The Hague*

Dutch nationals living abroad have to register with the Municipality of The Hague for every individual parliamentary or European election.

Registration period is between a maximum of six months and a minimum of six weeks before the day on which the election is to be held.

#### *Voting by mail*

Dutch nationals are allowed to vote by mail, which they may send directly to The Hague or to a postal polling station established by the government in a neighboring country.

#### *Like Namfrel*

What is astonishing is that "on the evening of polling day, the Netherlands News Agency (ANP), not their Comelec, produces an unofficial calculation of the result of the figures it receives directly from the municipalities." The ANP, which is the Netherlands News Agency, acts like Namfrel but unlike the leadership of the latter, there is no doubt in the minds of the Dutch that the ANP is non-partisan. And by and large no partisan complaints are aired against the report of ANP on the results of the elections.

#### *Voting machines*

Mechanical voting machines were used until 1974, when electronic ones started gradually to be introduced.

In the last general election held in May 2002, 95% of the Dutch municipalities provided electronic voting machines. In addition, voting by computer is now available at some polling stations.

They are now using electronic voting machines in the Netherlands. Like us, they also had a problem over the acquisition of appropriate election machines, which are still under investigation.

From what we gathered from the Interior Ministry, electronic voting was made permissible by an amendment to the Elections Act in 1965.

#### *Voting by computer, telephone*

They now have a Remote E-Voting Project team which conducted experiments during the elections of June

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2004 to test the feasibility of allowing Dutch voters abroad to vote by post, personal computer or, believe it or not, by telephone and of allowing Dutch voters residing in the Netherlands to vote at any polling station within their municipality.

Electronic cards will be required for remote E-Voting in the Netherlands. The card will bear safety measures such as public key infrastructure, electronic signatures and possibly biometric features.

#### *Voting abroad rules*

Dutch voters abroad are subject to different rules from their counterparts in the Netherlands. The main differences are:

- \* They have to prove their right to vote by showing proof of identity, such as copy of a passport or nationality certificate issued within the past three years.
- \* Their right to vote is limited to elections to the Dutch and European parliaments.
- \* Their identity is established by comparing the signature on the registration form with that on the declaration of identity.
- \* They may vote by post.
- \* They have extra time to cast their ballot.

#### *Legislation needed*

Now, because the Dutch Elections Act excludes remote e-voting, new legislation is necessary to put the experiment in place.

#### *E-voting and televoting criteria*

E-voting and televoting services will have to meet seven criteria essential to the Dutch voting procedure:

- \* The secret ballot: to safeguard the secrecy of voting, it must be impossible to draw a link between a voter and a ballot cast.
- \* One person, one vote: every person entitled to vote may have precisely one vote which may be counted precisely once.
- \* The right to vote: only the ballots of persons entitled to vote may be counted.
- \* Integrity: the voting system ("system" in the broad sense, including organizational and procedural aspects) must work faultlessly, and the result may not be susceptible to any form of influence other than the casting of lawful ballots.
- \* Accessibility: anyone entitled to vote must, as far as possible, have the opportunity to do so.
- \* Controllability: it must be possible to prove without compromising the secrecy of the ballot that these criteria have been met.
- \* Transparency for the voters: voters must trust and be able to understand the voting procedure.

#### *Higher education meeting*

That very afternoon, following my meeting with Mr. Stolk, I met with Henk Roborg, Director General for Higher Education, Vocational Education and Training, at the Ministry of Education, Culture and Science Office.

#### *Law of the Sea*

I discussed with him the possibility of having our lawyers at the DFA and the Office of the Solicitor General to matriculate at a suitable university in The Hague for a masteral or doctoral degree in the Law of the Sea.

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I shared with him the view that as an archipelagic country, we are concerned with the identification and the protection of our continental shelf and of the marine and aquatic resources within the 200-mile limit from our coastlines.

Mr. Roborg said that the idea could – with modifications – be worked out. I said I would suggest that it be pursued by our DFA and the Office of the Solicitor General.

#### *Meeting on human rights*

The last meeting for the day was with Ambassador Piet de Klerk at the Ministry of Foreign Affairs where we discussed the issue of human rights.

I told him that in our country, we have a well-defined procedure for criminal investigation and criminal prosecution that requires due process in judicial trials before conviction and sentencing.

Mr. De Klerk was concerned with the death penalty issue and the matters involved in our government dealings with the Moro and Communist rebellions.

Of course, the Netherlands, as well as Belgium, has repealed the death penalty, and therefore it is their concern that somehow countries they are dealing with should be sympathetic to the moves they have made to repeal the death penalty in the EU.

#### *Death penalty*

He said that all member states of the EU have repealed the death penalty because the death penalty has not been a deterrent at all to the commission of heinous crimes.

I told him that there are some of us in the Senate and in the House who are moving for the repeal of the death penalty.

#### *Moro rebellions*

On the matter of the Moro rebellion, I told him that the Moro rebels in Mindanao mainly belong to the MILF and the MNLF. These are groups that have a political agenda and, therefore, our solution is to deal with them “politically” that is, by negotiations. As for the Abu Sayyaf, I said that this is a bunch of hoodlums that should be dealt with as a police matter.

#### *Communist rebels*

I also told Mr. De Klerk that speaking personally, I believe that our government should continue dialoguing with the communist rebels. To my mind, it is always better to talk with, than to shoot, one another.

Mr. De Klerk expressed hope that we could settle the Moro and the Communist rebellions in our country soonest.

The next day, Saturday, was a free day and I had a visit to a place where windmills abound and I even went up one. I was told that the windmill was centuries old and that it was still producing electricity.

#### *Belgium meetings*

On October 3, I went to Brussels and meetings were arranged for me by Belgian Ambassador Christian Tange.

Accompanied by our *Charges d'affaires* Ana Marie A. Morales, and Protocol Officer, Moises Ocampo, my first meeting on October 4 was with Fokion Fotiadis, Director, Asia Directorate, and Pierre Amilhat, Head, Southeast Asia, Directorate General for External Relations for the European Commission at the Charlemagne Building in Brussels. I had several

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meetings. Everyday, for the whole week I had a meeting, sometimes three on a particular day. Mainly, I took up the issue of again allowing our scholars from the DFA and the Office of the Solicitor General, lawyers specifically, to matriculate on courses on the Law of the Sea.

#### *Expansion of RP-EU relations*

We discussed broad issues on EU relations with our country. I told Mr. Fotiadis and Mr. Amilhat that we have a robust trade relationship with EU and that EU is fast catching up with the U.S. as the number one trading partner of the country.

They expressed the hope that with some improvement in the country's image before the international community, there could be more extensive trading and cultural exchanges between the EU and our country.

They also insinuated that there is an urgent need for a decisive resolution of the deprivations of the bandit-group, the Abu Sayyaf, and the ongoing MILF/MNLF and Communist rebellions.

#### *Law of the Sea*

The following day, October 5 (Tuesday), I met with Professor Dr. Eric Franckx, Professor, Law of the Sea, Vrij Universiteit of Brussels.

I discussed with him the idea of having our DFA and OSG lawyers take a course at the Vrij Universiteit or another appropriate university in Belgium that leads to a masteral degree or doctoral degree on the Law of the Sea using the same reasons that I had earlier discussed at The Hague.

The professor said that it might be difficult to just create a course to suit our particular needs. But getting a masteral or a doctoral degree in Maritime Law with courses on the Law of the Sea would be possible.

I told him that I would endorse the idea to the DFA and the OSG for them to pursue.

#### *Maritime Management*

On October 6 (Wednesday), I met with Director Frank Van Laeken of the Institute of Transportation and Maritime Management, Dean Willy Winkelmanns, Prof. Dr. Hilde Meersman, and Prof. Eric Van Hooydonk, all of the University of Antwerp.

We discussed the same idea of a course on the Law of the Sea that our lawyers from the DFA and OSG could take.

I got basically the same reply that Dr. Franckx gave me the day before. It would be easier to have a course on Maritime Management with subjects on the Law of the Sea than to create a course specifically on the Law of the Sea.

One of the problems, they said, was the "sustainability" of the course in that they cannot be sure it would have sufficient number of enrollees from year to year.

On October 7 (Thursday) I had three meetings.

#### *Trade*

The first was with Frank Geerkens, Managing Director, Federal Public Service, Foreign Affairs, Foreign Trade and Development at Rue de Petits, Carmes, Brussels.

We discussed, among other things, the need to expand trade and other relations between Belgium and our country.

I said that as a country, we need to explore markets other than our traditional partners, the U.S. and Japan, for example.

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*Positive image needed*

The idea was well received but implicit in his comments was that there is a need for us to project a more positive image of the country.

We talked about China and I said that since we as a country live at its doorsteps, we have to build friendly relations with it.

*Absentee Voting in Belgium*

The next meeting I had was with Rudy Veestraten, director general of Consular Affairs of Belgium also at Rue de Petits, Belgium.

Mr. Veestraten recounted to me Belgium's experience in absentee voting.

Belgians abroad voted for the first time in federal elections on May 18, 2003 by the Law of 7 March 2002. They were allowed to do so by voting in any of the following manner:

- \* In person in Belgium;
- \* By proxy in Belgium;
- \* In person at a Belgian Diplomatic Post or Consulate;
- \* By proxy at a Belgian Diplomatic Post or Consulate;
- \* By post (mail).

They could not vote for local candidates.

The Belgian House of Representatives has 150 members elected by district.

*Complicated senatorial elections*

The Senate has 71 members who are elected in a rather complicated way. For instance:

- \* 40 of the 71 are elected by direct suffrage (25 by the Dutch-speaking people, 15 by the French).

\* 21 of the 71 are elected by Community Councils and are chosen as follows: 10 by the Flemish Community Councils; 10 by the French Community Councils, and 1 by the German Community Council).

\* 10 are so called "co-opted senators" who are elected by the 40 senators who are elected by direct suffrage and the Community Councils. The 10 co-opted senators are allocated as follows: six for the Dutch-speaking constituencies and four for the French-speaking constituencies.

I gathered from Mr. Veestraten that there are approximately only 15,000 Belgians abroad who had registered. We would probably dismiss that number as insignificant compared to the number of people residing in Barangay Payatas in Quezon City, for instance. Considering their population, however, which is 10 million something, 15,000 may be sizeable. In any event, what is admirable in this regard is that Belgium wants to give its nationals wherever they are the chance to participate in the election of their leaders.

*EU interest*

The last meeting I had for the day was with Hartmut Nassauer, member of the European Parliament which we did at the Altiero Spinelli Building, Rue Wiertz, Brussels.

He told us that he was a member of the European People's Party. We discussed, briefly, the role he plays as a member of the European Parliament.

I got the impression that the members of the European Parliament who are elected by their respective member states act primarily to promote the interests of the European Union even as they defend

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their national interests. This is probably similar to the role that we, as senators, discharge as nationally elected officials who do not necessarily abandon our concerns for the regions we, individually, come from.

I took the chance to invite him to the IPU conference in Manila in April. He said he would consider it if an invitation is extended to him.

#### *Rebellion and population*

On October 8 (Friday), I met with Belgian senators led by the first vice president, Staf Nimmegeers. He had two other senators with him, Senator Francis Delperee and Senator Fauzaya Talhaoui.

Senator Nimmegeers, who holds the post equivalent to that of our Senate President Pro Tempore, asked about the population situation and the ongoing rebellions in the country.

I told him that as far as I was concerned, the population growth of the country was far from alarming. And the poverty of the country is caused not by its burgeoning population but by the misgovernance of the nation.

I also told him and Senator Talhaoui, who had asked what we are doing with the Moro rebellion, that we are doing our best to negotiate with the MILF (and the MNLF) with the assistance of Malaysia. As for the Abu Sayyaf, I essentially told them that it is a bandit group that needs to be dealt with as a police matter.

Incidentally, Senator Nimmegeers is a Catholic priest who has been a senator for the last two years.

#### *Federal system of government*

Ultimately, I said – much to their interest – the feasible legal and constitutional solution to the Moro

rebellion is the adoption of the federal system of government for the entire republic that will also create a *Bangsa Moro* federal state.

In an apparent endorsement of my position, the Belgian senators said that even as their federal system of government takes time and a lot of money to do things, their experiment is working and they have not resorted to killing one another to make the position of one ethnic group prevail over the other.

#### *Law and order*

Senator Delperee expressed interest in the overall state of law and order of the country. He said that the negative image that is projected of the country in the international news cannot but do harm to the country at large.

What could I say to that except to explain that we are trying our level best to remedy the bad image that arises mainly from kidnap gangs and the rebellions of the Moros and the communists.

Towards the end of our conversation, I invited them to participate in the IPU conference in Manila in April next year which they said they would seriously consider accepting once invitations are sent to them.

#### *Death penalty*

The last meeting I had in Belgium was with the director general of the Ministry of Justice, Claude Debrulle, at the 5<sup>th</sup> Floor, 1000 Boulevard de Waterloo.

We talked about the death penalty and the efforts of some of us in the Senate and in the House to abolish it.

He expressed appreciation for the information. He said that the last death execution in Belgium was in the late '50s and it involved a lady convict who was executed for war crimes committed in the 2<sup>nd</sup> World War.

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*Human trafficking*

We also talked about the issues of human trafficking. I told him about the laws that our Congress has passed prescribing trafficking of women and protecting the children.

I suggested also that the State's duty to protect women and children should probably not be confined to punishing their trafficking and abuse in normal circumstances but should extend to their protection especially in areas harassed by insurgents and rebels challenging the government.

As we ended our conversation, I suggested that he could probably visit the Philippines to discuss the death penalty and sundry issues before interest groups here and to attend the IPU conference in Manila in April next year. He was very pleased with the suggestion. He said he would await the Senate's invitation to the IPU conference.

*The Fort*

On October 9 (Saturday), I visited The Fort in Breendonk, one of the most memorable places that one can visit in Belgium.

Breendonk is a rural community that is about 25 kilometers from Brussels and about the same distance from Antwerp.

While Breendonk is well admired for its rustic and serene environment, its most famous or notorious landmark is The Fort.

The Fort was originally a part of the Belgian military fortifications but was taken over and used by the Gestapo as a prison in 1940.

There the Gestapo tortured detainees by crushing their fingers, bashing their heads or throwing them into the ice-cold

waters of the canals beside The Fort. The Gestapo also made the prisoners to confess by the use of electric needles and red-hot iron bars.

The cells, the gadgets of torture, the site where prisoners were shot, are preserved in The Fort.

The Fort is a reminder to all who come to visit that man's brutality to man has no place in civilized society. Everyone must, therefore, try to act according to the Rule of Law so that what happened within its walls during its occupation by the Gestapo will not happen again.

*Miscellany*

## 1. Euro surpasses dollar in value

The Euro is now more expensive than the U.S. dollar.

Our embassy people are compensated in dollars.

All suffer a loss of 25% of their compensation as a result of the rise of the Euro vis-à-vis the dollar.

## 2. Debts of poorest nations

From the UK, we learned that "Britain will pay off 10% of the money owed by the world's poorest countries to the World Bank and the African Development Bank in an attempt to free them from the shackles of debt. (*The Guardian*, Sept. 25, 2004)

## 3. Cure for urge to borrow

"Various cures are being applied to the nation's urge to borrow, including higher interest rates, which deter most people from applying for more debt. A

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“Information sharing, a solution more scary than it sounds, would constrain the ability of the debt laden to get more loans. Debtors’ financial and repayment-record secrets would, for the first time, be laid bare.” (The Times, Sept. 29, 2004)

#### PRIVILEGE SPEECH OF SENATOR DEFENSOR SANTIAGO

Also availing herself of the privilege hour, Senator Defensor Santiago delivered the following speech:

#### THE AFP: NOT PROTECTORS, BUT PREDATORS OF THE PEOPLE

##### *Institutionalized Military Corruption*

The Constitution (Art. II Sec. 3) provides that: “The Armed Forces of the Philippines is the protector of the people and the State.” Recent revelations about a military general – which seems to be typical of most generals today – seem to indicate an urgent need to amend the Constitution. The corruption level in the military and police is so stratospheric at this time that the Constitution should be amended to state: “The Armed Forces of the Philippines is the predator of the people and the State, and is hence abolished in favor of a citizen’s army.”

Maj. Gen. Carlos Garcia, former AFP comptroller but currently chief of AFP plans and programs, is a two-star general with a monthly salary of some P36,000. In 2003, he filed a statement of assets, liabilities, and net worth claiming a net worth of some P1.25 million. But according to the Anti-Money Laundering Council, his financial transactions from 2002 to 2004 amounted to some P185.5 million. This amount reportedly does not include the general’s other assets, such as his deposits in 40 bank accounts worth US\$1.42 million, a house in Ohio, a Park Avenue condominium in New York, valued at \$765,000, and a New York apartment valued at \$750,000.

At the ongoing investigation by two committees of the House of Representatives, General Garcia has adamantly invoked his right to remain silent. He refuses to say anything, because on its face, things speak for themselves: *res ipsa loquitur*. But even more to the point, Garcia is part of institutionalized corruption, and anything he might say to exonerate himself will certainly result in blowing the cover of many incumbent and retired corrupt generals in the military and police. Garcia will not sing solo because he is part of an operatic performance where costumes, such as uniforms and awards pinned to the chest, serve to hide some of the most hypocritical, meretricious, and lecherous public officers in this corrupt country.

The most important thing is not to punish Garcia, although that would be normally expected in a moral community. The most important thing is to blow the lid off one of the most cold-blooded conspiracies of systematic looting in our country. Garcia was caught and will likely be charged with plunder punishable by death because of over-confidence. This unfortunate general was over-confident because he had witnessed for a decade many chiefs of staff and their staff generals getting away with plunder. The chief of staff never got exposed for wrongdoing because he always saw to it that his successor would be his own protege, one who had already been initiated to the system of corruption, and could be trusted to keep the secrets safe.

This is what happened over the years from the time of martial law, when the PMA *mistah* system or *esprit de corps* was allowed to degenerate into a patron-client relationship, where personal ties were allowed to override the constitutionally mandated oath of the soldier to uphold and defend the Constitution, to strengthen the patriotic spirit and nationalist consciousness, to observe professionalism, and to be insulated from partisan politics.

Some chiefs of staff not only succeeded in stashing away a king's ransom in offshore accounts, but even went on to occupy very high civilian positions which, by means of vote fraud and vote buying, they merely purchased by using their stolen wealth. Some of these generals turned politicians ceaselessly try until now to cover themselves with synthetic glory, by using their ill-gotten wealth to publicize themselves. These schizophrenic generals turned politicians pompously issue tiresome comments on national policy issues, even though their education and training on the subject could compete with the expertise of a one-celled amoeba. Garcia was caught, because so many before him were not caught, but were instead lionized in this culture of corruption.

Most, if not all, of the champions of corruption in the military are PMA graduates. They are the military Mafia, the military Mob. They have effectively taken the vow of *omerta* or silence. Right now, even as I speak, the Mob is frantically networking among each other and with the media for damage control. Some will employ standard psywar tactics against the very public they were sworn to serve, a public that unknown to them are waiting, not only in quiet desperation, but some with murderous desperation.

The Mob might resort to a diversionary tactic by staging a distraction, to divert public attention from the crimes common to them all. With the help of professionals, they might launch smear campaigns in the media against those who are considered enemies. They might indirectly threaten the tenure in office of President Arroyo. Or, on the contrary, they might feed her with syrupy expressions of allegiance as their commander-in-chief, to lull her into the belief that they are her lords protector, assimilating themselves to the roles played during medieval times in England under the queen.

The Mob has already agreed to contribute to an emergency slush fund.

They could buy Malacañang courtiers, media mercenaries, maybe certain senators and representatives. After all, many things in this country can be bought. The Mob should know because they are generals for sale.

#### *Gang of 12*

Syndicated military corruption is carried out by a gang of 12, as follows:

- \* Chief of Staff
- \* J-1 personnel
- \* J-2 intelligence
- \* J-3 operations
- \* J-4 logistics
- \* J-5 plans
- \* J-6 comptroller
- \* J-7 civil military operations
- \* J-8 training
- \* J-9 AFP modernization
- \* J-10 reservists
- \* J-11 communications

Each member of this gang, except J-6, is allocated funds, based on the approved yearly budget for the armed forces. J-6 has no funds of its own, but is the custodian of all AFP funds which it releases on the request of the staff general concerned, with the approval of the chief of staff. Although the bulk of AFP funds are allocated to field units, the release of such funds still passes through general headquarters.

This gang of 12 engages in organized corruption by means of the so-called "clearance and conversion" process. To "clear" an official check for military funds means to fill up all necessary forms, particularly Purchase Orders, with fake entries and signatures, in order to support the encashment of the check. In other words, "clearance" is a euphemism for the crime of falsification of public documents. To "convert" a check means to encash it on the basis of fake documents, and consequently, to divide the cash among the generals concerned, the supplier, the supplier's agent who is

*Handwritten initials/signature*

usually an attractive female, and – only if absolutely necessary – to the official project. In other words, “conversion” is a euphemism for the crime of malversation of public funds, most often through ghost deliveries, underdeliveries, or overpricing. If the amount involved is over P50 million, then “conversion” is a euphemism for the crime of plunder.

Let me give you a concrete example. Suppose that J-1 Personnel diverts a certain sum of money to a geographical command, such as:

- \* Northern Luzon Command
- \* Southern Luzon Command
- \* Central Command Cebu
- \* Southern Command Zamboanga

J-6 Comptroller secures from the budget department an official document called SARO (Special Allotment and Release Order), that document so beloved, particularly to the legislative branch of government. Notice how those liquid syllables roll off my tongue.

SARO notifies general headquarters that a cash allocation has been made and is ready for release. After J-1 Personnel receives the SARO, J-1 orders: “Clear this.” Consequently, certain Purchase Orders are issued, and in five days, without any delivery, the money is “cleared.”

Let’s say that the amount involved is P10 million. It would be usually divided as follows:

- \* P1.5 million or 15% goes to the supplier, and he shares it with the comptroller, auditor, logistics officer, and members of the Acceptance Committee;
- \* P1.5 million or another 15% goes to the local commander, let’s say Southcom;
- \* P7 million or 70% goes to the chief of staff, who may or may not share it with the rest of the gang of 12.

For many years, perhaps for the last decade, and with few exceptions, each gang of 12 under the various administrations had merrily engaged in the crimes of falsification of public documents, malversation of public funds, and sometimes plunder. They emerged scot-free because any gang of 12 at any one time made sure that their successors were their personal proteges who could be depended upon to protect the “system.” Let me briefly describe the *modus operandi* of the biggest criminals in the gang of 12:

#### *J-1 Personnel*

J-1 Personnel is in charge of salaries, hospitals, and welfare, each with its own special technique for malversation. Salaries are made to appear to have been paid to soldiers who have died, or have retired, or been dismissed, or suspended, or are simply fictitious. The welfare funds, instead of being spent for the welfare of soldiers and their families, are allegedly “realigned,” a euphemism for cancelling the welfare project and purportedly using the money for another project or activity, which is fictitious.

The biggest anomaly in the office of J-1 Personnel takes place in military hospitals. Medicines are grossly overpriced, but the syndicate concentrates on purchasing only fast-moving drugs, making it very hard to check the inventory and consumption of drugs. Military hospitals are the favorite milking cows of wives of chiefs of staff.

For example, Mrs. COS consents to become the patron of a drug supplier. Mrs. COS contacts the hospital commander and requests him to extend the usual courtesies to a certain supplier whom she identifies. The term “usual courtesies” is military euphemism for rigging the public bidding in favor of the identified drug supplier. When the supplier duly “wins” the bidding, sometimes he delivers no drugs at all. Instead, Mrs. COS

will receive a cash reward of more or less P100 million, which is immediately converted into royalty-size diamonds, luxury vehicles, dance instructors, trips abroad, and even hair no longer colored salt-and-pepper as before, but is now colored orange, red, or other puzzling hues sufficient to declare her status as a corrupt general's wife.

To check that my information is correct, all that should be done is to issue a subpoena *duces tecum* to the chief of J-1 Personnel requiring him to submit the following:

- \* Program of expenditures;
- \* The sum of the allotments, so that the expenditures can be checked against the program;
- \* Purchase Orders, particularly identifying the signatures;
- \* Inventory, so that it can be checked against the Purchase Orders.

#### *J-2 Intelligence*

J-2 Intelligence has a fixed budget, but he can malverse it by "realignment." This word is not found in the dictionary; it is graftspeak for diverting a fund from its official purpose, to another purpose more convenient for malversing the money. The realignment system is carried out with the cooperation of J-6 Comptroller and the COA auditor, each of whom gets his share of graft money. When the money is given, it is usually accompanied by the advice: "*Itago mo na yan.*"

#### *J-3 Operations*

J-3 Operations enjoys the unabashed distinction of malversing the biggest amounts of money. It is the Croesus of the kingdom of military corruption. Show me a former J-3 commander, and I'll show you a very rich man. Most military operations proved to be failures, because

most operational money goes to conversion. For example, let us say that a Southcom operation has been allocated P3 million. The allotment advice, by expert manipulation, becomes P10 million. The local commander in Mindanao gets his share, and returns the balance in cash to J-3 Operations in Quezon City. Thus, the money is spent, but there has been no operation carried out at all.

The mere continued existence and perhaps growth of the CPP-NPA is indubitable proof that J-3 Operations is a failure. Apparently, GHQ does not even evaluate the counterinsurgency program. During the Aquino administration, Special Operations Teams were set up and for a while, they proved effective. Local communities cooperated in the counterinsurgency effort by providing vital information, such as the identities of rebels. But those communities that cooperated were not rewarded with even basic public services. And so eventually, the operation failed. If the CPP-NPA is growing, it is not merely because of poverty in the countryside, but also because of the incompetence and inefficiency of the AFP.

And one more little reminder, the Constitution (Art. 18 Sec. 24) provides that all paramilitary forces including Civilian Home Defense Forces shall be dissolved. And yet J-3 Operations either ostensibly or actually provides salaries, uniforms, and mobile radios to alleged CAFGU forces (Citizen Armed Forces Geographical Units).

#### *J-4 Logistics*

If J-3 Operations is the richest source of graft, J-4 Logistics is the most conspicuous venue for graft. On any given working day, the J-4 office is filled with Filipino-Chinese dealers, sexy and trashy women, and the special friends of the wives of corrupt generals. They are all wheeling and dealing to supply office supplies and equipment; ammunition;

trucks, batteries, and tires; uniforms; and mobile radios, which are notoriously the biggest expense in logistics.

Malversation of funds is conducted with the cooperation of the Acceptance Committee. J-4 Logistic is run entirely by military officers, with the COA auditor as the only civilian. The poor man cannot lick them, so he joins them.

#### *J-6 Comptroller*

As the current case of the unflappable General Garcia shows, all staff generals are beholden to the Comptroller, because he controls the release of funds. He receives from the Department of Budget and Management money in the form of paper, and he releases it in the form of another paper called Sub-Allotment Advice. Anyhow, whether paper or cash, when money passes, part of it always remains stuck to his hands. He is not Mr. Scissorhands; he is Mr. Gluehands. Money sticks to his hands like glue.

J-6 Comptroller has power to realign military funds, provided the chief of staff issues the necessary order. Somehow I suffer the suspicion that the extremely close ties between the comptroller and the chief of staff exceed the bounds of religious fellowship and brotherhood. From a legal overview, it appears that if the comptroller is guilty of malversation, the chief of staff is also automatically guilty of the same crime, for one cannot strategize without the other.

I also suspect that the J-6 Comptroller is very, very careful to cultivate incoming service commanders. In fact, he has made an entire career out of it.

#### *J-7 Civil Military Operations*

J-7 CMO is the office where the system of "clearing" money is the easiest to follow. For example, suppose that J-6 Comptroller asks J-7 CMO to "clear" money. For this purpose, the working

arm of J-7 CMO is the Civil Relations Service or CRS, which possesses institutional expertise for forging or padding the necessary military forms. CRS gets 3% for every signature, plus an added 2% from the dealer. I understand that CRS is tasked with raising at least P25 million, whenever a chief of staff retires. This illegal and immoral farewell gift is squeezed from dealers, suppliers, contractors, and the rest of the clientele of the Mob.

#### *J-11 Communications*

This office makes money by purchasing obsolete electronic equipment, in order to accommodate a dealer capable of coming across with the bribe demanded by the general or his wife. Some of its techniques include purchasing analogue instead of digital equipment; overpricing digital equipment; or concluding a purchase that provides no after-sales service.

#### *P1.448 billion unliquidated*

Only institutionalized, syndicated, Mob-style corruption can explain why, according to the Commission on Audit, as of 31 December 2003, the military has incurred total unliquidated cash advances of P1.448 billion. We in Congress have been supporting armed forces who are not protectors but predators of the people, who have plundered our already pitiful treasury by filling our lives with a proliferation of ghosts, namely:

- \* Ghost CAFGUs.
- \* Ghost employees.
- \* Ghost veterans.
- \* Ghost inventories, that have been allegedly "dormant" or "in transit" for more than 10 years.
- \* Ghost property, plant, and equipment, that have never undergone a physical count.

The basis for this population of ghosts is explained in accounting terms in the 2-page Annex to this paper.

*Fall of Roman Empire revisited*

In his 1988 book *Corruption and the Decline of Rome*, Ramsay MacMullen, professor of classics and history at Yale University, observes that the decline of Rome became an accomplished fact, when the army became corrupt. Quoting the classics, he gives a vivid description of the corrupt Roman soldiers, which sounds eerily descriptive of Filipino generals today:

"They were, especially at this time, a species of men vicious, venal, cunning, factious, grasping, and as if forced by nature to cheat and conceal their cheating. They ruled over the (army) food supply, they were thereby the ruin of the suppliers of necessities and the fortunes of the farmers, and they also proved shrewd in bestowing gifts at the right moment on these people by undue stupidity, and at whose expense, they gathered in their wealth."

In view of what appears to be the predatory character of the military today, coupled with the anarchic rapacity of some generals, I move to refer this speech to the following committees:

1. Committee on Finance, to ensure that the 2005 budget for the AFP will contain provisions to prevent falsification of public documents, malversation of public funds, and plunder, by, among others, the following means:

- \* Prompt accounting and liquidation of cash advances;
- \* Immediate conduct of physical inventory and corresponding update of subsidiary ledgers;
- \* Prompt financial report from the National Disaster Coordinating Council;

- \* A technical formula for the proper costing of military buildings and those constructed by the military;
- \* Tight control and monitoring of purchases made by special disbursing officers;
- \* Prevention of erroneous classification of accounts;
- \* Provision for combat expenses that will be immediately available; and
- \* Banning suppliers, contractors, dealers or their agents from the premises of J-4 Logistics.

2. Committee on National Defense and Security, for an inquiry in aid of legislation, particularly amendments to R.A. No. 9184, the Government Procurement Reform Act; and Executive Order No. 235, Streamlining the Rules and Procedures of Defense Contracts. Such an inquiry, which could be conducted by an independent commission, should use as its basic working paper the 2003 COA Report on the DND, particularly Part 3 entitled "Comments and Observations," with special focus on the portion headed "Findings and Recommendations."

**INTERPELLATION OF SENATOR BIAZON**

Senator Biazon noted that Senator Defensor Santiago in her speech proposed an amendment to the Constitution which in effect abolishes the Armed Forces of the Philippines in favor of a citizen's army, the AFP having become a predator of the people.

Asked if she was seriously considering an amendment to Section 3, Article II of the Constitution, Senator Defensor Santiago replied that it was a feeble attempt at humor but she would need time to seriously consider it. She pointed out that Switzerland has a citizen's army

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composed of young people who are compelled to undergo training at a very minimal cost to the State. She noted that in spite of billions of pesos being spent by the AFP, if all the Filipinos can get is an ordinary general who is able to amass several millions in cash while in service, the armed forces might as well be abolished and replaced with a citizen's army so that every Filipino would know that there is cost to being a Filipino which is the willingness to defend the country. She expressed the view that the country has sunk to the depths of corruption, ranking as the eleventh most corrupt country in the world, because the people have never made any serious sacrifice for anything they enjoy.

Senator Defensor Santiago stated that during EDSA I and II, some soldiers and generals kept saying in media that the military intervention in politics found constitutional basis in the second sentence of Section 3, Article II of the Constitution which provides that, "The Armed Forces of the Philippines is the protector of the people and the State." She asserted that these officers took the sentence out of context. She stated that the AFP should not judge who should be President of the Philippines because there is a political process for electing one as provided for in the Constitution. The duty of the AFP, she stressed, is to secure the sovereignty of the State and the integrity of the national territory. She lamented that corruption has become so endemic, syndicated, structured, brazen, and unconscionable because of the misinterpretation of the constitutional provision by some military officers who are more familiar with statistics, physical maneuvers and armament rather than with the highest principles of noble and civilized conduct.

Senator Defensor Santiago maintained that the AFP can lobby but it has no right or power to change or amend the budget that had been approved by the Congress. She warned that the military had willfully misunderstood its role as protector under the constitutional provision.

Senator Biazon stated that given the chance, he would propose the deletion of the provision which some military officers had used to effect an extra-constitutional change in the national leadership. He noted that after martial law, some military officers developed a mindset that they

have the right to judge the government and change it.

Senator Defensor Santiago agreed that the misunderstanding of that constitutional provision has done the country more harm than good. She gave the assurance that she would support a proposal to delete the provision.

To the assertion that the right to judge and change a government does not belong to the military but to the people, Senator Defensor Santiago agreed as she emphasized that the rule of law should be observed at all times. She stated that recent events represent a reversion to primitive times where might rules right. The general rule, she stressed, should be followed; one must never ask for an exception, otherwise, others would do the same.

Senator Biazon said that the Armed Forces of the Philippines should have a regular component and a reserve component as defined in the Administrative Code of 1987 which was further clarified by Republic Act No. 7077. The measure, he said, gives a more extensive definition of the composition of the AFP which includes a citizen's army. He pointed out that the implementing rules and regulations of the said law referred to the organization of the citizen's armed forces geographical unit or CAFGU which could not be categorized on the same level as the Civilian Home Defense Forces or the CHDF of the martial law years.

He clarified that the AFP cannot do away with the CAFGU unless the law is repealed or amended. But he believed that the concept of the citizen's army as mandated by the Constitution should be more clearly defined.

Senator Biazon informed the Body that the members of the CAFGU peaked at 72,000 in the early '90s and was reduced to 32,000 at present. He said that some of the cases of anomalies could be related to the acquisition of equipment like uniforms and not on the number of personnel. Senator Defensor Santiago said that she would amend her earlier statement about the CAFGUs provided that the safeguards contained in the Constitution are observed. On the existence and maintenance of any paramilitary

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force, she said that such is allowed under the Constitution provided that it is recognized by the duly constituted authority and is consistent with the citizen's armed forces mandated by the Constitution.

Senator Biazon revealed that the CAFGU is the country's first line of defense in the mobilization of reservists, and the members are assigned serial numbers when they are recruited and are subject to the Articles of War. He recalled that when Congress allocated a budget of P1.2 billion for the increase in manpower of the AFP, he proposed that the amount be used to recruit 35,000 to 45,000 CAFGUs which is five times more manpower than the AFP could get.

If the CAFGUs are the equivalent of the citizen's armed forces provided for by the Constitution, Senator Defensor Santiago said that she would amend her statement in her speech. She said that she would yield to Senator Biazon's wisdom should the citizen's army component be considered when there would be a need to increase the AFP's manpower.

On the country's ranking as the eleventh most corrupt country in the world, Senator Defensor Santiago said that Berlin-based Transparency International gathers the perceptions of businessmen who conduct business all over the world and these perceptions are of the government as a whole. She agreed to the observation that the soldier undertakes extraordinary responsibilities not normally borne by other civil servants, which is why any act of wrongdoing on the part of the military is highlighted.

On the issue of whether the Senate should push for an investigation of the case of General Garcia, Senator Defensor Santiago said that there is no need for a hearing if the investigation would concern the penal liabilities of General Garcia since it would just be a duplication of what has already been initiated by the House of Representatives. She explained that she was proposing that Senator Biazon, as chair of the Committee on National Defense and Security, consider the establishment of an independent commission that could analyze, then propose

solutions to the problem of systemic corruption in the AFP without focusing on a particular individual. She believed that General Garcia is not an anecdotal figure in the story of corruption but is simply a part of the system.

Senator Biazon observed that in Senator Defensor Santiago's speech, she referred to some chiefs-of-staff that not only succeeded in stashing money but also occupied high civilian positions by means of fraud using stolen wealth. He noted that of the 16 former chiefs-of-staff, five became politicians, including himself. Stating that he could come under a cloud of doubt given the fact that he also chairs the Committee, he asked advice on how to proceed with the issue.

Senator Defensor Santiago opined that Senator Biazon should perform his duties as the Committee chair. She observed that in the last national elections, Senator Biazon had as little money as she did, which in her view, meant that the candidate is probably honest. She remarked that if a candidate had a lot of propaganda materials, then it is questionable where the candidate got the financial means as very few belong to rich families.

Senator Biazon thanked Senator Defensor Santiago for providing an outline on what the Committee on National Defense and Security would look into. He added that he has filed 13 bills that seek to effect some reforms in the AFP.

Replying to further query, Senator Defensor Santiago affirmed that an independent commission would be the only way to conduct an inquiry. She said that it could not be the legislature because it is like "the pot calling the kettle black" since the level of corruption of some Members of the legislature approximates the level of corruption of some members of the military; and it could not be an executive commission because it would give way to suspicions of prejudice or collective protection since the military is part of the executive branch while the judicial branch simply cannot exercise power that is not given to it by the Constitution. The commission, she noted, should be independent of any branch of government and should preferably consist of people whose reputation for honesty has not been tarnished.

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She suggested that members of the proposed commission possess unsullied reputations and be composed of both academics and practitioners. She named Commander Ruben Domingo of the Bureau of Commission on Immigration and Deportation, who was able to reform a naval college in 2002 and post P5 million in savings, Rear Admiral Wong, and leading international law expert Florentino Feliciano who headed the Feliciano Commission. Further, she pointed out that the commission should have its own staff so that its work would be conducted outside the glare of media to avoid publicity-driven work.

Replying to further query, Senator Defensor Santiago opined that the independent commission can be created through a separate resolution although under the Rules, a committee chair has the power to initiate any hearing without prior authorization from the Body. She said that she would leave the matter to the Committee on National Defense and Security.

Senator Biazon stated that the matter would need further evaluation given the effect of such anomalies on the country's stability.

#### **INTERPELLATION OF SENATOR EJERCITO-ESTRADA (J)**

Noting that the P1.4 billion in unliquidated advances incurred by the AFP already suggests some irregularity, Senator Ejercito Estrada (J) asked how such anomalous practices could be avoided.

Senator Defensor Santiago clarified that the disclosure about the P1.4 billion unliquidated advances was based on the Commission on Audit's 2003 report on the Department of National Defense. She pointed out that the COA report presented recommendations which she was endorsing because these were well thought out. Moreover, she noted that one such suggestion was for authorities to immediately check whether the number of items quoted in a purchase order coincided with those that had been delivered. Another suggestion, she added, was for authorities to prohibit unauthorized people from entering the J-4 Logistics office to avoid

questionable deals. Further, she said that many obvious steps could be taken to discourage the practice of "unliquidated advances." She agreed with the COA auditors that a listed unliquidated advance could not be liquidated because it had not really been used for any official purpose.

Moreover, Senator Defensor Santiago opined that while corruption is systemic as those who would want to reform the system would be fighting an entire system and its many beneficiaries – some of whom would be willing to destroy others to protect themselves – still, the problem could be solved if the AFP would have a chief of staff with very high morals and intelligence. She noted that checking the system for anomalies is not complex as the irregularity, which consists of forging documents to support the encashment of check, could be discovered easily.

Asked whether she favors having corrupt military officials face judgment before a military or civilian court, Senator Defensor Santiago replied that there is no need to make a choice as trials in both courts could proceed at the same time. She noted that simultaneous prosecution of the erring officials would not violate the constitutional prohibition against double jeopardy because the objectives of the two forums are different.

Replying to a further query, Senator Defensor Santiago said that dishonorable discharge of a convicted individual is the heaviest punishment meted under a military court, whereas a civil court imposes the death penalty on those found guilty of illegally acquiring over P50 million.

#### **REFERRAL OF SPEECH TO COMMITTEES**

Upon motion of Senator Pangilinan, there being no objection, the Chair referred the privilege speech of Senator Defensor Santiago and the interpellations thereon to the Committee on National Defense and Security as the primary committee and to the Committee on Finance as the secondary committee.

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**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 5:24 p.m.*

I hereby certify to the correctness of the foregoing.

  
OSCAR G. YABES  
Secretary of the Senate  
*to the*

Approved on October 26, 2004