



**REPUBLIC OF THE PHILIPPINES**

**S e n a t e**

**Pasay City**

# **Journal**

**SESSION NO. 29**

Wednesday and Tuesday  
October 3 & 9, 2007

**FOURTEENTH CONGRESS  
FIRST REGULAR SESSION**

**SESSION NO. 29**  
Wednesday and Tuesday, October 3 and 9, 2007

**CALL TO ORDER**

At 3:09 p.m., Wednesday, October 3, the Senate President, Hon. Manny Villar, called the session to order.

**PRAYER**

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

*Let us put ourselves in the presence of the Lord.*

Lord Jesus, Your word tells us that we cannot separate freedom from the truth for it is in knowing the truth that we become free and so we understand that to know the truth, we must be willing to ask difficult questions and encourage transparency in all sectors of society.

As men and women elected by the Filipinos to craft laws that would be primarily beneficial to the country based on the concepts of truth and freedom, help us to be what You would like us to be, Your servants for the welfare of Your people.

Help us to do what is expected of us to be lawmakers dedicated to the pursuit of the truth and defense of freedom.

In Your word in John, "You will know the truth, and the truth will set you free."

In Jesus' Name we pray.

Amen.

**ROLL CALL**

Upon direction of the Chair, the Secretary of the Senate, Emma Lirio-Reyes, called the roll, to which the following senators responded:

Aquino III, B. S. C.	Honasan, G. B.
Arroyo, J. P.	Lacson, P. M.
Biazon, R. G.	Lapid, M. L. M.
Cayetano, A. P. C. S.	Legarda, L.
Cayetano, C. P. S.	Pangilinan, F. N.
Defensor Santiago, M.	Pimentel Jr., A. Q.
Ejercito Estrada, J.	Revilla Jr., R. B.
Enrile, J. P.	Roxas, M.
Escudero, F. J. G.	Villar, M.

With 18 senators present, the Chair declared the presence of a quorum.

Senators Madrigal and Zubiri arrived after the roll call.


Senators Angara and Gordon were on official mission, the latter abroad.

Senator Trillanes was unable to attend the session.

**ACKNOWLEDGMENT  
OF THE PRESENCE OF GUESTS**

At this juncture, Senator Pangilinan acknowledged the presence of the members of the *Liga ng mga Barangay ng Maynila*, headed by Ms. Marissa Papa, and other barangay officials from different parts of the country, as well as World Bowling Champion Rafael "Paeng" Nepomuceno.

**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. 28 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. 1663, entitled

AN ACT CREATING A NATIONAL STUDENT LOAN BOARD TO IMPLEMENT A NATIONAL STUDENT LOAN PROGRAM FOR THE POOR, DEFINING ITS IMPLEMENTING GUIDELINES, RULES AND REGULATIONS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

Introduced by Senator Manuel "Lito" M. Lapid

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

Senate Bill No. 1664, entitled

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE INTERACTIVE ENTERTAINMENT RATING BOARD

Introduced by Senator Miriam Defensor Santiago

**To the Committees on Public Information and Mass Media; Civil Service and Government Reorganization; and Finance**

Senate Bill No. 1665, entitled

AN ACT AMENDING BATAS PAMBANSA BLG. 881, AS AMENDED, OTHERWISE KNOWN AS THE OMNIBUS ELECTION CODE OF THE PHILIPPINES, SECTION 97, ON CONDUCTING FUND-RAISING ACTIVITIES FOR POLITICAL PURPOSES

Introduced by Senator Miriam Defensor Santiago

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

Senate Bill No. 1666, entitled

AN ACT PROVIDING FOR AUTOMATIC MEMBERSHIP OF PROFESSIONALS IN THEIR RESPECTIVE ACCREDITED PROFESSIONAL ORGANIZATIONS

Introduced by Senator Miriam Defensor Santiago

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

Senate Bill No. 1667, entitled

AN ACT TO PENALIZE MALICIOUS USE OF A TELECOMMUNICATION DEVICE

Introduced by Senator Miriam Defensor Santiago

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

Senate Bill No. 1668, entitled

AN ACT PROVIDING FOR THE CREATION OF MUNICIPAL SPECIAL EDUCATION CENTERS FOR THE DEAF-MUTE AND BLIND CHILDREN APPROPRIATING FUNDS THEREFOR

Introduced by Senator Miriam Defensor Santiago

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

Senate Bill No. 1669, entitled

AN ACT PROHIBITING MINORS FROM PURCHASING OR POSSESSING TOBACCO PRODUCTS

Introduced by Senator Miriam Defensor Santiago

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

## Senate Bill No. 1670, entitled

AN ACT ALLOWING LEGITIMATE CHILDREN TO BEAR THE SURNAME OF THE FATHER OR THE MOTHER, AMENDING FOR THE PURPOSE EXECUTIVE ORDER NUMBERED TWO HUNDRED AND NINE (E.O. 209), AS AMENDED, OTHERWISE KNOWN AS THE FAMILY CODE OF THE PHILIPPINES, ARTICLE 174, PARAGRAPH 1

Introduced by Senator Miriam Defensor Santiago

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

## Senate Bill No. 1671, entitled

AN ACT REQUIRING THE USE OF SAFETY DEVICES FOR CHILDREN RIDING IN MOTOR VEHICLES

Introduced by Senator Miriam Defensor Santiago

**To the Committee on Public Services**

## Senate Bill No. 1672, entitled

AN ACT GRANTING FAMILY AND TEMPORARY MEDICAL LEAVE UNDER CERTAIN CIRCUMSTANCES

Introduced by Senator Miriam Defensor Santiago

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

## Senate Bill No. 1673, entitled

AN ACT CREATING THE INTELLECTUAL PROPERTY ASSET MANAGEMENT COUNCIL

Introduced by Senator Miriam Defensor Santiago

**To the Committee on Trade and Commerce**

## Senate Bill No. 1674, entitled

AN ACT PROVIDING FOR THE ESTABLISHMENT OF A PUBLIC LIBRARY FOR EVERY BARANGAY

Introduced by Senator Miriam Defensor Santiago

**To the Committees on Education, Arts and Culture; Local Government; and Finance**

## Senate Bill No. 1675, entitled

AN ACT ESTABLISHING A BREAST-FEEDING CENTER IN EVERY BARANGAY THROUGHOUT THE COUNTRY

Introduced by Senator Miriam Defensor Santiago

**To the Committees on Health and Demography; and Local Government**

## Senate Bill No. 1676, entitled

AN ACT CREATING A PROGRAM OF SENIOR VISION SERVICES FOR ELDERLY PERSONS WITH FUNCTIONAL VISION IMPAIRMENTS

Introduced by Senator Miriam Defensor Santiago

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

## Senate Bill No. 1677, entitled

AN ACT AMENDING PRESIDENTIAL DECREE NO. 442 ALSO KNOWN AS THE LABOR CODE, ART. 248, ~~MAKING IT UNLAWFUL FOR EMPLOYERS TO THREATEN TO CONTRACT OUT SERVICES BEING PERFORMED BY UNION MEMBERS~~

Introduced by Senator Miriam Defensor Santiago

**To the Committee on Labor, Employment and Human Resources Development** *16* *yo*

Senate Bill No. 1678, entitled

AN ACT CREATING A COLLECTION  
AGENCY REGULATORY BOARD

Introduced by Senator Miriam Defensor  
Santiago

**To the Committees on Banks, Financial  
Institutions and Currencies; and Civil Service  
and Government Reorganization**

Senate Bill No. 1679, entitled

AN ACT TO PROTECT CHILDREN  
FROM FOODS THAT POSE A  
SIGNIFICANT CHOKING HAZARD

Introduced by Senator Miriam Defensor  
Santiago

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

Senate Bill No. 1680, entitled

AN ACT PROVIDING FOR PROTEC-  
TION OF FAMILY PRIVACY

Introduced by Senator Miriam Defensor  
Santiago

**To the Committee on Youth, Women and  
Family Relations**

Senate Bill No. 1681, entitled

AN ACT PROVIDING FOR THE  
PROTECTION OF WAGES AND TIPS  
RECEIVED BY CERTAIN EMPLOYEES

Introduced by Senator Miriam Defensor  
Santiago

**To the Committees on Labor, Employment  
and Human Resources Development; and Finance**

Senate Bill No. 1682, entitled

AN ACT TO SUPPORT BUSINESS INCU-  
BATION IN ACADEMIC SETTINGS

Introduced by Senator Miriam Defensor  
Santiago

**To the Committees on Education, Arts and  
Culture; Trade and Commerce; and Finance**

Senate Bill No. 1683, entitled

AN ACT ESTABLISHING AN OFFICE  
ON WOMEN'S HEALTH OF THE  
DEPARTMENT OF HEALTH

Introduced by Senator Miriam Defensor  
Santiago

**To the Committees on Health and Demo-  
graphy; and Youth, Women and Family Relations**

Senate Bill No. 1684, entitled

AN ACT REGULATING THE SALE,  
DELIVERY OR DISPOSITION OF ANY  
KIND OF FIREARM, AMMUNITION,  
OR EXPLOSIVES TO CERTAIN  
TYPES OF PERSONS AND PROVID-  
ING PENALTIES FOR THE VIOLA-  
TION THEREOF

Introduced by Senator Miriam Defensor  
Santiago

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

Senate Bill No. 1685, entitled

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

Introduced by Senator Miriam Defensor Santiago

**To the Committees on Health and Demo-  
graphy; Youth, Women and Family Relations;  
and Finance**

Senate Bill No. 1686, entitled

AN ACT ESTABLISHING A PROGRAM  
TO HELP IMPROVE THE PHILIPPINE  
EDUCATIONAL SYSTEM BY PROV-  
IDING GRANTS TO STATE EDUCA-  
TIONAL INSTITUTIONS FOR THE  
INCLUSION OF AT LEAST ONE

per

YEAR OF EARLY EDUCATION  
PRECEDING THE YEAR A CHILD  
ENTERS KINDERGARTEN

Introduced by Senator Miriam Defensor  
Santiago

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

Senate Bill No. 1687, entitled

AN ACT TO REQUIRE THE PHILIPPINE  
INSTITUTE OF VOLCANOLOGY  
AND SEISMOLOGY (PHIVOLCS)  
AND THE PHILIPPINE ATMOSPHERIC  
GEOPHYSICAL AND ASTRONO-  
MICAL SERVICES ADMINISTRATION  
(PAGASA) TO ESTABLISH THE  
NATURAL CALAMITIES HAZARD  
MITIGATION PROGRAM

Introduced by Senator Miriam Defensor  
Santiago

**To the Committees on Science and Tech-  
nology; Environment and Natural Resources;  
and Finance**

Senate Bill No. 1688, entitled

AN ACT TO MAKE ROAD TRAFFIC  
SAFETY RULES AND SIGNS A  
SEPARATE SUBJECT AND COMPUL-  
SORY AT GRADE SIX AND FOURTH  
YEAR HIGH SCHOOL LEVELS

Introduced by Senator Miriam Defensor Santiago

**To the Committees on Education, Arts and  
Culture; and Public Services**

Senate Bill No. 1689, entitled

AN ACT INSTITUTIONALIZING THE  
ESTABLISHMENT OF A WOMEN'S  
DESK IN ALL EDUCATIONAL  
INSTITUTIONS

Introduced by Senator Miriam Defensor  
Santiago

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

Senate Bill No. 1690, entitled

AN ACT AMENDING SECTION THIRTY-  
NINE OF REPUBLIC ACT NO. 8491,  
AS AMENDED, OTHERWISE KNOWN  
AS THE FLAG AND HERALDIC  
CODE OF THE PHILIPPINES

Introduced by Senator Ramon "Bong"  
Revilla Jr.

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

Senate Bill No. 1691, entitled

AN ACT REQUIRING TAXI DRIVERS  
TO GIVE EXACT CHANGE TO  
THEIR PASSENGERS, PROVIDING  
PENALTIES THEREOF

Introduced by Senator Ramon "Bong"  
Revilla Jr.

**To the Committee on Public Services**

Senate Bill No. 1692, entitled

AN ACT MANDATING MAINTENANCE  
OF CLEANLINESS ON PUBLIC  
UTILITY VEHICLES AND PROVIDING  
PENALTIES THEREFOR

Introduced by Senator Ramon "Bong"  
Revilla Jr.

**To the Committee on Public Services**

Senate Bill No. 1693, entitled

AN ACT PROVIDING FOR THE LEGITI-  
MATION OF CHILDREN BORN TO  
PARENTS BELOW MARRYING  
AGE, AMENDING FOR THE PUR-  
POSE THE FAMILY CODE OF THE  
PHILIPPINES, AS AMENDED

Introduced by Senator Ramon "Bong"  
Revilla Jr.

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

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Senate Bill No. 1694, entitled

AN ACT AMENDING SECTION 12 OF REPUBLIC ACT NO. 8750 OTHERWISE KNOWN AS AN ACT REQUIRING THE MANDATORY COMPLIANCE BY MOTORISTS OF PRIVATE AND PUBLIC VEHICLES TO USE SEAT BELT DEVICES, AND REQUIRING VEHICLE MANUFACTURERS TO INSTALL SEAT BELT DEVICES IN ALL THEIR MANUFACTURED VEHICLES

Introduced by Senator Ramon "Bong" Revilla Jr.

To the Committee on Public Services

### COMMITTEE REPORT

Committee Report No. 12, submitted by the Committee on National Defense and Security, on Senate Bill No. 233, introduced by Senator Biazon, entitled

AN ACT AMENDING THE ADMINISTRATION 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),

recommending its approval without amendment, taking into consideration Senate Bill No. 283.

Dissenting: Senator Lacson

Sponsors: Senators Biazon and Gordon

To the Calendar for Ordinary Business

### REMARKS OF SENATOR PIMENTEL

Senator Pimentel stated that barangay officials who came to watch the Senate in session are in for a disappointment as he intends to block any move

that would result in the postponement of the barangay and *sangguniang kabataan* elections for reasons he already pointed out in the previous sessions. He told them that he is not easily cowed by a big group of people who obviously came to the session to intimidate the senators into approving the bill postponing the elections.

Senator Pimentel stressed that the time to convince him has long passed as he pointed out that the group should have approached him even before he made a stand on the issue. He argued that the barangay election should push through on the following grounds: 1) there is money for it; 2) Comelec, prior to Commissioner Abalos' resignation, said that there will be elections; and 3) a number of barangay officials who have abused their powers should be replaced and the incumbent members of the *Sangguniang Kabataan* are no longer entitled to an extension of term because of the age factor. He clarified that his reasons for opposing a postponement are not at all personal but rather, he believed that an election is a matter that should not be trifled with, pointing out the barangay election was postponed twice in the past. He urged everyone to respect the election as it is the means through which the public can judge the performance of their public officials.

### PRIVILEGE SPEECH OF SENATOR PIMENTEL

Initially, Senator Pimentel stated that his speech would cover two points — the cancellation of the ZTE contract and the situation in Burma.

On the first item, Senator Pimentel said that he was under the impression that the ZTE contract has been cancelled in view of the announcement to that effect made over radio and television. Nonetheless, he expressed fear that it just might have looked like it was cancelled, but in truth, it was not.

*The rest of his speech follows:*

### CANCELLATION OF ZTE CONTRACT RAISES QUESTIONS

The President has reportedly cancelled the ZTE contract.

Several implications may be deduced from the act of this so-called cancellation.

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One, the President may have finally realized that the deal is shot through with corruption — and in the view of Senator Defensor Santiago, “*Baka nag-away lamang kayo diyan sa komisyon ha*” — that it cannot be justified even if St. Peter would suddenly materialize to push for it on the floor of the Senate at this very moment;

Two, the President may have wanted to deflect the continuing public dissatisfaction at her overall incompetent handling of the presidential office;

Three, the President may have wanted to put a closure to the investigation that the Senate is now conducting to prevent the miasma of the mess from engulfing other high government officials aside from Comelec Chair Benjamin Abalos.

Conceivably, there may be other reasons why the President scuttled the ZTE contract. But for the moment, let me just put on record a rather interesting piece on corruption in the country.

### *Corruption index*

In this connection, I would like to cite Transparency International’s latest take on corruption in Asia, including the Philippines. According to William Pesek of *Bloomberg News*, “It’s sober reading and speaks volumes about why many Filipinos, and Asians in general, aren’t benefiting much from the region’s boom.”

While I fault Transparency International for its cock-eyed view of corruption in Third World countries, it does not, for instance, identify the corrupters of the corrupt officials of Third World countries. *Para bang kasalanan ng mga opisyal ng Third World countries na corrupt sila. Hindi nila sinasabi na ang nag-corrupt ay yung mga tao* from other parts of the world especially the developed world. This latest analysis of Pesek bears noticing.

The Philippines, he says, is a case in point.

In 2005, the country was 117<sup>th</sup> in the corruption perception index of Transparency International. If you think that is a good place to be in, think again because the index is ranked according to the most clean country going down to the most corrupt.

*Kaya tayo ay nandoon sa 117<sup>th</sup> most corrupt. In other words from the list — the first down to 116, yun ang malinis na mga bansa. Pero pang-117 tayo sa listahan ng mga corrupt of 200 countries, as Senator Defensor Santiago says.*

In 2006, the country inched lower to 121<sup>st</sup> place. *Mula sa 117<sup>th</sup> in 2005, naging pang-121 tayo in 2006.*

Today, 2007, the country is now 131<sup>st</sup> in the corruption perception index.

That slot, according to Pesek, puts us in the same league as Burundi, Honduras and Yemen. And just in case you missed the point, that is not a complimentary spot to be in as far as the corruption index is concerned.

Pesek also says that:

President Gloria Arroyo would no doubt dispute these findings. Her message these days is of revival and fiscal sobriety. With the economy growing at 7.5 percent and the budget in surplus for a third consecutive month in August, Arroyo argues that things are looking up in her nation of 91 million people.

### *Spin*

De Venecia’s case — we are talking now of Joey de Venecia’s complaint which is being investigated by the Senate — helps explain why such optimism is more spin than reality.

In provocative Senate hearings in Manila last week, De Venecia explained how the President’s husband, Jose Miguel Arroyo, told him to “back off” in favor of a rival working with ZTE, the biggest publicly traded telephone-equipment maker in China.

A former official, Romulo Neri, says he was offered P200 million, or \$4.4 million bribe by Benjamin Abalos, the chairman of the Commission on Elections, when they discussed the deal. That allegation (according to Pesek), denied by Abalos (which we also know), thickened the plot because President Arroyo is still under suspicion for allegedly conspiring with Comelec officials to rig the 2004 elections.

May I interject at this point that one of the things that surfaced in the Senate hearings is the fact that the original contract disappeared. Somehow, it was supposed to have been stolen. I got the information that the contract was not really stolen; it was just kept out of reach by people because, according to my information, President Gloria Macapagal Arroyo was not only present at the signing — there was a picture of her along with the signatories of the contract — but she also signed as a witness to the contract. Meaning, it does not appear to have sufficed

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for her to just stand as a witness; she actually signed as a witness to the contract. And that is why, somehow, the original document was reported lost or stolen because they were trying to sanitize the matter, for the reason that the President's signature should not supposedly appear on the contract.

The ZTE scandal is dominating the Philippines, lowering Arroyo's already dismal approval ratings and sparking coup rumors.

I understand that the President recently went to the Asian Hospital. While the cover story was that she went there to have a physical checkup, my information is that she went there to contact Admiral Danga, who was undergoing chemotherapy there at the time. Apparently, Admiral Danga had expressed dissatisfaction over the way he had been treated while he was still in the service because I understand that he was expecting to be named Naval Chief upon the retirement of the former head. But instead of becoming the Naval Chief, Admiral Mayuga, who investigated the allegations of the involvement of certain military officials in the 2004 elections, was suddenly named in his place; thus, the disenchantment of Admiral Danga who reportedly expressed certain statements that would indicate that he was not very happy with the situation. And so to mollify him, President Gloria Macapagal Arroyo reportedly went to the Asian Hospital on the pretext that she herself was going to undergo some examination. Nevertheless, to the best of my information, they were not able to meet. And therefore, that has to do with this allegation that coup attempts are now beginning to surface in this country which is unsettling a lot of people.

All this talk about coup rumors, as the author of this article says, is a bit too familiar; Arroyo herself became president after Joseph Estrada was ousted in 2001 amid popular demonstrations backed by the military.

### *Scandals galore*

President Arroyo's economic-revival story is not getting across partly because scandals are drowning her out. Yet, the bigger reason is a justified sense of skepticism that even if the economy is improving, most Filipinos will not enjoy it.

Corruption is the key reason why, and a lack of progress in combating it, remains a major blight on Asia's restructuring efforts following the 1997 economic crisis.

Cambodia, China, India, Indonesia, Laos, Macao, Myanmar, South Korea, Sri Lanka,

Thailand and Vietnam also lost ground in 2007, according to Transparency International. The strong connection between corruption and poverty means the benefits of growth are concentrated among the politically connected and bypass many who most need it. Incidentally, this has been a frequent thesis of Sen. Miriam Defensor Santiago which speaks about corruption in this country in general.

### *Success elsewhere*

There were, of course, pockets of success that should not go unnoticed by investors. Pakistan, for example, rose to 138<sup>th</sup> place in 2007 against 142<sup>nd</sup> spot in 2006 and 144<sup>th</sup> spot in 2005. From those places, *naging 138<sup>th</sup> na lang sila. Ibig sabihin, may kaunting* improvement in the fight against corruption. A slight improvement was seen in Hong Kong, Malaysia and Singapore, while Japan, Mongolia and Taiwan held steady over the last 12 months.

Yet, the broader trend in Asia is discouraging. The Philippines, for example, has not been able to bring the Marcos family to justice 21 years after Ferdinand Marcos was ousted from the presidency. Indonesia has had no more luck taking former President Suharto to task.

Lawyers for both dictators earlier this month rejected a United Nations report that they embezzled as much as \$45 billion. Suharto reportedly stole as much as \$35 billion, averaging 1.3% a year of Indonesia's gross domestic product during his 32-year reign. Marcos allegedly took as much as \$10 billion over two decades, or an annual average of 4.5% of the Philippines' GDP.

Asia does not have a monopoly on shady dealings. Anyone making that argument can be quickly defused by the mention of names like Enron or Parmalat. Yet, even with its high growth rates and buoyant stock markets, Asia is home to roughly two-thirds of the world's poor.

### *Divide widening*

Making matters worse are signs that the region's rich-poor divide is widening. In a report last month, the Asian Development Bank — which is based right here in our country — concluded that the rich in Asia are growing wealthier much faster than the poor are climbing out of poverty.

The buzz in Asia is how well things are progressing 10 years after the financial crisis in the region. In 15 of 21 countries the ADB studied, income inequality has increased.

"The rise in inequality we see in Asia today constitutes a clear and present danger to the

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sustained growth of Asian countries," said Ifzal Ali, the chief economist at the ADB.

As history has shown in Asia, growing inequality could lead to social conflicts from street demonstrations to violence. The pro-democracy protesters mounting the biggest challenge to the military regime in Myanmar since 1988 are a case in point.

Inequality also matters because multinational companies are relying on the emerging middle class in Asia to buy their goods and services. If the phenomenon holds back Asian economies, the fallout will be felt by corporate executives a world away.

Disparity is the ugly underbelly of prosperity in Asia, and something to which governments and investors need to pay more attention.

That is the end of Pesek's analysis why our people are hungry, deprived of basic services that the government owes them and are therefore perennially upset over the state of things in the country.

### ***Not enough***

Gloria's abrogation of the ZTE contract, if it is true, is good. But it is not good enough.

In fact, it raises more questions than it answers. There is no closure on questionable deals until the questions are answered and the truth is out.

For the moment, the Blue Ribbon Committee and the two other committees that the Senate has authorized to dig deeper into the issue of the ZTE contract must pursue their mandate. Otherwise, we will be remiss in the discharge of our oversight functions as Senators.

### **THOUSANDS DEAD IN THE MASSACRE OF THE MONKS DUMPED IN THE JUNGLES OF BURMA**

According to this news item by Marcus Oscarsson:

Thousands of protestors are dead and the bodies of hundreds of executed monks have been dumped in the jungle, a former intelligence officer for Burma's ruling junta has revealed.

In other words, cracks are beginning to develop within the ranks of the Armed Forces of Burma.

The most senior official to defect so far, Hla Win, said: "Many more

people have been killed in recent days than you've heard about. The bodies can be counted in several thousand."

Mr. Win said he fled when he was ordered to take part in the massacre of holy men. He has now reached the border with Thailand.

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Word reaching dissidents hiding out on the border suggested that as well as executions, some 2,000 monks are being held in the notorious Insein Prison or in university rooms which have been turned into cells.

There were reports that many were savagely beaten at a sports ground on the outskirts of Rangoon where they were heard crying for help.

Others who had failed to escape disguised as civilians were locked in their bloodstained temples.

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In stark contrast, the streets of Rangoon and Mandalay — centres of the attempted saffron revolution last week — were virtually deserted.

A Swedish diplomat who visited Burma during the protests said last night that in her opinion the revolution has failed.

Liselotte Agerlid, who is now in Thailand, said that the Burmese people now face possibly decades of repression. "The Burma revolt is over," she added.

"The military regime won and a new generation has been violently repressed and violently denied democracy. The people in the street were young people, monks and civilians who were not participating during the 1988 revolt. Now the military has cracked down the revolt, and the result may very well be that the regime will enjoy another 20 years of silence, ruling by fear."

Mrs. Agerlid said Rangoon is heavily guarded by soldiers.

"There are extremely high numbers of soldiers in Rangoon's streets," she added. "Anyone can see it is absolutely impossible for any demonstration to gather, or for anyone to do anything. People are scared and the general assessment is that the fight is over."

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We were informed from one of the largest embassies in Burma that 40 monks in the Insein prison were beaten to death today and subsequently burned."

The diplomat also said that three monasteries were raided yesterday afternoon and are now totally abandoned.

At his border hideout last night, 42-year-old Mr. Win said he hopes to cross into Thailand and seek asylum.

The 42-year-old chief of military intelligence in Ragoon's northern region, added: "I decided to desert when I was ordered to raid two monasteries and force several hundred monks onto trucks. They were to be killed and their bodies dumped deep inside the jungle. I refused to participate in this."

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 3:45 p.m.*

#### **RESUMPTION OF SESSION**

At 3:45 p.m., the session was resumed.

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

At this juncture, Senator Pangilinan acknowledged the presence of members of the delegation from the Australian Parliament which included Senate President Alan Ferguson, Second Deputy Speaker Harry Jenkins, Senators Jal MacDonald and Linda Kirk, and Mr. Richard Selth.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 3:46 p.m.*

#### **RESUMPTION OF SESSION**

At 3:53 p.m., the session was resumed.

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

Senator Pangilinan acknowledged the presence of Dr. Ramona Bustamante-Rañeses, who won in the World Speech Competition held in Indianapolis, Indiana, USA; and Rafael "Paeng" Nepomuceno, who landed first place at the recently concluded 300-South Pacific Classic (SPC) Bowling Tournament in Melbourne, Australia.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended to allow Senate President Villar to present Senate Resolution No. 17 to Dr. Bustamante-Rañeses, and Senate Resolution No. 18 to Mr. Nepumuceno.

*It was 3:55 p.m.*

#### **RESUMPTION OF SESSION**

At 3:58 p.m., the session was resumed.

#### **INTERPELLATIONS ON SENATOR PIMENTEL'S SPEECH**

Upon motion of Senator Pangilinan, there being no objection, the Body proceeded to the interpellations on Senator Pimentel's speech.

Thereupon, the Chair recognized Senator Pimentel, and Senator Legarda for her interpellation.

#### **INTERPELLATION OF SENATOR LEGARDA**

Senator Legarda believed that President Arroyo was relaying to the Senate that the hearing conducted by the Blue Ribbon Committee has now been rendered moot and academic in view of the cancellation of the ZTE contract. She then inquired if there is such a thing as rendering moot the Senate hearings and if the cancellation of the ZTE contract meant there was no longer need for remedial legislation.

Senator Pimentel said that the cancellation of the ZTE contract does not end the controversy. In view of the charges of bribery by two state witnesses, he pointed out that the cancellation of the ZTE contract does not eliminate the liability of the people who are involved in the anomaly, making it more imperative for the Senate to dig deeper into the identities of the key players and make the proper

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recommendations on the culpability of the guilty parties. Likewise, he said that the results of the investigation should be used as basis to plug the loopholes in the anti-graft and electoral laws, especially since it has been insinuated that the money that was expected to be raised from the ZTE contract would be used to fund electoral activities.

Asked what was there to cancel if some government officials were claiming that there never was a ZTE contract, Senator Pimentel said that some people, especially those in the administration, were just engaging in a play of words. He explained that contracts can be verbal or written as long as the parties came up with an understanding or agreement about a certain matter. He said that the ZTE deal is a written contract that supposedly disappeared but which later turned out to be stolen.

Moreover, Senator Pimentel surmised that the contract "disappeared" to enable certain people to sanitize it so that the alleged signature of President Arroyo as witness would no longer appear in the contract.

Asked about an unverified news report quoting Executive Secretary Ermita that the NBN project would still continue even if the ZTE contract was cancelled, Senator Pimentel said that if this was true, Executive Secretary Ermita should clarify his statement. He assumed that the government might be choosing between a number of options: fund it out of the \$329 million agreement with the Chinese government, get money elsewhere or implement it through a BOT scheme. He clarified that he was not saying that the broadband project should be cancelled, only that the ZTE contract should be abrogated because of its many anomalies. Thus, he said, the statement of Secretary Ermita that the ZTE contract is cancelled but not the broadband project might be true.

At this point, Senator Legarda stressed the need for the Senate to continue with the hearings as the mere announcement of the cancellation of the contract has raised more questions that need to be answered.

Adverting to the Burma issue, Senator Legarda asked for clarification on the report that 10,000 monks were killed and eventually cremated. She noted that there is not much news about the events in Burma due to the very strict media ban by the military junta.

Senator Pimentel said that the number of casualties was actually unverified, adding that it was Senator Madrigal who relayed the information to him. However, he expressed certainty that thousands of monks and peaceful demonstrators have been killed because of the rapacity of the military junta.

Asked on the draft agreement for the establishment of the Regional Human Rights Commission in the ASEAN, Senator Pimentel replied that the draft was already being prepared when the ASEAN foreign ministers met in Manila a few months ago; however, there was an objection on the part of the Myanmar delegation but it was muted down probably because of peer pressure of the ASEAN fraternity of foreign ministers who knew that the human rights charter still has a long way to go. In any event, he stated that it should be adopted by the ASEAN member-countries.

Senator Legarda noted that the planned pact for the establishment of the Commission was submitted to senior officials of the ASEAN in 2000 by a group composed of representatives of all government institutions, parliamentary human rights committees, the academe, and NGOs from all ASEAN member-countries. In fact, she said, the proposed covenant seeks to install the Commission to monitor, promote, recommend, and receive complaints from states, NGOs and individuals; and that a special regional court would be created to render binding decisions. She asked why it took ASEAN seven years to protect its members' democratic and human rights as she believed that the unfortunate, bloody and violent crackdown of pro-democracy demonstrators in Burma could have been avoided had the Commission been in place. Senator Pimentel expressed gladness that there are efforts on the part of the ASEAN to adopt human rights policies.

Senator Legarda said that the Philippines is fortunate to be a member of the ASEAN and to have survived two peaceful, nonviolent people power revolts. She asked if it is right for the Philippines to take up the cudgels for the cause of Myanmar and push for the finalization of the seven-year accord which has not been endorsed by some member-countries so that it can serve Burma in good stead in the wake of the atrocities therein. Senator Pimentel replied in the affirmative. He stated that Burma started to democratize in 1990 when it elected over 400 members of the National Assembly, the dominant faction belonging to the group of Aung San Suu Kyi, *AS*

the pro-democracy leader of Burma. He said that the Philippines, which is used to democratic practices, cannot just keep quiet about what is happening in Burma.

Senator Legarda shared the same view that the Philippines, in line with its democratic tradition, should take a pro-active role in the conflict in Burma. She believed that once the intergovernmental human rights mechanism of the ASEAN is created, the ASEAN could play a more meaningful role in addressing the abuses in the region. Senator Pimentel emphasized that human rights is universal, thus, it cannot be that a part of the ASEAN would enjoy certain human rights and another part would be deprived of the same rights.

Thereupon, Senator Legarda requested the Members to urge Foreign Affairs Secretary Romulo to prod the ASEAN to finally get the intergovernmental body in place and send a strong message to the Burmese and to the military junta that the Philippines strongly detests the violence inflicted upon the peace-loving monks in Burma. Senator Pimentel replied that it is high time the ASEAN suspended Burma's membership and prodded its military rulers to end the repression of their people. In the meantime, he said, Congress should push for Senator Legarda's suggestion that the human rights charter be adopted as probably the first step towards the democratization of Burma.

#### **INTERPELLATION OF SENATOR MADRIGAL**

Senator Madrigal noted that for the past two weeks, the ZTE scandal has continued to hold the attention of the Filipino people. With the reported cancellation of the ZTE contract, she asked whether the Senate would be remiss in its duty should it end the hearings on the issue. Senator Pimentel replied that he is against stopping the Senate investigation into the ZTE contract to enable the Committees to identify the culprits behind the shady deal and make the proper recommendations. He said that Congress may need to amend existing laws relative to its oversight functions in order to plug the loopholes. He agreed with Senator Madrigal that the investigation should be continued not only in aid of legislation but also for transparency, adding that the investigation should deal not only with the criminal aspects of the contract but also with its civil, social and political aspects. He said that the resignation of Commissioner Abalos, who has been identified as the principal

broker of the deal, is already an indication that much of what transpired to bring about the ZTE contract is obviously questionable. He pointed out that since it also came out that the bribe that was supposedly offered to various political personalities was intended to be spent to help administration candidates in the last election, the anti-graft and electoral laws of the country would necessarily have to be reexamined so that government could prohibit people especially foreigners to subvert the will of the Filipinos.

Asked if there is anything to prevent President Arroyo from entering into another contract with other foreign suppliers, Senator Pimentel replied in the negative.

Senator Madrigal observed that after the initial revelations about the ZTE deal in the initial hearings, the investigation seemed to have reached an impasse because in spite of its earlier announcement, the Blue Ribbon Committee did not hold hearings on Tuesday and Thursday and the Senate is about to go on a month-long recess. She inquired into the status of the investigation, emphasizing that the matter of holding hearings should be decided by the committee members and not just by the chair.

She insisted that while the Arroyo administration would like the people to believe that Secretary Neri has nothing further to say, questions need to be addressed such as the issuance of subpoenas to other persons and for the travel records of former Comelec Chairman Abalos, whether executive officials could invoke executive privilege, and the supposed breach of the confidentiality rule by some senators in light of *Philippine Daily Inquirer* report.

She disclosed that she has received disturbing reports that the hearings were postponed indefinitely upon the request of a very powerful businessman. She said that she refused to believe these reports but nonetheless, she stressed that the senators and the people deserve an explanation as regards the postponement of the hearings.

At this point, the Senate President categorically denied talking to anybody regarding the ongoing investigation.

For the record, Senator Pimentel clarified that Senator Cayetano had told him that he wanted an assessment by the staff on the progress of the hearings before scheduling further hearings.

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**REMARKS OF SENATOR CAYETANO (A)**

Senator Cayetano (A) recalled that when he was given the chairmanship of the Blue Ribbon Committee, he knew the people expected the investigations to be done professionally and would result in reforms because in the past, the Senate has been criticized often for conducting hearings for media hype. With that in mind, he said that he tried his best to conduct the ZTE investigations professionally. Thereupon, he went on to narrate the following developments:

1. As soon as the resolution was filed, he asked the Blue Ribbon Committee staff to reserve two days a week for the next three weeks for the hearings but, apparently, the schedule would affect the other works of the Senate.

2. Thus far, the Committee has conducted four hearings: Malacañang did not send any of its officials to the first hearing but they attended the second and third hearings to testify and Secretary Neri, in particular, promised to come to the next hearings but he asked permission to get well first; the fourth hearing was attended by UP professors and former Secretary Lichauco.

Senator Cayetano (A) noted that in the fourth hearing, some committee members did not attend, while others attended for a while, and he supposed that they were already tired of the 12-hour hearing the day before, and in the case of the members of the civil society, they may have felt the same way because they too did not show up. He also surmised that media were more preoccupied with looking for allegations of bribery than with the explanation of the role of NEDA in the affair that they did not cover the hearing.

With respect to First Gentleman Mike Arroyo, he pointed out that he came home only last night and following the three-day rule on notice, he cannot appear before the Committee tomorrow. He expressed dismay that the Cabinet officials who did testify only managed to confuse the members, for which reason he was going to issue a subpoena *duces tecum* for certain documents that they must produce in the subsequent hearing.

Contrary to media reports that the hearings are "frozen," Senator Cayetano (A) informed the Body that the technical working group has been tasked to consult the private sector and check on the price of the ZTE contract so as to shed light on conflicting

claims about the over-pricing. He stated that while some senators are leaving for the IPU conference in Geneva, others would remain and would be willing to attend the hearings provided they are given early notice. Besides, he disclosed that there are witnesses that the Committee is working on but there is no confirmation yet if they are available next week.

*At this juncture, Senate President Villar relinquished the Chair to Senate President Pro Tempore Ejercito Estrada.*

In response, Senator Madrigal stated that the staff should clarify the schedule of hearings because she received a report that the Tuesday hearing has been cancelled but the Thursday hearing would proceed. She advised Senator Cayetano not to be so sensitive to the Malacañang press which is expectedly out to criticize the hearings. Precisely, she said, the people want to know more about the ZTE contract through the hearings because they cannot get anything out of Malacañang. She believed that the Senate has made progress and she did not want the momentum to come to a stop. As far as the rumors are concerned, she insisted that these must be addressed directly lest they leave the impression that the hearings were cancelled because of the maneuvering of the powerful.

Senator Cayetano (A) stated that the media coverage of the hearings has been fair but there are those who did wish some senators came more prepared so as not to prolong the hearings. However, he admitted that the questions became lengthy because the Cabinet officials were obfuscating, although the Executive Secretary did promise to furnish the Senate with the requested documents. He underscored that the people must understand that the investigation is just part of the Senate's work. He stated that he has asked the Blue Ribbon Committee staff to do an assessment of the hearings and that they have finalized their report, a copy of which would be furnished to the senators.

Senator Cayetano (A) clarified that no hearing was scheduled for Tuesday and Thursday precisely because in an interview over television, Secretary Neri had said that he could not appear before the Committee because he was not feeling well. He noted that in his recent statement to media, he said that the Committee would invite a person linked to the ZTE contract if there is reason enough to call him, but not if the person is merely mentioned in columns because the Committee cannot invite all the

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persons mentioned in all the columns. He said that the Committee wants to avoid falling into the trap of inviting persons with personal agenda against others by simply linking them to the anomaly. At the moment, he said that the only witness that the Committee wants is Secretary Neri to testify again but he has not yet expressed his readiness to do so.

*At this juncture, Senate President Pro Tempore Ejercito Estrada relinquished the Chair to Senate President Villar.*

Expressing gratitude to Senator Madrigal for raising the issue and giving him the opportunity to explain, Senator Cayetano (A) appealed to everyone to judge the Committee based on the results of the investigation in a report to be submitted to the Body.

Senator Pimentel thanked Senator Cayetano (A) for the explanation as he expressed hope for a definitive conclusion to the investigation after having heard all the possible witnesses needed to complete the picture of the ZTE contract.

Senator Madrigal noted that in comparison, the hearing on the illegal wiretapping, which she has also been religiously attending, has been successfully continued despite having only one witness and still no assessment of evidence. She said that the matter is one of approach as she believed that it is not the purpose of the Senate to always have a full room during an investigation. She expressed the need to investigate, not in aid of election, reelection or exposure to media, but in order to unearth all the scandals that affect the Filipino people.

As regards Burma, Senator Madrigal said that it was unfortunate that many of Senator Pimentel's warnings in his previous speeches about the violence and suppression of civil liberties in Burma have come to a head, but the Philippines is seemingly powerless to do anything to help a fellow ASEAN member. She said that the most oppressive military regime in Burma would stop at nothing to keep it going, violating even the sanctity of Buddhism by killing and cremating thousands of monks, and injuring scores of others.

At this point, Senator Madrigal proposed the filing of a resolution before the IPU expressing the sense of the Senate regarding the atrocities in Burma. Senator Pimentel disclosed that he was asked to prepare a power-point presentation about Burma at the IPU which would highlight the brutality of the

repression that the Myanmar regime is foisting upon the Burmese people, especially upon the thousands of unarmed Buddhist monks in Rangoon who were marching peacefully and chanting prayers, only to be met by a hail of gunfire coming from fully-armed, battle-tested soldiers.

Moreover, Senator Pimentel narrated that originally, the protestors were ordinary citizens, many of them followers of Aung San Suu Kyi's National League for Democracy; however, on August 19, Myanmar's military junta suddenly raised the price of fuel beyond the capacity of the Burmese people, sparking a series of demonstrations, initially composed of civilians until the monks decided to join. Ironically, he said, even the soldiers in Burma receive \$8 dollars a month as compensation, proof of the utterly high level of poverty in Burma.

Senator Pimentel said that upon seeing the monks peacefully demonstrate to assert the rights of the people to freedom, justice and peace, the Burmese military raided the monasteries and locked the gates so that the monks could not get out, although these are just in isolated places where they have come in forcefully and brutalized the occupants of the monasteries. He bared that in some instances, some monks were forcibly loaded on trucks by armed men to be executed, dumped in the forest, and cremated to eliminate the telltale signs of brutality.

Senator Madrigal said that the previous night, the people in Rangoon turned off their television sets and lights, plunging the city in darkness for 15 minutes in silent protest against the dastardly acts of the military regime. She expressed hope that in the end, with the patience of the monks and the populace behind them, the might of the military junta would wear down. She said that this is reminiscent of Gandhi's silent non-violent Ahimsa approach which wore down the mighty British empire, although it took 15 years, and Mandela's successful fight against apartheid for 30 years. She wondered how long the struggle would last.

Recognizing the power of nonviolent struggle to uphold the liberties of people, Senator Pimentel, however, lamented that many innocent lives would have to be sacrificed on the altar of freedom, but indeed, as the saying goes, it is necessary that "the tree of liberty be kept alive by the blood of the free." He said that there is also a worldwide call for people to identify with the cause of the Burmese people by wearing purple crimson or red on Fridays.

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To Senator Madrigal's query as to how long the struggle could last, Senator Pimentel replied that there is no question that the oppression would prevail over a long period of time if the Burmese people are left alone doing the struggle. He served notice that in the IPU conference, he would urge the United Nations Security Council to intervene. He said that if the U.N. Security Council could tell the soldiers to "back off" and respect the rights of the Burmese people, then people worldwide shall have won a greater part of the struggle already.

However, Senator Pimentel disclosed that China and Russia appear to be patrons of the Myanmar regime, and there are talks that they would veto any attempt to get a binding resolution from the U.N. Security Council to impose order in Burma. He feared that a failure to do so would take a toll on several thousands more of innocent lives. He said that this would be a sad commentary on the United Nations that was conceived in 1946 in San Francisco during the Truman presidency as an international body to maintain law and order in various parts of the world.

Senator Pimentel pointed out that the problem is that any of the five U.N. Security Council members, namely, the United States, Russia, China, United Kingdom, and France can veto a resolution on Burma, although this could be elevated to the U.N. Plenary Council which, in a number of circumstances, sent peacekeeping forces to war-torn countries like Lebanon and Afghanistan.

As to what stand the senators ought to take on the issue of Burma in the forthcoming IPU conference, Senator Pimentel replied that the Senate delegation should urge the members to pass a binding resolution calling on the U.N. Security Council and, if need be, the U.N. Plenary Council, so that peace and order could be immediately restored in Burma.

*At this juncture, Senate President Villar relinquished the Chair to Senate President Pro Tempore Ejercito Estrada.*

Referring to the Asian Development Bank (ADB) report, Senator Madrigal asked whether the divide between rich and poor in the Philippines is getting wider because the rich are getting richer through corrupt deals like the ZTE-NBN contract, and that the much-touted economic statistics of President Arroyo did not really reflect the real situation on the ground. Senator Pimentel agreed as he asserted

that the administration's claim on rising employment was based on the wrong premise that a person who worked only for three months in a year is considered as fully employed. He said that the widening gap between the rich and poor in the Philippines is undeniable, as he noted that for a long time, the Philippines had no middle class because one was either very rich or very poor but nowadays there is an emerging middle class composed mostly of families whose members are overseas contract workers who are expected to remit US\$14 billion this year.

Senator Madrigal pointed out that because of the economic failures of the Arroyo administration, more and more Filipinos are being forced to work abroad and remit their earnings to their families here. Unfortunately, she said, while Mrs. Arroyo and her economic team take credit for the so-called economic miracle brought about by the huge OFW remittances, she washes her hands of any responsibility for the high incidence of graft and corruption and extrajudicial killings.

Asked to explain what transpired in the Supreme Court during the oral arguments on the illegal wiretapping issue, Senator Pimentel informed the Body that he argued on behalf of the Senate in connection with the petition of two retired justices of the Court of Appeals who wanted to stop the Senate investigation into the illegal wiretaps because as citizens, it would allegedly violate their rights to privacy. He narrated that in his argument, he raised two points: 1) the right to privacy cannot prevail over the oversight functions of the Senate to look into the activities of government officials particularly the Office of the President and the Comelec; and 2) the right to privacy can be invoked only by "Ma'am" and "Garci," and nobody else. He said that he was surprised that the Solicitor General, Atty. Agnes Devanadera, who is supposed to be the counsel of all government agencies that are haled to court by private persons, hit the stand of the Senate in the controversy and sided with the two retired justices.

On the comment that the Solicitor General and the Acting Secretary of Justice could look forward to sitting in the Supreme Court, Senator Pimentel lamented that with the present administration, merit has apparently been placed at the backdoor in the appointment of persons to high government positions. He said that certain high ranking military officers who were implicated or accused of wrong-

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doings in the conduct of elections were even promoted instead of discharged or punished. He added that there is no more *delicadeza* among the highest ranking government officials as he expressed his appreciation that Comelec Chair Benjamin Abalos has resigned over the controversial NBN-ZTE contract.

Senator Pimentel stated that the holding of the barangay election is not dependent on whether or not Commissioner Abalos stays or leaves because there are still five commissioners enough to constitute a quorum and run the affairs of the Comelec. As regards filling-up of the vacancies in the Comelec, he said that the people of Mindanao would like to see one of their own sit in the Comelec, preferably a Muslim, as he noted that there has always been a Muslim representative since the time of President Marcos and up to the time of President Estrada. But he acknowledged that it is the sole prerogative of the President to appoint whoever she wants; however, he wished that she would appoint somebody of unquestionable probity and integrity.

Senator Madrigal expressed hope that the Arroyo administration heard the recommendations of Senator Pimentel so that the Comelec could be cleaned up. Senator Pimentel asserted that if there is one legacy that the present administration would want to leave, it is a new Comelec free from corruption.

### QUESTION OF QUORUM

At this juncture, Senator Madrigal raised a question of quorum.

### SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

*It was 5:38 p.m.*

### RESUMPTION OF SESSION

At 6:00 p.m., the session was resumed, with the Senate President, presiding.

### SUSPENSION OF THE PRIVILEGE HOUR

Upon motion of Senator Pangilinan, there being no objection, the privilege hour was suspended and consequently, the interpellations on the speech of Senator Pimentel were deferred.

### COMMITTEE REPORT NO. 3 ON SENATE BILL NO. 1646

*(Continuation)*

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No.1646 (Committee Report No.3), entitled

AN ACT TO PROMOTE ENTREPRENEURSHIP BY STRENGTHENING DEVELOPMENT AND ASSISTANCE PROGRAMS TO MICRO, SMALL AND MEDIUM SCALE ENTERPRISES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6977, AS AMENDED, OTHERWISE KNOWN AS THE "MAGNA CARTA FOR SMALL ENTERPRISES" AND FOR OTHER PURPOSES.

Senator Pangilinan stated that the parliamentary status was the period of interpellations.

Thereupon, the Chair recognized Senator Legarda, Sponsor of the measure, and Senator Madrigal for her interpellation.

### INTERPELLATION OF SENATOR MADRIGAL

Asked by Senator Madrigal for a possible SME financing model that could be used to improve the bill, Senator Legarda explained that the Philippines' neighboring countries also have existing laws that contain similar features. For instance, she cited the case of Thailand that defines small and medium enterprises as businesses capitalized with less than 100 million baht and having less than 200 employees. Moreover, she noted that Thailand has its Department of Industrial Promotion and the Ministry of Industry that govern the activities of SMEs. She also pointed out that aside from having an SME bank and a credit guarantee fund, Thailand also offers other similar incentives to its SMEs such as training programs, entrepreneurship, promotion of e-commerce and ICT use.

On the other hand, Senator Legarda said that the Singapore government offers financing program with a fixed interest rate which is designed to encourage and assist local enterprises to upgrade, strengthen and expand the operations of SMEs, while South Korea has SME training centers and also implements the mandatory 10% procurement of goods and

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services from SMEs, which is similar to what is being practiced in the Philippines.

For her part, Senator Madrigal pointed out that Singapore implements a number of programs designed to develop SMEs, to wit:

- ◆ a product development assistance scheme which provides grants of up to 50% of the direct development cost of the project;
- ◆ an investment allowance scheme which offers tax deductions ranging from 10% to 50% of approved new fixed investments of SMEs of at least 30% local ownership;
- ◆ a small industries finance scheme which, together with the Development Bank of Singapore, provides loans for fixed assets for further development and technical upgrading;
- ◆ a small industries technical assistance scheme which provides grants to enable SMEs to seek external expertise to upgrade their operations;
- ◆ a business development scheme which provides grants to explore overseas marketing and technology tie-up opportunities;
- ◆ a skills development fund which provides financial assistance to SMEs for their training needs;
- ◆ a one-stop consultancy agency for SMEs which has general assistance, loans and grants, as well as planning and coordination departments; and
- ◆ the Singapore Institute of Standards and Industrial Research that helps SMEs by providing testing facilities, quality management, standardization, improvement in the design of products and processes, and development of new products.

Senator Legarda welcomed Senator Madrigal's inputs, saying that she would welcome amendments to the measure particularly on the idea of having a product development scheme to help develop raw materials. As regards the one-stop shop consultancy, she cited the provincial SMED Councils that are currently implementing the one-stop shop consultancy scheme, and that the concept of having an academy to train skilled workers to do more intensive product development similar to the SME institute in Singapore is one of the proposed amendments to the SME law.

Asked how the technology and methods used by Bangladesh's Grameen Bank could be implemented

in the Philippines, Senator Legarda expressed hope that if the Philippines could duplicate what the bank's founder Muhammad Yunus did for Bangladesh, then rural empowerment could be achieved considering that 75% of the country's 88 million population come from the rural D and E economic classes. She said that as of August 2007, the Grameen Bank, which has more than 2,459 branches around Bangladesh and provides services to almost 80,000 rural villages, has more than 7.27 million borrowers, 97% of whom are women. She noted that the Grameen Bank has reversed conventional banking practices, basing instead on mutual trust, accountability, participation, and creativity, and removing the need for collateral. What the country needs, she said, is someone like Prof. Mohammad Yunus to try to help empower the rural villagers or those belonging to the class D and E municipalities.

At this point, Senator Madrigal said she would finish her interpellations on the condition that there would be further discussions during the period of amendments.

#### **TERMINATION OF THE PERIOD OF INTERPELLATIONS**

There being no further interpellation, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of interpellations and proceeded to the period of committee amendments.

#### **COMMITTEE AMENDMENTS**

As proposed by Senator Legarda, there being no objection, the Body approved the following committee amendments, one after the other:

1. On page 6, line 10, after the word "industry" and the comma (,), insert the word TRADE;
2. On page 7, between lines 10 and 11, insert a new paragraph to read as follows:  

ANY MSME, ITS DIRECTORS, OFFICERS OR AGENTS FOUND TO HAVE COMMITTED FRAUD OR MISREPRESENTATION FOR THE PURPOSE OF AVAILING THE BENEFITS UNDER THIS ACT SHALL BE IMMEDIATELY DISQUALIFIED AS A BENEFICIARY WITHOUT PREJUDICE TO ANY ADMINISTRATIVE, CRIMINAL, OR CIVIL LIABILITY UNDER EXISTING LAWS;
3. On page 9, line 6, replace the word "three" with SIX;
4. On the same page, line 7, after the word "THE," delete the word "MICRO;" and thereafter, delete line 8;

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5. On page 12, line 6, after the word "Council," replace the word "shall" with MAY;
6. On page 18, reword line 14 as follows:
  - 12) THROUGH APPROPRIATE GOVERNMENT AGENCIES:
    - a) PROVIDE MORE INFRA-STRUCTURE FACILITIES;
7. On the same page, line 17, replace "13)" with "b)";
8. Still on the same page, line 24, replace "14)" with "c)";
9. On page 19, line 8, replace "15)" with "d)";
10. On the same page, line 13, replace "16)" with "e)";
11. On the same page, line 15, replace "17)" with "f)";
12. On the same page, line 17, replace "18)" with "g)";
13. On page 20, line 21, after the word "AND," delete lines 22 to 26;
14. On page 31, delete lines 13 to 26, and in lieu thereof, insert a new Section 13, to read as follows:
 

SEC. 13. – THE SMALL BUSINESS CORPORATION SHALL BE SUBJECT TO THE SUPERVISION AND EXAMINATION OF THE BANGKO SENTRAL NG PILIPINAS;
15. On page 35, line 8, after the acronym "MSME," insert the phrase AND GOOD MSME PRACTICES;
16. On the same page, line 11, after the word "COMPANIES," insert the phrase AND DEVELOPMENT PARTNERS.
17. On page 4, reword line 24 as follows:
 

MEDIUM: NOT LESS THAN P10,000,000  
BUT NOT MORE  
THAN P50,000,000;
18. On page 5, line 2, delete the words "*motu proprio*,"
19. On the same page, line 3, delete the word "or;" and
20. On page 14, delete lines 10 to 13.

#### SUSPENSION OF SESSION

Upon motion of Senator Legarda, the session was suspended.

*It was 6:19 p.m.*

#### RESUMPTION OF SESSION

At 6:21 p.m., the session was resumed.

#### COMMITTEE AMENDMENTS

*(Continuation)*

21. On page 9, line 12, after the word "SEMESTRALLY," insert the sentence: SUCH PLAN SHALL INCLUDE A COMPONENT ON A MICRO CREDIT FINANCING SCHEME;
22. On page 20, delete lines 17 and 18; and
23. On page 32, delete lines 1 to 13, and in lieu thereof, insert the following provision:

*VENTURE AND MICRO FINANCE TRUST FUND.* – THE SMALL BUSINESS CORPORATION SHALL SET ASIDE TEN PERCENT (10%) OF ITS ANNUAL NET OPERATING REVENUES BEFORE INTEREST FOR A VENTURE AND MICRO FINANCE TRUST FUND DEDICATED TO PROMOTING, MANAGING AND FINANCING ENTERPRISES THAT AIM TO CREATE WEALTH AND ALLEVIATE POVERTY IN THE PHILIPPINES. THE FUND SHALL BE USED MAINLY FOR VENTURE CAPITAL FINANCE ESPECIALLY IN TECHNOLOGY-ORIENTED INDUSTRIES. IT SHALL PROVIDE COLLATERAL-FREE FIXED AND WORKING CAPITAL LOANS TO MICRO AND SMALL ENTERPRISES RUN BY THOSE EMERGING OUT OF POVERTY.

#### SUSPENSION OF SESSION

Upon motion of Senator Legarda, the session was suspended.

*It was 6:23 p.m.*

#### RESUMPTION OF SESSION

At 6:27 p.m., the session was resumed.

#### SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1646

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

#### ADDITIONAL REFERENCE OF BUSINESS

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

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**MESSAGES OF THE PRESIDENT  
OF THE PHILIPPINES**

Letters of Her Excellency, President Gloria Macapagal Arroyo, both dated 25 September 2007, submitting to the Senate for its concurrence, the following:

- ◆ Extradition Treaty between the Government of the Republic of the Philippines and the Government of India which was signed in Manila on 12 March 2004; and
- ◆ Agreement between the Government of the Republic of the Philippines and the Government of Australia Concerning the Status of Visiting Forces of Each State in the Territory of the Other State which was signed on 31 May 2007 in Canberra, Australia

**To the Committee on Foreign Relations**

**BILLS ON FIRST READING**

Senate Bill No. 1695, entitled

AN ACT PROVIDING A MECHANISM FOR GENERATING QUALITY GRADUATES OF HIGHER EDUCATION INSTITUTIONS BASED ON PERFORMANCE IN PROFESSIONAL LICENSURE EXAMINATIONS

*Introduced by Senator Manny Villar*

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

Senate Bill No. 1696, entitled

AN ACT PROMOTING ADVANCED SCIENCE AND CUTTING-EDGE TECHNOLOGY EDUCATION IN THE PHILIPPINES, CREATING A SPECIAL FUND THEREFOR AND FOR OTHER PURPOSES

*Introduced by Senator Manny Villar*

**To the Committees on Science and Technology; Education, Arts and Culture; and Finance**

**RESOLUTION**

Proposed Senate Resolution No. 166, entitled

RESOLUTION RECOMMENDING TO THE VARIOUS EXECUTIVE DEPARTMENTS THE ADOPTION OF HONEST AND "OUT OF THE BOX" MECHANISMS TO IMPLEMENT RELEVANT LAWS ON COMPETITIVENESS AND BUREAUCRATIC REFORMS AND TO PRACTISE MEANINGFUL POLITICAL WILL IN GOVERNANCE IN THE LIGHT OF THE PHILIPPINES' 133<sup>RD</sup> RANKING OUT OF 178 ECONOMIES IN THE WORLD BANK GLOBAL COMPETITIVENESS-DOING BUSINESS SURVEY 2008

*Introduced by Senator Manny Villar*

**To the Committees on Civil Service and Government Reorganization; and Government Corporations and Public Enterprises**

**SECOND ADDITIONAL  
REFERENCE OF BUSINESS**

**MESSAGE FROM THE  
HOUSE OF REPRESENTATIVES**

Letter from Speaker Jose De Venecia Jr. of the House of Representatives, congratulating the Senate, its hardworking officers and staff on the celebration of the 91<sup>st</sup> Anniversary of the Institution in October 2007.

**To the Archives**

**COMMITTEE REPORT**

Committee Report No. 13, prepared and submitted by the Committee on Justice and Human Rights, on Senate Bill No. 1997, with Senators Gordon, Manny Villar and Francis "Chiz" G. Escudero as authors thereof, entitled

AN ACT PROVIDING STIFFER PENALTIES FOR THE CRIME OF THEFT AND ROBBERY OF PORTABLE TELECOMMUNICATION DEVICES,

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recommending its approval in substitution of Senate Bill Nos. 288 and 1618.

Sponsors: Senators Francis "Chiz" G. Escudero, Gordon and Manny Villar

### To the Calendar for Ordinary Business

#### COMMITTEE REPORT NO. 3 ON SENATE BILL NO. 1646 (Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1646 (Committee Report No. 3), entitled

AN ACT TO PROMOTE ENTREPRENEURSHIP BY STRENGTHENING DEVELOPMENT AND ASSISTANCE PROGRAMS TO MICRO, SMALL AND MEDIUM SCALE ENTERPRISES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6977, AS AMENDED, OTHERWISE KNOWN AS THE "MAGNA CARTA FOR SMALL ENTERPRISES" AND FOR OTHER PURPOSES.

Senator Pangilinan stated that the parliamentary status was still the period of amendments.

The Chair recognized Senator Legarda, Sponsor of the measure, and Senator Roxas for his remarks.

#### REMARKS OF SENATOR ROXAS

Preliminarily, Senator Roxas stated that Republic Act No. 6977, the Magna Carta for Small and Medium Enterprises, already has mandatory credit allocations as follows: 6% for small enterprises, 2% for medium enterprises, and zero percent for micro enterprises. He pointed out that the whole thrust of the measure is to precisely include the micro enterprises in the program to make credit also available to them. He said that one of the provisions of the bill increases the mandatory credit allocation *in toto* from 8% to 10%, but since the 10% is not segregated according to the size of the enterprises, he feared that credit would naturally flow to the medium or large enterprises because the cost of credit processing is the same, whether it is for a loan as small as P5,000 or as big as P5 million.

Senator Legarda agreed, emphasizing that the main objective of the bill is to empower the poorest of the poor and give more entrepreneurial skills and training and capital to the micro enterprises. She believed that the enterprise must be allocated a certain percentage according to its size. Admitting that banks may not be able to comply, she suggested that the matter be discussed at the bicameral conference level or be provided for in the IRR.

Senator Roxas stated that the matter should be addressed at the bicameral conference and not in the IRR as the latter cannot exceed what is in the law. Senator Legarda assured the Body that the proposed Act would allocate a certain percentage of the loan credit to micro enterprises.

#### TERMINATION OF THE PERIOD OF AMENDMENTS

There being no individual amendment, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of amendments.

#### APPROVAL OF SENATE BILL NO. 1646 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 1646 was approved on Second Reading.

#### SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1646

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

#### SPECIAL ORDERS

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of the following from the Calendar for Ordinary Business to the Calendar for Special Orders:

1. Committee Report No. 13 on Senate Bill No. 1697;
2. Committee Report No. 7 on Senate Bill No. 1659;
3. Committee Report No. 8 on Senate Bill No. 31; and
4. Committee Report No. 12 on Senate Bill No. 233.

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**COMMITTEE REPORT NO. 13  
ON SENATE BILL NO. 1697**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1697 (Committee Report No. 13), entitled

**AN ACT PROVIDING STIFFER PENALTIES FOR THE CRIME OF THEFT AND ROBBERY OF PORTABLE TELECOMMUNICATION DEVICES.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pangilinan, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

The Chair recognized Senator Escudero for the sponsorship.

**SPONSORSHIP REMARKS  
OF SENATOR ESCUDERO**

Senator Escudero presented for the Body's consideration Senate Bill No. 1697 which is in substitution of Senate Bill Nos. 1618 and 288, respectively filed by Senators Villar and Gordon. He asked that the explanatory notes to said bills be considered as the sponsorship speech on the measure.

**TERMINATION OF THE PERIOD  
OF INTERPELLATIONS**

There being no interpellation, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of interpellations and proceeded to the period of amendments.

**TERMINATION OF THE PERIOD  
OF AMENDMENTS**

There being no committee or individual amendment, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of amendments.

**APPROVAL OF SENATE BILL NO. 1697  
ON SECOND READING**

Submitted to a vote, there being no objection, Senate Bill No. 1697 was approved on Second Reading.

**SUSPENSION OF CONSIDERATION  
OF SENATE BILL NO. 1697**

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

**SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 6:40 p.m.*

**RESUMPTION OF SESSION**

At 6:40 p.m., the session was resumed.

**COMMITTEE REPORT NO. 9  
ON SENATE BILL NO. 1660**

*(Continuation)*

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1660 (Committee Report No. 9), entitled

**AN ACT AMENDING REPUBLIC ACT NO. 9340, RESETTING THE SYNCHRONIZED BARANGAY AND SANGGUNIANG KABATAAN ELECTIONS, AND FOR OTHER PURPOSES.**

Senator Pangilinan stated that the parliamentary status was still the period of interpellations.

The Chair recognized Senator Zubiri, Sponsor of the measure.

**REMARKS OF SENATOR PIMENTEL**

Preliminarily, Senator Pimentel emphasized that in considering bills, the Body must follow Rule XXV, Section 71(b) of the Rules of the Senate which states that sponsorship must be done by the committee chairman or by any member designated by the committee.

To the observation that Senator Gordon, chairman of the Committee on Constitutional Amendments, Revision of Codes and Laws, simply verbally asked Senator Zubiri to take over the sponsorship of the bill while he was away in Geneva, Senator Zubiri admitted

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that he was only verbally asked by Senator Gordon and he complied, even as he admitted that he was not aware of the rule cited by Senator Pimentel.

That being the case, Senator Pimentel asked that the consideration of the bill be aborted considering the lack of compliance with the Rules.

### **SUSPENSION OF SESSION**

Upon motion of Senator Zubiri, the session was suspended.

*It was 6:44 p.m.*

### **RESUMPTION OF SESSION**

At 6:45 p.m., the session was resumed.

### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1660**

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

### **MANIFESTATION OF SENATOR PANGILINAN**

Senator Pangilinan informed the barangay officials present in the hall that earlier, Congressman Fuentesbella requested that he be allowed to discuss Senate Bill No. 1660 with Senator Pimentel, which explains why other bills were considered before Senate Bill No. 1660 was called.

### **MANIFESTATION OF SENATOR ZUBIRI**

Senator Zubiri stated that he was ready to defend the measure but he was unable to do so because of Senator Pimentel's invocation of Rule XXV.

### **THIRD ADDITIONAL REFERENCE OF BUSINESS**

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

### **COMMUNICATIONS**

Letter from Senator Antonio F. Trillanes IV in his capacity as Chairman of the Committee on Civil

Service and Government Reorganization, dated 28 September 2007, addressed to the Senate, submitting a Formal Complaint and other pertinent documents against the leadership of the AFP and the Philippine Marines, in particular GEN. HERMOGENES ESPERON, AFP Chief of Staff; VADM. ROGELIO CALUNSAG, Flag Officer-In-Command, Philippine Navy; MGEN. BENJAMIN DOLORFINO, Commandant, Philippine Marines; and LTCOL. LUCIARDO OBENA, JR., Commanding Officer, Marine Barracks Manila, for their arbitrary and whimsical act of preventing the members of the Senate Secretariat and members of his staff as well as resource persons and invited guests from attending the scheduled *official hearing* of the COMMITTEE ON CIVIL SERVICE AND GOVERNMENT REORGANIZATION of the Senate, at the Marine Brig. Marine Headquarters Manila, Fort Bonifacio, Manila, last Thursday, 27 September 2007, at 10:00 a.m.;

and the Letter of Department of National Defense Secretary Gilberto C. Teodoro, Jr., addressed to the Senate, dated 01 October 2007, appealing for assistance in the matter of attempts to conduct Senate public hearings inside the detention facilities of the Philippine Marine Corps in Fort Bonifacio and attaching a copy of the Order of the Hon. Oscar Pimentel of the Regional Trial Court of Makati, which denied the motion of Senator Trillanes IV, among others, to conduct public hearings inside the detention facility.

### **To the Committee on Rules**

### **COMMITTEE REPORTS**

Committee Report No. 14, prepared and submitted jointly by the Committees on Health and Demography; Labor, Employment and Human Resources Development; Ways and Means; Youth, Women and Family Relations; and Finance, on Senate Bill No. 1698, with Senators "Compañera" Pia S. Cayetano, Jinggoy Ejercito Estrada, Francis "Chiz" G. Escudero, M.A. Madrigal and Enrile as authors thereof, entitled

AN ACT EXPANDING THE PROMOTION OF BREASTFEEDING, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7600, OTHERWISE KNOWN AS "AN ACT PROVIDING INCENTIVES *if*

TO ALL GOVERNMENT AND PRIVATE HEALTH INSTITUTIONS WITH ROOMING-IN AND BREAST-FEEDING PRACTICES AND FOR OTHER PURPOSES,"

recommending its approval in substitution of Senate Bill No. 761.

Sponsor: Senator "Compañera" Pia S. Cayetano

#### To the Calendar for Ordinary Business

Committee Report No. 15, prepared and submitted jointly by the Committees on Environment and Natural Resources; Civil Service and Government Reorganization; Education, Arts and Culture; and Finance, on Senate Bill No. 1699, with Senators Jinggoy Ejercito Estrada, "Compañera" Pia S. Cayetano, Manny Villar and Loren Legarda as authors thereof, entitled

AN ACT TO PROMOTE ENVIRONMENTAL AWARENESS THROUGH ENVIRONMENTAL EDUCATION, STRENGTHENING FOR THIS PURPOSE SECTION 53 OF PRESIDENTIAL DECREE NO. 1152, OTHERWISE KNOWN AS THE PHILIPPINE ENVIRONMENT CODE AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 476, 766, 959, 986 and 1097.

Sponsor: Senator "Compañera" Pia S. Cayetano

#### To the Calendar for Ordinary Business

#### SPECIAL ORDER

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 15 on Senate Bill No. 1699 from the Calendar for Ordinary Business to the Calendar for Special Orders.

#### COMMITTEE REPORT NO. 15 ON SENATE BILL NO. 1699

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading,

Senate Bill No. 1699 (Committee Report No. 15), entitled

AN ACT TO PROMOTE ENVIRONMENTAL AWARENESS THROUGH ENVIRONMENTAL EDUCATION, STRENGTHENING FOR THIS PURPOSE SECTION 53 OF PRESIDENTIAL DECREE NO. 1152, OTHERWISE KNOWN AS THE PHILIPPINE ENVIRONMENT CODE AND FOR OTHER PURPOSES.

Pursuant to Section 67 of Rule XXIII of the Rules of the Senate, upon motion of Senator Pangilinan, there being no objection, only the title of the bill was read without prejudice to the insertion of its text into the Record of the Senate.

The Chair recognized Senator Cayetano (P) for the sponsorship.

#### SPONSORSHIP SPEECH OF SENATOR CAYETANO (P)

At the instance of Senator Cayetano (P), the following sponsorship speech was considered read into the Record of the Senate:

One hundred thirty-nine (139) and eighty-one (81). Two seemingly empty numbers.

However, in 2005, the Philippines ranked 139<sup>th</sup> and 81<sup>st</sup> in Environmental Sustainability Index (ESI) Scores in Air and Water quality respectively. This is out of 146 countries.

Environmental degradation remains to be one of the most pressing concerns that our country faces today. Over the years, the onslaught against Mother Earth is worsening. Our natural resources are incessantly depleting. Everyday, we witness what has been borne out of our imprudent and selfish actions.

As of the third quarter of 2006, the Philippines generated a massive 29,680.5 tons of waste/day. In the most recent study of the Forest Management Bureau, the Philippines' total forest cover accounted for 15,847,009 hectares. With the number of forest disturbances escalating from 1,700 in 2004 to 2,718 in 2005, the annual deforestation for the period of 1990-2005 registered at 1.4%

To add to this, Sen. Loren Legarda, in a privilege speech, elucidated on the deteriorating condition of our Mother Earth, including the

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mention that Metro Manila alone generates 4,600 tons of garbage daily.

Given these alarming statistics, I cannot help but be anxious of what will become of our environment.

I believe that the Earth's lamentable condition is not limited to environmental deterioration. The Earth has also been held captive by the greedy heart of many, slowly robbing it of every available resource.

Further worsening the dire condition of the Earth are the ozone layer depletion and global warming, both of which continue to beset us and the rest of the world. Indeed, this deplorable picture all the more emphasizes the urgent need to preserve and protect the ecological foundation of Mother Earth.

We are mandated by law and by conscience to preserve and protect our Mother Earth. The Philippine Constitution mandates that "the State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature."

In December 2002, the United Nations General Assembly, through a proclamation, commenced the Decade of Education for Sustainable Development (DESD) from 2005 to 2014, the goal of which is to integrate the principles, values, and practices of sustainable development into all aspects of education and learning. This educational effort aims to create a more sustainable future in terms of environmental integrity, economic viability, and a just society for present and future generations.

On hindsight, a number of critical legislations like the Solid Waste Management Act, the Clean Air Act, the National Integrated Protected Areas System Act, and the Clean Water Act have been enacted to address these pressing environmental issues. However, these are technical and complex legislations, at times too technical that the general public is unable to understand these laws. It is not enough that we have strong legislations. It is vital that we equip our people with the necessary awareness and education on our environment. It is crucial that we arm our people, so that we, as a nation, are able to fulfill our responsibilities to the Earth and the future generations who will inherit the Earth.

There is a need to instill and promote awareness of the importance to maintain ecological balance. There is a need to educate the people on environmental conservation and sustainability. There is a need to develop a stronger national consciousness.

This bill seeks to promote environmental awareness through environmental education. This bill shall ensure that the curricula of primary, secondary and tertiary public and private educational institutions, including non-formal, indigenous learning and out-of-school program, incorporate the study of the environment including the state of the Philippine and global environment, the threats of environmental degradation and its impact on human well-being, and the importance of natural resources conservation and protection in the context of sustainable development. It shall also incorporate actual activities to conserve natural resources, including tree-planting activities; recycling and com-posting programs; marine conservation programs; forest management and conservation; and other such programs to aid the implementation of the different environmental protection laws.

Senate Bill No. 766 envisions the education of our children not only within the confines of the four walls of the classroom. This bill seeks to go beyond the orthodox schooling of theoretical and academic concepts about the environment and turn this into a way of life, a conscious effort to ensure that our environment is taken care of. These concepts have to be more than today's abstract lesson and tomorrow's exam.

In line with the principles and mandates set by the Philippine Constitution, Senate Bill No. 766 seeks to designate the month of January of every year throughout the Philippines as the "Environmental Awareness Month."

The Department of Education (DepEd), Commission on Higher Education (CHED), Technical Education and Skills Development Authority (TESDA), Department of Environment and Natural Resources (DENR) and the Department of Science and Technology (DOST), are mandated to work together in consultation with experts in the environmental sector and the academe, to lead the implementation of a comprehensive public education and awareness program on environmental protection and conservation.

It shall be a concerted effort among these agencies to promote environmental awareness through environmental education. The DENR shall be tasked with the primary responsibility of periodically updating all agencies concerned on current environmental updates. DepEd, CHED and TESDA shall ensure that the information is disseminated to the students of all levels. DOST is mandated to create programs that will ensure that students receive science-based quality

information on environmental issues to encourage the development of environmentally friendly solutions, devices, equipment and facilities. All together, this bill shall bring together the vast information available to our children.

The key to effective inculcation of national consciousness on the importance of conserving the environment is to start early on. Developing the consciousness of the youth will help ensure that the present initiatives towards restoring ecological balance will be continued in following generations. Senate Bill No. 766 seeks to make this possible.

I was once told of an old Native American wisdom, "You must teach your children that the ground beneath their feet is the ashes of your grandfathers. So that they will respect the land, tell your children that the Earth is rich with the lives of our kin. Teach your children what we have taught our children, that the Earth is our mother. Whatever befalls the Earth befalls the sons of the Earth. If men spit upon the ground, they spit upon themselves."

It is time to teach our children to respect the land; to remind and leave an imprint on our children that the Earth is our mother.

For the cessation of the onslaught on the earth and the protection of Mother Nature, I thus seek the immediate approval of Senate Bill No. 766.

#### **TERMINATION OF THE PERIOD OF INTERPELLATIONS**

There being no interpellation, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of interpellations and proceeded to the period of amendments.

#### **TERMINATION OF THE PERIOD OF AMENDMENTS**

There being no committee or individual amendment, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of amendments.

#### **APPROVAL OF SENATE BILL NO. 1699 ON SECOND READING**

Submitted to a vote, there being no objection, Senate Bill No. 1699 was approved on Second Reading.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1699**

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

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 6:55 p.m.*

#### **RESUMPTION OF SESSION**

At 6:55 p.m., the session was resumed.

#### **SPECIAL ORDER**

Upon motion of Senator Pangilinan, there being no objection, the Body approved the transfer of Committee Report No. 14 on Senate Bill No. 1698 from the Calendar for Ordinary Business to the Calendar for Special Orders.

#### **COMMITTEE REPORT NO. 14 ON SENATE BILL NO. 1698**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1698 (Committee Report No. 14), entitled

AN ACT EXPANDING THE PROMOTION OF BREASTFEEDING, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7600, OTHERWISE KNOWN AS "AN ACT PROVIDING INCENTIVES TO ALL GOVERNMENT AND PRIVATE HEALTH INSTITUTIONS WITH ROOMING-IN AND BREAST-FEEDING PRACTICES AND FOR OTHER PURPOSES."

Pursuant to Section 67 of Rule XXIII of the Rules of the Senate, upon motion of Senator Pangilinan, there being no objection, only the title of the bill was read without prejudice to the insertion of its text into the Record of the Senate.

The Chair recognized Senator Cayetano (P) for the sponsorship. *W*

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## SPONSORSHIP SPEECH OF SENATOR CAYETANO (P)

At the instance of Senator Cayetano (P), the following sponsorship speech was considered read into the Record of the Senate:

Around two years ago, I had the honor to stand before this august Chamber to present for the consideration of the Body a bill seeking to expand the promotion of breastfeeding by amending Republic Act No. 7600, otherwise known as the "Rooming-In and Breastfeeding Act of 1992." The committee report originated from a bill filed by then Sen. Juan Flavio Velasco. After some amendments by our colleagues in the 13<sup>th</sup> Congress, the committee report was approved on Third Reading. Unfortunately, the bill was not enacted into law for lack of a counterpart bill.

On behalf of the Committee on Health and Demography, I ask the indulgence of my colleagues as I present for our collective deliberation and approval, Senate Bill No. 1698 under Committee Report No. 14, which is a similar measure to the bill passed in the 13<sup>th</sup> Congress, with a few minor changes.

The importance of breastfeeding is an established fact. No less than the Department of Health, together with the World Health Organization (WHO) and the United Nations Children's Fund (Unicef), along with numerous international and local groups, fully supports and rallies behind the return to the time-honored tradition and nurturing value of breastfeeding with the end in view of saving lives and strengthening not only the health of our children, but also that of our working mothers, our whole community and our future.

The bill is consistent with international treaties and conventions to which the Philippines is a signatory. These include the Convention on the Elimination of Discrimination Against Women (CEDAW, 1979) which emphasizes the necessary supporting social services to enable parents to combine family obligations with work responsibilities, the International Conference on Women (Beijing, 1995) which promotes harmonization of work and family responsibilities for women and men, and the Convention on the Rights of the Child (1989) which recognizes a child's inherent right to life and the State's obligations to ensure the child's survival and development.

On the whole, Senate Bill No. 1698 carries out the constitutional directive to protect and promote the right to health of the people and instill health consciousness among them, to

adopt an integrated and comprehensive approach to health development, and to defend the right of children to proper care and nutrition.

The objective of Senate Bill No. 1698 is plain and simple: to reestablish the culture of breastfeeding as the normal, natural and preferred method of feeding infants and young children and to provide specific measures to enable working mothers to continue breastfeeding.

In particular, the bill seeks to mandate the establishment of lactation stations in workplaces and public places. The lactation stations should be adequately equipped with the necessary equipment and facilities, the standards of which shall be defined by the DOH.

Nursing female employees shall likewise be granted reasonable compensable time during working hours to breastfeed or express their milk, subject to the regulations that the Department of Labor and Employment may prescribe for the private sector, and the chairperson of the Civil Service Commission may prescribe for the public sector.

Health institutions shall also be encouraged to set up milk banks for the storage of expressed breastmilk donated by mothers, subject to the strictest standards that the Department of Health is required to issue to avoid cross-infection.

The DOH, as the lead agency, shall further be mandated to develop and provide breastfeeding programs for working mothers for employers who are encouraged to avail of as part of their human resource development; and to produce and make available relevant information and programs to equip women of reproductive age with accurate information on maternal nutrition and proper nourishment in preparation for successful and sustainable breastfeeding, which information shall be disseminated to all city, municipal and barangay health centers.

Training for all health workers involved in obstetrical and pediatric services shall be undertaken by the DOH to ensure that they are knowledgeable about the advantages of breastfeeding and risks associated with breastmilk substitutes. In line with the Milk Code and Republic Act No. 7600, health workers and institutions should also provide pregnant and lactating mothers the necessary support, proper information and training on breastfeeding and must primarily recommend breastfeeding.

Breastfeeding education shall be integrated in relevant subjects in the elementary, high school and college levels, especially in the medical and allied medical courses, and in technical voca-

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tional education. The inclusion of breastfeeding in the curriculum seeks to provide information on the importance, benefits and techniques of breastfeeding to counter perceptions brought about by the lack of information on breastfeeding to the public, with the end in view of a change in societal attitudes towards breastfeeding.

To further foster the culture and national policy on breastfeeding, the month of August in each and every year shall be known as "Breastfeeding Awareness Month." A comprehensive public education and awareness program shall be undertaken in this regard, in addition to the conduct and support for various activities to promote breastfeeding.

Failure of non-health institutions to comply with the establishment of the lactation station and the grant of compensable working hours for lactating mother is criminally sanctioned. The secretary of Health is also empowered to punish health institutions which violate the law, as well as administrative sanctions for government officials and employees who fail to abide by the provisions of the law.

I would like to add that during the privilege speech delivered by our distinguished Minority Leader, Sen. Nene Pimentel, emphasizing the importance of breastfeeding, he and some of our fellow senators committed their support for any measure on breastfeeding. As such, I present for the collective deliberation of the Body Senate Bill No. 1698 under Committee Report No. 14 and I hope for its immediate passage.

#### **TERMINATION OF THE PERIOD OF INTERPELLATIONS**

There being no interpellation, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of interpellations and proceeded to the period of amendments.

#### **TERMINATION OF THE PERIOD OF AMENDMENTS**

There being no committee or individual amendment, upon motion of Senator Pangilinan, there being no objection, the Body closed the period of amendments.

#### **APPROVAL OF SENATE BILL NO. 1698 ON SECOND READING**

Submitted to a vote, there being no objection, Senate Bill No. 1699 was approved on Second Reading.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1698**

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

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 6:58 p.m.*

#### **RESUMPTION OF SESSION**

At 7:03 p.m., the session was resumed.

#### **PROPOSED SENATE RESOLUTION NO. 161**

Upon motion of Senator Pangilinan, there being no objection, the Body considered Proposed Senate Resolution No. 161, entitled

**RESOLUTION COMMENDING THE PHILIPPINE DRAGON BOAT FEDERATION FOR DISPLAYING EXCELLENCE IN SPORTS IN WINNING IN THE 8<sup>TH</sup> INTERNATIONAL DRAGON BOAT FEDERATION, DRAGON BOAT CHAMPIONSHIP IN AUSTRALIA.**

With the permission of the Body, only the title of the resolution was read without prejudice to the insertion of its text into the Record of the Senate.

#### **ADOPTION OF PROPOSED SENATE RESOLUTION NO. 161**

Upon motion of Senator Pangilinan, there being no objection, Proposed Senate Resolution No. 161 was adopted by the Body.


#### **VICE CHAIRMANSHIPS**

Senator Pangilinan manifested that the following senators have been designated as vice chairs of the committees hereunder indicated:

##### *Committee on Health*

Angara

Biazon

Legarda 



***Committee on Environment  
and Natural Resources***

Honasan  
Zubiri  
Legarda

***Committee on Local Government***

Escudero

***Committee on Agriculture and Food***

Legarda

**REFERRAL OF SPEECH TO COMMITTEE**

Acting on the request of Senator Angara, upon motion of Senator Pangilinan, there being no objection, the Chair referred the privilege speech of Senator Angara entitled "Tree of Life Under Threat of Extinction" delivered last September 24, 2007, and the interpellations thereon to the Committee on Agriculture and Food.

**SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 7:05 p.m.*

**RESUMPTION OF SESSION**

At 8:09 p.m., the session was resumed.

**SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, there being no objection, the Chair declared the session suspended until ten o'clock in the morning of Tuesday, October 9, 2007.

*It was 8:10 p.m.*

**RESUMPTION OF SESSION**


At 10:09 a.m., Tuesday, October 9, the session was resumed with Senate President Pro Tempore Ejercito Estrada presiding.

**ADJOURNMENT OF SESSION**

Upon motion of Senator Pangilinan, there being no objection, the Senate President Pro Tempore declared the session adjourned until three o'clock in the afternoon of Monday, November 5, 2007.

*It was 10:10 a.m.*

I hereby certify to the correctness of the foregoing.

  
EMMA LIRIO-REYES  
Secretary of the Senate

Approved on November 5, 2007