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SESSION NO. 61

Monday and Tuesday, March 3 & 4, 2008

**FOURTEENTH CONGRESS
FIRST REGULAR SESSION**

SESSION NO. 61
Monday and Tuesday, March 3 & 4, 2008

CALL TO ORDER

At 3:41 p.m., Tuesday, March 3, the Senate President, Hon. Manny Villar, called the session to order.

PRAYER

Sen. Loren Legarda led the prayer, to wit:

May God bless us with discomfort
at easy answers, half-truths, and
superficial relationships, so that we may
live deep within our hearts.

May God bless us with anger
at injustice, oppression, and exploitation
of people, so that we may work for justice,
freedom and peace.

May God bless us with tears
to shed for those who suffer pain,
rejection, hunger and war, so that we
may reach out our hand to comfort them
and to turn their pain into joy.

And may God bless us with enough foolishness
to believe that we can make a difference
in the world, so that we can do what
others claim cannot be done to bring
justice and kindness to all our children
and the poor.

Amen.

NATIONAL ANTHEM

The La Consolacion College Manila Chorale led the singing of the national anthem and thereafter rendered the song, entitled *Ang Senado*.

ROLL CALL

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

Angara, E. J.	Lapid, M. L. M.
Aquino III, B. S. C.	Legarda, L.
Cayetano, A. P. C. S.	Madrigal, M. A.
Cayetano, C. P. S.	Pangilinan, F. N.
Ejercito Estrada, J.	Pimentel Jr., A. Q.
Enrile, J. P.	Revilla Jr., R. B.
Escudero, F. J. G.	Roxas, M.
Gordon, R. J.	Villar, M.
Honasan, G. B.	Zubiri, J. M. F.
Lacson, P. M.	

With 19 senators present, the Chair declared the presence of a quorum.

Senator Arroyo was on official business.

Senator Defensor Santiago was on official mission abroad.

Senator Biazon was absent.

Senator Trillanes was unable to attend the session.

**DEFERMENT OF THE APPROVAL
OF THE JOURNAL**

Upon motion of Senator Pangilinan, there being no objection, the Body deferred the consideration and approval of the Journal of Session No. 60 to a later hour.

**DEFERMENT OF THE
REFERENCE OF BUSINESS**

Upon motion of Senator Pangilinan, there being no objection, the Body also deferred the reading of the Reference of Business to a later hour.

**APPROVAL OF SENATE BILL NO. 2009
ON THIRD READING**

Upon motion of Senator Pangilinan, there being no objection, the Body considered, on Third Reading, *As*

Senate Bill No. 2009, printed copies of which were distributed to the senators on February 20, 2008.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, upon motion of Senator Pangilinan, there being no objection, Secretary Reyes read only the title of the bill, to wit:

AN ACT FURTHER EXPANDING THE ORGANIZATIONAL STRUCTURE OF THE COURT OF TAX APPEALS, AMENDING FOR THE PURPOSE CERTAIN SECTIONS OF THE LAW CREATING THE COURT OF TAX APPEALS, AND FOR OTHER PURPOSES.

Secretary Reyes called the roll for nominal voting.

RESULT OF THE VOTING

The result of the voting was as follows:

In favor

Angara	Lapid
Aquino	Legarda
Cayetano (A)	Madrigal
Cayetano (P)	Pangilinan
Ejercito Estrada	Pimentel
Enrile	Revilla
Escudero	Roxas
Gordon	Villar
Honasan	Zubiri
Lacson	

Against

None

Abstention

None

With 19 senators voting in favor, none against, and no abstention, the Chair declared Senate Bill No. 2009 approved on Third Reading.

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Pangilinan acknowledged the presence in the gallery of students of St. Paul College and University of Makati.

Senate President Villar welcomed the guests to the Senate.

REFERENCE OF BUSINESS

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

BILL ON FIRST READING

Senate Bill No. 2098, entitled

AN ACT PROVIDING INTERNET SAFETY AND PROTECTION FOR CHILDREN

Introduced by Senator Francis "Chiz" G. Escudero

To the Committees on Public Information and Mass Media; Justice and Human Rights; and Finance

RESOLUTION

Proposed Senate Resolution No. 310, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEES ON HEALTH AND DEMOGRAPHY, TRADE AND COMMERCE AND OTHER APPROPRIATE COMMITTEES IN THE SENATE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE URGENT CALL TO ELIMINATE THE RISK OF ASBESTOS EXPOSURE AND ASBESTOS-RELATED ILLNESSES BY BANNING THE IMPORTATION, MANUFACTURE, PROCESSING OR COMMERCIAL DISTRIBUTION OF ASBESTOS-CONTAINING PRODUCTS AS THEY POSE GRAVE DANGER TO THE HEALTH AND WELL BEING OF THE GENERAL PUBLIC

Introduced by Senator Manuel "Lito" M. Lapid

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

ADDITIONAL REFERENCE OF BUSINESS**RESOLUTIONS**

Proposed Senate Resolution No. 311, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED IRREGULARITIES IN THE P550-MILLION CALL CENTER TRAINING PROJECT OF THE COMMISSION ON HIGHER EDUCATION

Introduced by Senator Miriam Defensor Santiago

To the Committees on Accountability of Public Officers and Investigations; and Education, Arts and Culture

Proposed Senate Resolution No. 312, entitled

RESOLUTION CREATING AN AD HOC COMMITTEE TO CONDUCT A NATIONAL COMPETITION FOR THE ARCHITECTURAL DESIGN OF A NEW SENATE BUILDING

Introduced by Senator Miriam Defensor Santiago

To the Committee on Rules

Proposed Senate Resolution No. 313, entitled

RESOLUTION DIRECTING THE SENATE SERGEANT-AT-ARMS TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE PHILIPPINE NATIONAL POLICE (PNP) DIRECTOR GENERAL REGARDING THE SERVICE OF WARRANTS OF ARRESTS AND OTHER PROCESSES ISSUED BY THE SENATE AND ITS COMMITTEES

Introduced by Senator Miriam Defensor Santiago

To the Committee on Rules

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 3:51 p.m.

RESUMPTION OF SESSION

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

CONFERENCE COMMITTEE REPORT ON SENATE BILL NO. 1646 AND HOUSE BILL NO. 1754

Upon motion of Senator Pangilinan, there being no objection, the Body considered the Conference Committee Report on the disagreeing provisions of Senate Bill No. 1646 and House Bill No. 1754, both 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.

The Chair recognized Senator Legarda to sponsor the report.

SPONSORSHIP REMARKS OF SENATOR LEGARDA

Senator Legarda submitted for consideration and approval by the Body the Bicameral Conference Committee Report on Senate Bill No. 1646 and House Bill No. 1754. She reported that the Conference Committee met and fully discussed the two versions of the bill and prepared a Joint Explanatory Statement to both Houses of Congress on the amendments and recommendations that were agreed upon by the conferees in the accompanying Conference Committee Report.

She manifested that the grammatical and typographical errors in the report would effectively be taken care of in the last part of the Joint Explanatory Note and that she would submit the whole Bicameral

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Conference Committee Report. She then proceeded to cite the salient features of the Report, as follows:

1. The conference committee agreed that the proposed measure should take the form of an amendatory Act to Republic Act No. 6977, as amended by Republic Act No. 8289, otherwise known as "The Magna Carta for Small Enterprises";
2. The conferees agreed to use the Senate version as the working draft with focus on major disagreements; and the rest are editorial amendments;
3. On Section 3 (*Micro, Small and Medium Enterprises as Beneficiaries*), on the definition of MSMEs, the House version was adopted to make the amendatory Act consistent with the definition of micro-enterprises under Republic Act No. 9178, otherwise known as the Barangay Micro Business Enterprises (BMBEs) Act of 2002;
4. On Section 8, on the *composition of the MSMED Council*, the conferees agreed to reduce the membership to 11 to make it more manageable and for easier decision-making. It was agreed that the DTI shall remain as the Chairman of the Council. The Senate version's enumeration of members was adopted with amendments to reflect the change in membership composition to include the following:
 - a) Secretary of Agriculture;
 - b) Secretary of the Interior and Local Government;
 - c) Secretary of Science and Technology;
 - d) Secretary of Tourism;
 - e) Chairman of the SB Corporation;
 - f) Three (3) representatives from the MSME sector to represent Luzon, Visayas and Mindanao; this is in lieu of the current set-up wherein there is only one representative from the said sector;
 - g) One (1) representative from the labor sector to be nominated by accredited labor groups; this is a new addition to the Council;
 - h) A representative from the private banking sector: to serve alternately among the Chamber of Thrift Banks; the Rural Bankers' Association of the Philippines (RBAP); and the Bankers' Association of the Philippines.

The conferees agreed to drop the following as Council members; the Director-General of the NEDA, Secretary of Labor and Employment, Secretary of Environment and Natural Resources, Secretary of Finance, Chairman of the Monetary Board, Chairman of the small and medium enterprises promotion body.

The conferees agreed to delete the entire paragraph after subletter (m) of the Senate version. The conferees believed that since the composition of the Council has been reduced, the remaining members of the Council should be actively involved and not be allowed to perform their duties through a designated representative.

5. On Section 11, the appropriations provision is inserted which was lifted from the fifth paragraph of subletter (m), Section 8 of the Senate version, with amendments, to read as follows:

SEC. 11. A new section is hereby inserted after Section 9 of the same Act, as amended, and numbered as Section 9 to read as follows:

SEC. 9. *APPROPRIATIONS. – TO FINANCE ITS ACTIVITIES AND OPERATIONAL EXPENSES, THE COUNCIL SHALL HAVE A SEPARATE ANNUAL APPROPRIATION APPROVED BY THE DEPARTMENT OF TRADE AND INDUSTRY (DTI) WHICH SHALL BE PROVIDED IN THE GENERAL APPROPRIATIONS ACT STARTING IN THE FISCAL YEAR IMMEDIATELY FOLLOWING THE APPROVAL OF THIS ACT. THE COUNCIL MAY ALSO ACCEPT CONTRIBUTIONS FROM THE PRIVATE SECTOR.*

6. Section 16 of the Senate version was adopted with the following amendments:

a) On the new Section 13, on BSP supervision over SB Corporation, after the words "BANGKO SENTRAL NG PILIPINAS," insert the phrase TAKING INTO CONSIDERATION ITS DEVELOPMENTAL OBJECTIVES;

b) On the new Section 14, on Venture Capital and Micro-Finance Trust Fund, after the word "CORPORATION," delete the word "SHALL," and in lieu thereof, insert the word MAY; after the words "SET ASIDE," delete

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the phrase "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," and in lieu thereof, insert the phrase AN AMOUNT OF MONEY TO ENCOURAGE THE SETTING UP OF A VENTURE CAPITAL AND MICRO FINANCE TRUST FUND FOR THE PURPOSE OF PROMOTING BUSINESS OPPORTUNITIES TO MSME SECTOR; said amendment was made because requiring the SB Corporation to set aside 10% of their annual operating income for venture capital may pose financial problems for the corporation.

7. On Section 17 (*Mandatory Allocation of Credit Resources to Micro, Small and Medium Enterprises*), the conferees agreed to adopt the House version which provides for setting minimum mandatory allocation of credit resources of eight percent (8%) for micro and small, and two percent (2%) for medium enterprises to ensure greater availability of credit resources to micro and small enterprises. As such, the following amendments were made on the second paragraph of the Senate version.

a) after the phrase "at least," delete "TEN PERCENT (10%) [six] (6%)," and in lieu thereof, insert the phrase EIGHT PERCENT (8%) FOR MICRO AND SMALL ENTERPRISES;

b) after the word "MICRO," restore the phrase AND AT LEAST TWO PERCENT (2%) FOR, and delete the words "small and";

On the same section, the conferees agreed to adopt the modes of alternative compliance prescribed in the House version.

On the paragraph succeeding subletter (F), delete the phrase "MAY PRESCRIBE ALTERNATIVE FORMS OF COMPLIANCE SUBJECT TO THE APPROVAL OF THE MSMED COUNCIL. FURTHER, *THE BANGKO SENTRAL NG PILIPINAS*" to eliminate the possibility of BSP setting other alternative modes of compliance by lending institutions which the conferees deem is an opportunity to dilute the intent of the law.

After the last paragraph, the conferees agreed to include a provision, to read as follows:

LENDING INSTITUTIONS WHICH ARE NOT QUALIFIED TO ACQUIRE OR HOLD LANDS OF THE PUBLIC DOMAIN IN THE PHILIPPINES SHALL BE PERMITTED TO BID AND TAKE PART IN SALES OF MORTGAGED REAL PROPERTY IN CASE OF JUDICIAL OR EXTRA-JUDICIAL FORECLOSURE, AS WELL AS AVAIL OF RECEIVERSHIP, ENFORCEMENT AND OTHER PROCEEDINGS, SOLELY UPON DEFAULT OF A BORROWER, AND FOR A PERIOD NOT EXCEEDING FIVE YEARS FROM ACTUAL POSSESSION, *PROVIDED* THAT IN NO EVENT SHALL TITLE TO THE PROPERTY BE TRANSFERRED TO SUCH LENDING INSTITUTION. IF THE LENDING INSTITUTION IS THE WINNING BIDDER, IT MAY, DURING SAID FIVE-YEAR PERIOD, TRANSFER ITS RIGHTS TO A QUALIFIED PHILIPPINE NATIONAL, WITHOUT PREJUDICE TO A BORROWER'S RIGHTS UNDER APPLICABLE LAWS.

The conferees agreed that this provision will place foreign banks on a level playing field with domestic banks. Since the requirement for mandatory allocation of credit resources shall be imposed equally on domestic and foreign banks, it is imperative to allow foreign banks to foreclose real properties used by borrowers as collateral for loans. This amendment is favorable for MSMEs as foreign banks will likewise be encouraged to extend loans to them.

8. On Section 18 of the Senate version, after the last paragraph, the conferees agreed to adopt Section 17 of the House version creating an oversight committee, with amendments, to read as follows:

SEC. 18. *CONGRESSIONAL OVERSIGHT COMMITTEE.* – TO MONITOR AND OVERSEE THE IMPLEMENTATION OF THIS ACT, THERE SHALL BE A CONGRESSIONAL OVERSIGHT COMMITTEE ON MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (COC-MSMED) COMPOSED OF THE SENATE COMMITTEE ON ECONOMIC AFFAIRS AND THE HOUSE COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP DEVELOPMENT AS CHAIRPERSON AND CO-CHAIRPERSON, ^{AS}

RESPECTIVELY; FIVE (5) MEMBERS OF EACH OF THE SENATE AND HOUSE OF REPRESENTATIVES TO INCLUDE THE CHAIRPERSONS OF THE SENATE COMMITTEES ON TRADE AND COMMERCE; AND BANKS, FINANCIAL INSTITUTIONS AND CURRENCIES; AND THE CHAIRPERSONS OF THE HOUSE COMMITTEES ON TRADE AND INDUSTRY, BANKS AND FINANCIAL INSTITUTIONS AND APPROPRIATIONS: *PROVIDED*, THAT TWO (2) OF THE FIVE SENATORS AND TWO (2) OF THE FIVE HOUSE MEMBERS SHALL BE NOMINATED BY THE RESPECTIVE MINORITY LEADERS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.

THE COC-MSMED SHALL SET THE GUIDELINES AND OVERALL FRAMEWORK FOR THE MONITORING OF THE IMPLEMENTATION OF THIS ACT AND SHALL ADOPT ITS INTERNAL RULES OF PROCEDURE. THE SECRETARIAT OF THE COC-MSMED SHALL BE DRAWN FROM THE EXISTING PERSONNEL OF THE SENATE AND HOUSE OF REPRESENTATIVES COMMITTEES COMPRISING THE COC-MSMED.

9. On Section 19 of the Senate version, the conferees agreed to include a new paragraph to read as follows:

PENALTIES ON NON-COMPLIANCE SHALL BE DIRECTED TO THE DEVELOPMENT OF THE MSME SECTOR. NINETY (90) PER CENT OF THE PENALTIES COLLECTED SHOULD GO TO THE MSMED COUNCIL FUND, WHILE THE REMAINING TEN (10) PER CENT SHOULD BE GIVEN TO THE BSP TO COVER FOR ADMINISTRATIVE EXPENSES.

10. Renumber the sections accordingly; and
11. To be consistent with the reconciled Senate and House version, the title of this proposed measure shall read as follows:

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."

In case of conflict between the statements/ amendments stated in this Joint Explanatory Statement and that of the provisions of the consolidated bill in the accompanying Conference Committee Report, the provisions of the latter shall prevail.

APPROVAL OF THE CONFERENCE COMMITTEE REPORT

Upon motion of Senator Pangilinan, there being no objection, the Conference Committee Report on the disagreeing provisions of Senate Bill No. 1646 and House Bill No. 1754 was approved by the Body.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 4:04 p.m.

RESUMPTION OF SESSION

At 4:05 p.m., the session was resumed.

SENATE CONFEREES

Upon nomination by Senator Pangilinan, there being no objection, Senate President Villar designated the following to constitute the Senate panel in the Bicameral Conference Committee on the disagreeing provisions of Senate Bill No. 2009 and House Bill No. 1890 (Expanding the Organizational Structure of the Court of Tax Appeals): Senator Escudero as chair, and Senator Pangilinan, on the part of the Majority, and Senator Pimentel, on the part of the Minority, as members.

COMMITTEE REPORT NO. 29 ON SENATE BILL NO. 1714

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1714 (Committee Report No. 29), entitled

AN ACT ESTABLISHING THE LA MESA WATERSHED IN THE CITIES OF QUEZON AND CALOOCAN AND IN THE MUNICIPALITY OF RODRIGUEZ, PROVINCE OF RIZAL

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**AS A WATERSHED RESERVATION
AND FOR OTHER PURPOSES.**

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

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 4:06 p.m.

RESUMPTION OF SESSION

At 4:26 p.m., the session was resumed with Senate President Pro Tempore Ejercito Estrada presiding.

INTERPELLATION OF SENATOR MADRIGAL

At the outset, Senator Madrigal read her dissent to Committee Report No. 311 on resolutions bearing with the country's watersheds and in particular the proposed housing units in the La Mesa Watershed prepared by the Committee in the Third Regular Session of the 13th Congress to set the premise of her interpellation, to wit:

My committee was not consulted in drafting this committee report. This committee report does not in anyway protect the La Mesa Watershed, instead it allows for its destruction. The executive housing and existing structure should be demolished. This committee report should have recommended that the DENR deny issuance of ECC to build executive housing and rank-and-file housing. It should recommend immediate relocation outside of the La Mesa Watershed. Instead, the committee report is perpetuating the alleged housing scam.

Senator Madrigal recalled that Senators Roxas and Lim also strongly objected to the proposed housing at the La Mesa Watershed.

Asked how many hearings were conducted by the Committee in the 13th Congress on the La Mesa Watershed issue, Senator Legarda said that there were two hearings in the 13th Congress and one in the 14th Congress.

Senator Madrigal said that Senate Bill No. 1714 consists of seven pages, of which five and a half

pages were devoted to a technical description of the geographical location of La Mesa Watershed and the rest to what the author envisions for the watershed. She recalled that in the single hearing she attended, only two of about a hundred people were able to speak and the others were simply instructed by the Chair to submit their comments in writing and she did not know if indeed these were read by the Chair. She pointed out that the Committee did not even take into consideration the fact that much of the La Mesa Watershed is a private property, hence, the question to resolve is whether the bill seeks to expropriate these private properties. Moreover, she maintained that the presidential proclamation which declared the La Mesa Watershed as a protected area subject to "private rights" further complicated the issue because of the two housing projects which the Committee also failed to address. She pointed out that Section 2 of the bill classifies the La Mesa Watershed as watershed reservation pursuant to the classification under the Constitution, but she argued that there is no such classification in the Constitution because it only recognizes agricultural, forest or timber, mineral lands and national parks.

Senator Madrigal noted that following the main sponsor's statement in her sponsorship speech that in the protected area sustainability assessment, the La Mesa Watershed does not qualify as a protected area, the bill therefore does not seek to protect the biodiversity of the La Mesa Watershed but only the rights of 12 million residents to potable water.

Senator Madrigal expressed support for the objectives of the bill to protect the La Mesa Watershed from further encroachment of civilization, provide housing for employees in designated areas and protect the source of drinking water of Metro Manila residents. But she revealed that in an ocular inspection that she conducted, she found out that the housing site is on a hill, thus, the effluents would empty into the water reservoir.

At this juncture, Senator Madrigal suggested that the Committee conduct one more hearing and convene more technical working group meetings to thresh out the infirmities of the bill, especially on constitutional issues.

For her part, Senator Legarda explained that the purpose of the bill is to correct the errors in the presidential proclamation by declaring the area as a watershed area, not simply as a protected area. *ms*

She agreed that indeed the La Mesa Watershed should be declared as such to put it beyond the reach of the commerce of man and thereby stop the construction of the proposed housing project. She acknowledged the rights of residents to land over which they have titles. However, she underscored that the Committee also wanted to protect the rights of 12 million residents of Metro Manila to clean potable water.

Senator Legarda expressed willingness to consider amendments that would address the controversial housing project issue. However, she stressed the need to enact a law to declare the La Mesa as a watershed area to comply with the intent of the bill to keep, reforest, protect and rehabilitate it. She believed that government could seek the help of people and NGOs like the ABS-CBN Foundation and the *Bantay Kalikasan* Program in this effort.

But Senator Madrigal pointed out that the La Mesa Watershed is already part of the Novaliches watershed reservation. She expressed apprehension that those who claim to have housing rights to the La Mesa Watershed might later on file cases to nullify the law because it failed to address the ownership issue.

At this juncture, Senator Enrile asked about the parliamentary status of the bill. Senator Legarda replied that it is still the period of interpellations.

Senator Enrile pointed out that the Body is supposed to deal with the disposition of the bill, not with questions of rights which are a function of the courts. He stated that if there is any controversy regarding vested rights, provisions pertinent thereto could be inserted in the bill as an amendment and the courts shall decide on it at the proper time.

But Senator Madrigal argued that since the bill proposes to do things affecting property ownership, she deemed it necessary to debate the issues which may be contentious later on. She said that she wanted to go through the history of the La Mesa Watershed and that she was only setting her premise for her other questions. She believed that legal matters that have not been addressed in the committee hearing should be addressed on the floor.

POINT OF ORDER OF SENATOR ENRILE

At this point, Senator Enrile raised a point of order. He said that factual and constitutional issues

should have been threshed out initially on the Committee level and that any corrective measures, clauses or provisions, if there are any, must be introduced properly on the floor.

SUSPENSION OF SESSION

With the permission of the Body, the Chair suspended the session.

It was 4:49 p.m.

RESUMPTION OF SESSION

At 4:51 p.m., the session was resumed.

At this point, Senator Madrigal manifested that she would continue her interpellation after Senator Enrile's turn. She refused to be declared out of order because she was interpellating on the measure.

Senator Enrile withdrew his point of order.

INTERPELLATION OF SENATOR ENRILE

Senator Enrile noted that the bill carries a description of the area and the total boundary of the polygon, roughly 2,659 hectares, that shall be covered by the measure. He then asked where the metes and bounds were taken. Senator Legarda replied that the NAMRIA made the delineations based on Proclamation No. 1336.

Considering that the polygon was not based on actual survey, Senator Enrile asked how the bill, if enacted into law, would ensure that the polygon would be where it was contemplated to be. Senator Legarda replied that the technical descriptions provided in the proposed Act would be subject to actual ground survey and verification in order to confirm the metes and bounds presented in the bill.

Asked why there is still need for a ground survey, Senator Legarda replied that the NAMRIA had presented its position paper on the matter and that its officers would provide the specifications of the polygon.

Senator Enrile questioned how the NAMRIA had established those coordinates. *AK* *MO*

SUSPENSION OF SESSION

Upon motion of Senator Legarda, the session was suspended.

It was 4:55 p.m.

RESUMPTION OF SESSION

At 4:57 p.m., the session was resumed.

In reply, Senator Legarda read a portion of the letter of the NAMRIA indicating that it had conducted the necessary survey, to wit:

A map of the area was prepared with grid coordinates using the universal transverse mercator projection and Luzon datum based on the national topographic mapping system.

Senator Enrile asked whether the law would be amended in the event that the description written in the bill does not jibe with the description of the actual ground survey and verification to be conducted by the Department of Environment and Natural Resources. He further asked why the DENR did not have an actual survey and verification before the Committee crafted the technical description in the bill. In answer, Senator Legarda presumed that the metes and bounds as stated in the bill are consistent with those in the presidential proclamation.

That being the case, Senator Enrile wondered why there is need to verify the metes and bounds of the watershed area. He stated that the impression he was getting was that the government was not sure of the actual size and location of the area. He emphasized that the law should be complete in every respect.

Senator Legarda agreed, acknowledging that the matter is a contentious issue that must be addressed now. She admitted that a problem could arise if, for instance, after the passage of the bill into law, it is discovered that there is a parcel of land that was not included in the original survey. She said that it would be difficult to compare the technical descriptions in the original survey to the actual verification on the ground.

Asked if there are vested rights within the 2,659 hectares of land, Senator Legarda replied that there are pending issues regarding the sale of land to some

MWSS employees that was subject of an agreement.

At this juncture, Senator Enrile bared that there is a man in the gallery who has a title to a land within the area and, whether or not it is a correct and validly obtained title, it must be respected because it was issued by the sovereign government and that the land cannot be taken away without due process. He wondered why the bill does not have a catch-all provision that the area is subject to vested rights. Senator Legarda stated that the area also includes the executive housing and other individual properties with titles, probably purchased through an agreement between MWSS and the employees.

Asked if the proposed Act intends to take property without just compensation, Senator Legarda believed that government could either expropriate the land or compensate its owners.

Senator Enrile pointed out that the bill seeks to declare the watershed as part of the public domain, so that in effect properties within the area can be taken away without due process and without just compensation. He stated that the bill does not use the term "subject to private rights" and while it might seem meaningless to those who are not trained in law, it is a very substantial legal term because the Constitution mandates that private property cannot be taken without just compensation. Senator Legarda agreed, saying that the bill has to be specific in the matter of vested rights.

Asked whose decision would prevail since the area would be jointly administered by the MWSS and the DENR, Senator Legarda stated that the bill seeks to be consistent with the presidential proclamation which provided for joint administrative jurisdiction and the creation of the Council which has yet to be convened. Personally, she said that she does not favor the creation of the Council as it would be adding another layer of bureaucracy. She indicated that at the proper time, she would introduce an amendment vesting in the MWSS sole administrative jurisdiction over the area.

Senator Legarda disclosed that there are 86 species of flora, of which five are critically endangered, three endangered, four vulnerable; and there are 12 species of endemic birds, and seven species of migrant birds found in the La Mesa Watershed.

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Asked if there was an inventory of timber stand in the area and their harvestable quantity, Senator Legarda replied that the information is not available at the moment. She noted that there are parts of the area which are natural forests, while others have recently been reforested or rehabilitated.

As to how much of the total land area is natural forest and how much is reforested, Senator Legarda stated that there are at least 100 hectares of natural forest and 1,600 hectares that have been reforested in the past six years.

Upon query, Senator Legarda stated that resource persons from the DENR, MWSS and *Bantay Kalikasan* are in the gallery, adding that the latter organization has been spearheading the reforestation of the La Mesa.

Asked if there are open spaces in the area, Senator Legarda stated that 200 hectares need reforestation.

On whether there is a map showing the natural forest, replanted areas, grazing lands and areas yet to be reforested, Senator Legarda said it is not readily available but it would be provided by the Committee.

Senator Enrile observed that 100 hectares of natural forest is too small for a 2,659-hectare area as he surmised that the rest must have been replanted.

SUSPENSION OF SESSION

Upon motion of Senator Legarda, the session was suspended.

It was 5:15 p.m.

RESUMPTION OF SESSION

At 5:27 p.m., the session was resumed.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1714

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

ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

Senator Roxas announced and acknowledged the presence in the gallery of political science students from Miriam College.

Senate President Pro Tempore Ejercito Estrada welcomed the guests to the Senate.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 5:29 p.m.

RESUMPTION OF SESSION

At 5:31 p.m., the session was resumed.

MANIFESTATION OF SENATOR MADRIGAL

Senator Madrigal stated that she has been a subject of much controversy in the past because she walked out of the hearing of the Committee on Environment and Natural Resources presided over by Sen. Pia Cayetano. She explained that she did so in protest of what she called "mass" hearings of 29 protected area bills without regard to the many private and vested rights involved.

She disclosed that she, in fact, wrote the Committee Chair advising the Committee to be more circumspect, more thorough and more accommodating to everyone, because she wanted that interpellations on those bills would be smooth.

She informed the Body that she has always been against this practice of the Committee of "mass" hearings, as she further deplored the manner with which the protected area bills were being treated – hearing them in one sitting only, disregarding constitutional issues, private and even indigenous people's rights. She averred that she, in fact, dissented on a similar bill in the 13th Congress as she did on the present bill, because of its failure to get the free, prior and informed consent of the stakeholders, the indigenous peoples included.

Senator Madrigal noted that the Committee Chair seemed bent on declaring the whole country

a protected area without studying the implications of such declaration.

She clarified that far be it for her to be against protected areas, she would only use her stand as a radical environmentalist if the realities are there. She stated that she would not want laws enacted to declare some areas as protected areas if, in the end, they could not be implemented because of infirmities; to her, this is a mockery not only of the Committee because the hearings were infirmed, but also of the Senate.

She lamented that she was called out of order when she was asking questions that, according to Senator Enrile, should have been raised in the Committee. She surmised that Senator Enrile perhaps did not realize that she was not afforded the time to ask those questions because only one hearing was held and the bill was not thoroughly heard. She said that precisely she has been asking the Committee Chair to hear each and every bill, and not be selective.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 5:35 p.m.

RESUMPTION OF SESSION

At 5:48 p.m., the session was resumed.

MANIFESTATION OF SENATOR CAYETANO (P)

Senator Cayetano stated that the Committee on Environment and Natural Resources conducted hearings on the bill on May 16, 2006 and June 22, 2006 in the 13th Congress and one hearing on December 11, 2007, in the present Congress. Likewise recognizing that the bill involves controversial issues, she said that numerous consultations, caucuses and meetings were held with the members of the *Bantay Kalikasan* and the advocates in the preservation of the La Mesa Watershed. She believed that there were a lot of opportunities for everyone to air their concerns.

Senator Cayetano stated that the hearing on December 11, 2007, which was held right after the caucus of the multisectoral groups, proceeded very fast despite the presence of interest groups because

they had already expressed their views and discussed the issues in the two previous hearings in 2006. She said that the Committee did not receive any request for another hearing.

Senator Cayetano believed that the Committee has complied with the Rules with respect to the conduct of hearings on the bill. Nonetheless, she said that she would consider the request of some Members that the Committee hold another hearing so that the discussion or debates on the bill could be moved to the next level but that she would prefer that the concerns of some Members be accommodated in the period of amendments.

On the issue raised by Senator Madrigal with respect to the conduct of hearings of the Committee on Environment and Natural Resources, Senator Cayetano stated that it is not uncommon for committee chairs to hear numerous bills of similar nature at the same time. But she clarified that she never said that there would only be one hearing for all the bills. She explained that since all the bills are proposed enabling laws of the National Integrated Protected Areas System (NIPAS) Act, the Committee deemed it efficient to discuss the general concepts of the bills in one sitting.

During said hearing, Senator Cayetano recalled repeatedly asking if there were other issues to be discussed or questions to be asked so these could be addressed by the Committee while there was still time but Senator Madrigal, who was present, did not ask a single question but instead, reprimanded her on the manner the hearing was conducted.

Senator Cayetano said that it is not her job to wait around and hold 20 hearings if the same could be done in only one or two hearings. She informed the Body that each of the bills on protected areas would be thoroughly discussed and studied by a technical working group and the Members and their staff are encouraged to attend the meetings. She also clarified that the La Mesa Watershed bill is not the subject of those protected area bills that Senator Madrigal referred to because it was heard separately.

REMARKS OF SENATOR MADRIGAL

Senator Madrigal stated that she has a very different recollection of what happened in the hearing on the 29 bills and the transcripts would bear her out, and objectively they would shed light on what really happened. *Ms*

ms

Senator Madrigal recalled having written Senator Cayetano (P) a letter on the matter. Moreover, she requested to be given advance notice on the scheduled meetings of the technical working groups so that she could personally attend the discussions on the protected area bills which, she believed, are complicated by vested interests and the Indigenous Peoples' Rights Act (IPRA).

Finally, Senator Madrigal suggested that the issues on the La Mesa Watershed be threshed out during the committee hearings as she still has several questions on the measure. She also expressed hope that she would not be blamed for the delay in the passage of the bill as all the Members attend the plenary sessions in good faith to make the Senate a place where good laws are enacted.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:01 p.m.

RESUMPTION OF SESSION

At 6:02 p.m., the session was resumed.

COMMITTEE REPORT NO. 40 ON SENATE BILL NO. 2092

(Continuation)

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2092 (Committee Report No. 40), entitled

AN ACT ESTABLISHING LIVELIHOOD
AND SKILLS TRAINING CENTERS
IN THE FOURTH, FIFTH AND SIXTH
CLASS MUNICIPALITIES AND FOR
OTHER PURPOSES.

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

TERMINATION OF THE PERIOD OF INTERPELLATIONS

There being no reservation for 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.

SUSPENSION OF SESSION

Upon motion of Senator Legarda, the session was suspended.

It was 6:05 p.m.

RESUMPTION OF SESSION

At 6:06 p.m., the session was resumed.

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, lines 5 to 9, amend subsection (d.), to read:

d. *Funding* – The municipal government shall SET ASIDE FUNDS FROM ANY AVAILABLE LOCAL REVENUES IN AN AMOUNT DEEMED APPROPRIATE BY THE MUNICIPAL OFFICIALS CONCERNED for the operation and maintenance of the Centers and their Satellite Centers, if any;

2. On the same page, delete the semicolon (;) and the provision starting with the word "Provided" on line 7, up to the word "revenues";
3. On the same page, delete the word starting with "Provided" on line 18, up to the word "program" and the semicolon (;) on line 19;
4. On the same page, lines 19 to 22, amend the proviso to read:

Provided, that the TESDA shall allocate twenty-five percent (25%) of its TOTAL ANNUAL APPROPRIATIONS FOR THE DEVELOPMENT, EVALUATION, MONITORING AND ACCREDITATION OF FORMAL AND INFORMAL TECHNICAL, VOCATIONAL EDUCATION AND TRAINING.; and

5. On the same page, lines 25 and 26, replace the phrase "to be sourced from agency funds" with OUT OF THEIR ANNUAL APPROPRIATIONS.

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**TERMINATION OF THE PERIOD
OF COMMITTEE AMENDMENTS**

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

**SUSPENSION OF CONSIDERATION
OF SENATE BILL NO. 2092**

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 6:10 p.m.

RESUMPTION OF SESSION

At 6:11 p.m., the session was resumed.

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. 60 and considered it approved.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, the session was suspended.

It was 6:11 p.m.

RESUMPTION OF SESSION

At 6:14 p.m., the session was resumed.

**MANIFESTATION
OF SENATOR PANGILINAN**

Senator Pangilinan informed the Body that the session would be suspended for the day since a contingent of senators would be at the Supreme Court the next day to show their support for the Senate lawyers at the 1:30 p.m. hearing of the oral arguments on Sec. Romulo Neri's petition on executive privilege.

SUSPENSION OF SESSION

Upon motion of Senator Pangilinan, there being no objection, the President Pro Tempore declared the session suspended until three o'clock in the afternoon of the following day.

It was 6:15 p.m.

RESUMPTION OF SESSION


At 3:34 p.m., Tuesday, March 4, the session was resumed with Senate President Pro Tempore Ejercito Estrada presiding.

ADJOURNMENT OF SESSION

Upon motion of Senator Cayetano (P), there being no objection, the Senate President Pro Tempore declared the session adjourned until three o'clock in the afternoon of the following day.

It was 3:34 p.m.

I hereby certify to the correctness of the foregoing.


EMMA LIRIO-REYES
Secretary of the Senate

Approved on March 5, 2008