

FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

10 JUL 26 P6:41

RECEIVED BY: 

SENATE

S.B. No. 2071

Introduced by Senator EDGARDO J. ANGARA

EXPLANATORY NOTE

Consistent with the policy of the State to ensure full public disclosure of all its transactions involving public interest, this bill seeks to require full disclosure of the identity, nature of work, and compensation of foreign consultants hired or retained by the Government, its agencies, instrumentalities, including government - owned or - controlled corporations (GOCCs) and their subsidiaries.

There are three (3) main objectives of this bill:

First, That the public's basic right to know who are providing expert advice and support to the government be fully accorded them;

Second, That the public be appraised if the services for which the consultants are being sought are indeed indispensable and cannot be rendered by our local experts; and

Third, That the public be informed of the money being spent from the national coffers to pay consultants hired by the Government.

Transparency, in all its forms, must be given upper-hand in the government. Relative to the bill, this is needed so that the public will know whether or not the consultancy fees paid to these consultants are commensurate with the benefits that the Government is supposed to get from such consultancy contracts.

Approval of this bill, therefore, is earnestly sought.


EDGARDO J. ANGARA

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AN ACT
REQUIRING ALL BRANCHES AND AGENCIES OF THE GOVERNMENT,
INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS
AND THEIR SUBSIDIARIES TO DISCLOSE THE IDENTITY OF THEIR
FOREIGN CONSULTANTS, THE NATURE OF THEIR WORK AND THEIR
COMPENSATION, PERKS AND OTHER PRIVILEGES, AND PROVIDING
PENALTIES IN CASE OF VIOLATION THEREOF.

Be it enacted in the Senate and House of Representatives of the Philippines in the Congress assembled:

1 **SECTION 1. Short Title.** This Act shall be known as the "*Foreign Consultants'*
2 *Disclosure Act of 2010.*"

3
4 **SEC. 2. Declaration of Policy** - It is hereby declared the policy of the State to
5 adopt and implement full public disclosure of all its transactions, following the
6 constitutional mandate to make available to the people all information on matters of public
7 concern.

8 Towards this end, it shall be the purpose and policy of this Act, pursuant to the
9 principle of transparency in public office, to regulate the activities of foreign consultants
10 and to require their registration and the disclosure of the nature of their work and their
11 compensation and other privileges, so that the government and the people of the
12 Philippines may be informed of their identity and may appraise their actions.

13
14 **SEC. 3. Definition of Foreign Consultant** - For purposes of this Act, "*foreign*
15 *consultants*" shall refer to a national of another State who render services to the Philippine
16 Government.

17

1 **SEC. 4 Disclosure Requirement** - All heads of branches, subdivisions,
2 instrumentalities, and agencies of the Government, including government-owned or
3 controlled corporations (GOCCs) or their subsidiaries shall, within six (6) months from the
4 effectivity of this Act, provide the Department of Budget and Management (DBM), in
5 writing and under oath, the following :

- 6 a) The name, principal address, and all other principal business or residential
7 addresses in the Philippines, of the foreign consultant hired or retained by their
8 respective government office;
- 9 b) The compensation to be paid, if any, and the form and manner of such
10 compensation, including *honoraria*, fees, financial or other benefits or
11 privileges;
- 12 c) A copy of the contract/s of employment, or in the absence thereof, a full
13 statement of the terms and conditions under which such foreign national acts or
14 agrees to act as consultant, entered into by the Government office;
- 15 d) The date when such contract or each of such contracts was made, the date of
16 *commencement of activity thereunder* and the period during which such
17 contract or each of such contracts is to be in effect;
- 18 e) Such other statements, information or documents as the DBM for purposes of
19 this Act may, from time to time , require;
- 20 f) The termination of the status of the foreign agent shall not relieve him from his
21 obligation to file a registration statement in accordance with this Act for the
22 period during which he was such an agent.

23
24 **SEC. 5 Publication** - The Department of Budget and Management (DBM) shall
25 maintain a centralized data-file of all foreign consultants hired by the government, its
26 agencies, branches, instrumentalities, including government-owned or controlled
27 corporations or their subsidiaries. Every January of each year, the DBM shall cause the
28 publication of the list of foreign consultants hired or retained by the Government, whether
29 for the full year or for only a part thereof, in at least two (2) newspapers of general
30 circulation.

31
32 **SEC. 6. Penal Clause** - The head of any branch, subdivision, instrumentality, and
33 agency of the government, including a government owned or controlled corporation or its
34 subsidiary that violates Sections 3 and 5 of this Act shall be punished by a fine of not less
35 than Fifteen Thousand Pesos (P15,000.00) but not more than Sixty Thousand Pesos

1 (P60,000.00) and imprisonment of not less than six (6) years or both at the discretion of the
2 court. Those convicted shall be perpetually disqualified from holding public office. Upon
3 conviction by the Regional Trial Court, the official convicted shall immediately be
4 suspended from office and shall remain suspended pending the final outcome of any appeal
5 he or she shall have taken in the case.

6
7 **SEC. 7. *Repealing Clause*** - All laws, executive orders, rules and regulations
8 contrary to the provisions of this Act are hereby repealed or modified accordingly.

9
10 **SEC. 8. *Separability Clause*** - If any provision of this Act is declared
11 unconstitutional or invalid, the other provisions not affected shall remain in full force and
12 effect.

13
14 **SEC. 9. *Effectivity Clause*** - This Act shall take effect immediately following its
15 publication in the Official Gazette or in two (2) newspapers of general circulation,
16 whichever come first.

17
18 ***Approved,***