

**EXECUTIVE SUMMARY
COMMITTEE REPORT
SENATE RESOLUTION NO. 131**

I. Introduction

When a country's borders are made porous by the malfeasance of those charged with protecting them, it is not the wealthy and the powerful who are put at risk. It is the already vulnerable who are made even more vulnerable – those who fall victim to human traffickers and are smuggled out to white slavery rings, those who lose their livelihoods because of the influx of foreign workers on spurious visa arrangements, women and girls who are prostituted to serve the sexual appetites of an exploding market composed of Chinese workers in the Philippine Offshore Gaming Operator (POGO) industry.

The two-year probe conducted by the Committee on Women, Children, Family Relations and Gender Equality demonstrated this with clarity.

Based on the latest available official data provided by the Bureau of Immigration, almost 4 million Chinese nationals have entered the country from August 2017 to January 2020. This number starkly contrasts with arrivals in the previous years as tourists in the country's famed tourist destinations. This sudden influx can be explained by the rise of POGO operations in the country and the consequent necessity of Mandarin-speaking workers.

II. Findings

In the course of the hearings, the following key findings were made:

A. Prostitution

- There is a clear link between the rise of the POGO industry and the increase in cases of prostitution of human trafficking. Various resource persons, including NBI Deputy Director for Special Investigation Service Mr. Vicente De Guzman and Makati Police Investigation Unit Chief Major Gideon Ines, confirmed that there is a proliferation of prostitution dens coinciding with the increased number of POGO operations in Manila.
 - The raids conducted by the NBI on prostitution dens cater exclusively to Chinese clients, majority of whom are POGO workers.
 - The WeChat app is being used to offer sexual services. Sexual services from a Chinese prostituted women typically command a price ranging from ₱13,000 – 30,000 while sexual services from a Russian prostituted woman range from ₱12,000 – 45,000.
- Filipinas are also recruited and the Committee presented the testimony of one “Carina” who narrated how they serve a primarily Chinese clientele and charge around PhP6,000.00. “Carina” is a fifteen-year-old girl, and according to her, the youngest in their “safehouse” was a 14-year-old who subsequently contracted a sexually-transmitted disease. When a client books them, they are asked to go to the client’s hotel/condo unit via Grab or Angkas and are told to wear ‘office clothes’ as to not arouse suspicion in the hotel/condo lobby.
- Post-raid protocols of prostitution rings need to be further established and put into place as the gaps in policy allow for the ‘recycling’ of victims, where rescued trafficking victims are reintegrated back into the sex industry.

B. Labor Trafficking

- A Taiwanese national by the name of Lai Yu Cian was recruited to work in an advertising company in the Philippines. She applied for and was granted a 9A visa that allowed her to stay here for 30 days. She was first taken to work in a Chinese-run company but was transferred a week later to a POGO company. Her passport was taken away from her and experienced sexual harassment from her bosses, who would allegedly namedrop Michael Yang when angry.
 - Lai Yu Cian was rescued and 4 Chinese individuals were arrested by an NBI Special Task Force. POEA confirmed that the arrested individuals have no authority to conduct any recruitment activity in the country.

C. Corruption: The Pastillas Scam

- Whistleblowers Immigration Officers (IO) Allison Chiong and Dale Ignacio exposed the pastillas scheme in the BI. Per their testimony:
 - Immigration officers received via a Viber group a list of names of foreign nationals with corresponding arrival schedule. These foreigners were allowed into the country without instituting the necessary checks or screenings standard for arriving non-Filipinos.
 - These Viber groups were ran by chat administrators who are also BI employees and received these names from BI officials (known as “suppliers”) who in in turn received them from foreign syndicates and travel agencies.
 - In exchange for the convenience of not being screened, Chinese nationals paid ₱10,000 each, with ₱2,000 distributed to the airport employees.
 - Chiong identified a “hierarchy” within the BI with a “big boss” at the very top, identified as MARC RED MARIÑAS. Directly under him is ERWIN ORTANEZ, the overall Travel Control and Enforcement Unit (TCEU) head, and the TCEU heads and deputy heads for each terminal: terminal 1 – GLENN FORD COMIA (head), DEON CARLO ALBAO (deputy); terminal 2 - BENLADO GUEVARRA (head), ARLAN MENDOZA (deputy); terminal 3 – DANIEVE BINSOL (head), and ANTHONY LOPEZ (deputy). Aside from the TCEU heads, Chiong also identified the terminal heads of each terminals, namely: CECILLE JONATHAN OROZCO, DENNIS ROBLES, AND BRADFORD ALLEN SO, for terminals 1, 2 and 3. FIDEL MENDOZA, a Security Guard who was designated as the personal assistant of MARINAS, was identified as the “iron enforcer” of the group, and the one commandeering all operations. These officials also served as the “suppliers” of Chinese tourists, who in turn downloaded the names of Chinese tourists to Viber.
 - IO Dale Ignacio came to the Committee and corroborated the testimony of IO Chiong. He estimated that around 90% of the immigration personnel assigned at the NAIA terminals have joined the pastillas scheme and received kickbacks.
 - These revelations were corroborated by the NBI Special Action Unit, helmed by Atty. Emeterio Dongallo. Incidentally, The NBI SAU conducted an entrapment operation to arrest one of its own lawyers who extorted money from some of the ‘Pastillas gang’ members in exchange for findings on non-culpability.

D. Possible violations of Code of Conduct and Ethical Standards for Public Officials

- Aside from corruption allegations, the identified ringleaders have been found to have failed to file the required SALNs as required by law.
- The Committee also found that there were noteworthy increases in the SALNs of identified individuals that were disproportionate to their positions and salary grades. Notable examples are as follows:

BI Employee	Position/Salary Grade	Declared Net Worth
Arlan Mendoza	-Rank of Immigration Officer 3	₱40, 750,000 (2018)

	-SG 16 (₱39,650)	
Erwin Ortañez	-Rank of Immigration Officer 3 -SG 16 (₱39,650)	₱27,968,000 (2018)
Fidel Mendoza	Security Guard	₱10,205,000 (2016)

- DOJ Department Order 41, s.17 and Chinese-Only VUAs
 - According to IO Chiong and IO Ignacio, a Chinese national who holds a Visa Upon Arrival under Department Order No. 41, series of 2017, is no longer screened or scrutinized.
 - This Department Order, issued by former Secretary of Justice Vitaliano Aguirre, mandates that the Ports Operation Division (POD) and the Special Operations Communication Unit (SOCU) shall jointly conduct the review, assessment and preparation of Orders on all requests for the issuance of TV-VUA. The POD and the SOCU was helmed by the father and son tandem of Marc Red Marinas and Maynardo Marinas – raising critical questions on Conflict of Interest. Former DOJ Secretary Aguirre claims to have no personal hand, or even no memory, of the decision-making process that led to the conflict of interest, despite the fact that the former chief of the Ports Operation Division is his own appointee.
 - BI Commissioner Morente also admitted during the hearing that he had been rendered a lame duck.
 - A certain travel agency has managed to corner a sizeable chunk of the VUA market. According to Atty. Casibang of the BI, of the 112,053 approved VUAs, around 30% of that number was processed by Empire Travel, which is owned and operated by Liya Wu.
 - Atty. Kalaw, who represented Ms. Wu, estimated that Empire earned around ₱3,500-7,000 per VUA applicant, a figure he later amended to ₱1,000 in subsequent hearings.

Findings and Recommendations

The social costs of POGO

- The POGO industry has exacerbated local prostitution and human traffickingIt also encouraged inbound prostitution, with the creation of ‘Chinese-only’ prostitution that made the country a destination for foreign trafficked women on a scale not seen before.
- The Committee recommends the forging of bilateral treaties to protect foreign women from trafficking and prostitution, inasmuch as law enforcement reported the lack of responsive coordination from the Chinese embassy when the matter of the rescued Chinese women were brought to their attention.
- Current laws on trafficking must be amended to address the use of online platforms for criminal ends and to immediately pass the amendments to the Anti-Trafficking in Persons Act. The current Anti-Prostitution Law should likewise be amended to reflect the reality of technology-abetted prostitution.

The criminal Liability of the pastillas architects

- The combined revenue streams from the pastillas kickbacks and the VUA kickbacks is estimated to be in the billions of pesos. It appears from the evidence that these revenue streams had been cornered by the father and son tandem of Maynardo Marinas (VUA) and Marc Red Marinas (VUA and Pastillas), with other BI employees under their instruction and command.
- In relation to this, the Committee recommends the filing of criminal charges for violation of Republic Act No. 3019, without prejudice to other charges that may be charged, including but not limited to violations of Republic Act No. 9208, Republic Act No. 7080, Republic Act No. 6713, and other special laws against the Marinases and the following individuals:

ROLE	NAME	
Viber administrator	Gabriel Estacio	
	Ralph Ryan Garcia	
	Phol Villanueva	
	Abdul Fahad Calaca	
	Danilo Deudor	
	Marc Macababad	
	Cherie Pie Ricolcol	
	Abdulhafez Hadjibasher	
	Amboy Lucero	
	George Bituin	
	Salahudin Pacalda Hadjinoor	
	Chinese "supplier"	Glenn Ford Comia
		Deon Carlo Albao
		Rodolfo Magbuhos
Anthony Lopez		
Danieve Binsol		
Dennis Robles		
Bradford Allen So		
Enforcers and "Boss"	German Robin	
	Marc Red Mariñas	
	Erwin Ortañez	
	Bienlado Guevera	
	Arlan Mendoza	
	Fidel Mendoza	
	Jonathan Orozco	
Grifton Medina		

- The Committee also recommends the filing of criminal charges for failure to file their respective SALNs in violation of Section 8 of RA 6713:

Incomplete SALNs	Danieve Binsol Dimple Mahyumi Mallari Marc Red Mariñas Maynardo Mariñas Grifton Medina Arlan Mendoza
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- The Committee also notes that these violations carry the penalty of permanent disqualification and likewise recommends that all individuals named by permanently disqualified from holding appointive or elective office.
- Further investigation should be conducted on the liability of former SOJ Aguirre for his appointment of Marc Red Mariñas and his issuance of Department No. 41 which allows a father and son tandem wide discretion over the approval of Visa Upon Arrivals.
- The Committee recommends that the Bureau of Internal Revenue conduct a tax audit of travel agencies involved.
- Lastly, the Committee recommends that an amendatory law be issued to allow greater checks and balance mechanisms within the BI bureaucracy.