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SENATE  
PS Res. No. **655**

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INTRODUCED BY SENATOR ALAN PETER "COMPAÑERO" S. CAYETANO

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**RESOLUTION DIRECTING THE COMMITTEE ON  
ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS  
(BLUE RIBBON COMMITTEE) TO RE-OPEN THE INQUIRY, IN AID OF  
LEGISLATION, ON THE P728-MILLION FERTILIZER FUND SCAM IN  
LIGHT OF RECENT DEVELOPMENTS AND REVELATIONS WITH  
REGARD TO THE FOLLOWING: (1) THE DISMISSAL BY THE OMBUDSMAN  
OF THE CASE AGAINST FORMER PRESIDENT GLORIA MACAPAGAL-  
ARROYO FOR THE ALLEGED MISUSE OF THE FERTILIZER FUND;  
(2) VITAL INFORMATION ON THE SCAM NEWLY REVEALED BY  
WITNESSES; AND (3) THE ALLEGED INVOLVEMENT OF JANET LIM-  
NAPOLES AND HER CO-CONSPIRATORS IN THE SCAM**

**WHEREAS**, the Truth is the beacon of justice in any society, and Transparency and Accountability are indispensable in the quest for the Truth;

**WHEREAS**, recently, the Office of the Ombudsman dismissed the complaint filed against former President Gloria Macapagal-Arroyo, which links her to the Fertilizer Fund Scam and for allegedly using the funds to bankroll her presidential campaign in 2004, for lack of sufficient evidence. Other cases against those implicated in the Fertilizer Fund Scam, such as former Department of Agriculture Undersecretary Jocelyn I. Bolante, former Assistant Secretary Ibarra Poliquit, Mr. Jaime Eonzon Paule, Ms. Marilyn Araos, Mr. Joselito Flordeliza, Ms. Marites Aytona, Mr. Jose Barredo and Ms. Leonicia Marco-Llarena, remain pending before the Sandiganbayan;

**WHEREAS**, based on recent news reports, Pork Barrel Scam witness Mr. Benhur Luy possesses information that the Fertilizer Fund Scam was designed by Mrs. Janet Lim-Napoles, and that it was the precursor of the P10-Billion Pork Barrel Scam. Allegedly, the company Jocris Trading supplied overpriced fertilizers to foundations set up by Mrs. Napoles, including the *Masaganang Ani Para sa Magsasaka Foundation Inc.*, *Philippine Agri and Social Economic Development Foundation Inc.*, and *People's Organization for Progress and Development Foundation Inc.* Mrs. Napoles was, in fact, previously summoned to appear twice before the Blue Ribbon Committee but managed to elude the Senate subpoena;

**WHEREAS**, looking into the intricacies of the alleged involvement of Janet Napoles in the Fertilizer Fund scam will provide invaluable insights into the evolution of the Pork Barrel (Priority Development Assistance Fund or PDAF) scam. Furthermore, it will also provide information as to how they devised and developed the plans and mechanisms for the Pork Barrel Scam;

**WHEREAS**, according to a report, the Commission on Audit (COA) confirms that two-thirds of around P300-Million worth of fertilizers were allegedly overpriced. Among others, the audit uncovered P123-Million excess cost in the purchase of 166,781 bottles of Prime EC Foliar Liquid fertilizers. The COA found that it was overpriced by P717.50 per 300-milliliter bottle and P1,335 per one-liter bottle;

**WHEREAS**, in its search for the truth, during the 13<sup>th</sup> Congress, then Senator Ramon B. Magsaysay filed P.S. Res. No. 327, calling for an inquiry on the alleged mismanagement and misuse of the fertilizer fund of the Department of Agriculture's *Masaganang Ani Program* to the detriment of Filipino farmers, with the end in view of charting effective policies and programs for the agriculture sector;

**WHEREAS**, after a series of hearings and dialogues with farmer organizations, the Committee on Agriculture and Food and the Committee on Accountability of Public Officers and Investigations (Blue Ribbon) discovered that massive corruption accompanied the procurement and distribution of fertilizers all over the country. In Committee Report No. 54, subsequently approved by the Senate, the Committees found, among others, that some politicians' names were used to legitimize the operations; that the fertilizer project was a scam; and that there was massive overpricing in the fertilizer costs;

**WHEREAS**, during the 14<sup>th</sup> Congress, upon the forced return to the Philippines from the United States of America of the alleged architect of the Fertilizer Fund Scam, former Undersecretary Jocelyn I. Bolante, and his Senate arrest, the Senate Blue Ribbon Committee, under the auspices of then Chairman Alan Peter S. Cayetano, continued the investigation. This paved the way for a re-investigation and the inquiry into the alleged role of former Undersecretary Bolante in the plunder of the people's money;

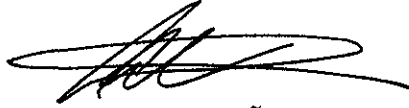
**WHEREAS**, after a series of public hearings, the Blue Ribbon Committee, through Committee Report No. 254, recommended among others the further investigation and/or prosecution of certain public officials for plunder and other related crimes, namely: former Undersecretary Jocelyn I. Bolante, former Assistant Secretary Ibarra Poliquit, Ms. Leonicia Marco-Llarena, Ms. Deonilla "Julie" Misola-Gregorio, Mr. Redentor Antolin, Ms. Marilyn Araos, Ms. Maritess Aytona, Mr. Jaime Paule, and former Undersecretary Belinda Gonzales. Mr. Joselito Flordeliza was recommended to be prosecuted for money laundering;

**WHEREAS**, despite the investigation of the 13<sup>th</sup> and 14<sup>th</sup> Congress, the Blue Ribbon Committee in approved Committee Report No. 254, admitted that while the report is complete and the closure final insofar as the involvement of former Undersecretary Jocelyn I. Bolante is concerned, the Committee does not discount that there might still be out there things that remain for them unknown or uncertain;

**WHEREAS**, in view of the foregoing, it becomes imperative for the Blue Ribbon Committee to re-open its investigation into the P728-Million Fertilizer Fund Scam in order for the Filipino people to finally know the complete truth behind the scam and to sustain this comprehensive battle towards the eradication of graft and corruption in Government;

**RESOLVED**, *as it is hereby resolved by the Philippine Senate*, that the Committee on Accountability of Public Officers and Investigations (Blue Ribbon Committee) re-open its inquiry, in aid of legislation, into the P728-Million Fertilizer Fund Scam in light of recent developments and revelations with regard to the following: (1) the dismissal by the Ombudsman of the case against former President Gloria Macapagal-Arroyo for the alleged misuse of the fertilizer fund; (2) vital information on the scam newly revealed by witnesses; and (3) the alleged involvement of Janet Lim-Napoles and her co-conspirators in the scam.

Adopted,



**ALAN PETER "COMPAÑERO" S. CAYETANO**

*Senator*