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REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

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SENATE  
P.S.R. No. 338

RECEIVED BY: \_\_\_\_\_

Introduced by Senator Francis N. Pangilinan

**RESOLUTION DIRECTING THE SENATE COMMITTEE ON ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS (BLUE RIBBON) TO CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE ALLEGED CORRUPTION IN THE PHILIPPINE COCONUT AUTHORITY**

**WHEREAS**, Section 1, Article XI of the 1987 Constitution provides that “[p]ublic office is a public trust. Public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and justice, and lead modest lives;”

**WHEREAS**, it is the policy of the State to maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption (Section 27, Article II, 1987 Constitution);

**WHEREAS**, on 15 March 2017, the Philippine Coconut Authority (PCA) Governing Board chaired by Cabinet Secretary Leoncio Evasco, Jr. issued Resolution No. 027-2017 suspending PCA Administrator Avelino Andal for his alleged extortion of P1.50 per board foot of trees being cut in Basilan, Mindoro, Marinduque and Quezon, which purportedly amounts to as much as P90 Million in Basilan alone, as well as his alleged order to collect fees on transport permits;<sup>1</sup>

**WHEREAS**, in a news conference, PCA Administrator Andal publicly denied any involvement in the illegal collection of fees and questioned the allegedly “bogus” suspension order. In complete disregard of the PCA Resolution, he insisted on continuing to discharge his functions, duties and responsibilities as PCA Administrator and ex-officio Vice Chair of the PCA Governing Board while cautioning other officials against “usurping his authority” in violation of the Revised Penal Code;<sup>2</sup>

**WHEREAS**, PCA Administrator Andal attributed the issuance of the suspension order as part of an “evil scheme against the administration of President Rodrigo Duterte and xxx a wide range conspiracy to oust appointees of Government-owned and/or controlled corporations (GOCCs), particularly the National Irrigation Administration (NIA), the National Food Authority (NFA) and the National Housing Administration (NHA) with big ticket infrastructure projects, including the coconut levy fund;”<sup>3</sup>

**WHEREAS**, PCA Administrator Andal specifically accused Cabinet Undersecretary Halmen Valdez of orchestrating “moves to undermine the Duterte

<sup>1</sup>PCA head Andal defies suspension order, calls board resolution ‘bogus’. 21 March 2017. Available at <http://www.bworldonline.com/content.php?section=Nation&title=pca-head-andal-defies-suspension-order-calls-board-resolution-&145bogus&8217&id=142493>. Accessed on 27 March 2017. See also PCA chief linked to graft, suspended. 21 March 2017. Available at <http://newsinfo.inquirer.net/882444/pca-chief-linked-to-graft-suspended>. Accessed on 27 March 2017.

<sup>2</sup>*Id.*

<sup>3</sup>*Id.*



administration by the remaining yellow" in view of Undersecretary Valdez' purported connection with the Office of the Presidential Assistant for Food Security and Agricultural Modernization (OPAFSAM) under this representation's administration.<sup>4</sup> However, the records will bear that the undersigned resigned from his post as Presidential Assistant for Food Security on 30 September 2015, months before Cabinet Undersecretary Valdez joined OPAFSAM. Notably, PCA Administrator Andal also believes that the accusations hurled against him are in connection with the anticipated enactment of Senate Bill No. 1233, otherwise known as the "Coconut Farmers and Industry Development Act," of which this representation is the principal author and sponsor;<sup>5</sup>

**WHEREAS**, the subject bill proposes to establish the Coconut Farmers and Industry Trust Fund (the "Trust Fund") estimated at Seventy Five Billion Pesos (P75,000,000,000.00) for the benefit of the coconut farmers and the development of the coconut industry. The bill is pending second reading and subject to committee amendments at the Senate;

**WHEREAS**, the ongoing rift and grave accusations heaved between PCA and the Office of the Cabinet Secretary cast serious doubt on the integrity, capacity and reliability of PCA to administer the proposed Trust Fund which must be investigated;

**NOW THEREFORE, BE IT RESOLVED**, as it is hereby resolved by the Senate of the Philippines to direct the Committee on Accountability of Public Officers and Investigations (Blue Ribbon) to conduct an inquiry in aid of legislation on the alleged corruption in the Philippine Coconut Authority (PCA) in order to shed light on the issues that besiege the agency and for the purpose of incorporating safeguards in the Coconut Farmers and Industry Development Act to insulate the Trust Fund from politics, thus ensuring its proper utilization by the PCA and other implementing agencies.

Adopted,



**FRANCIS N. PANGILINAN**  
Senator

<sup>4</sup>PCA chief defies suspension order. 24 March 2017. Available at <http://www.philstar.com/headlines/2017/03/24/1684123/pca-chief-defies-suspension-order>. Accessed on 27 March 2017. See also Philippine Coconut Authority chief bucks preventive suspension. 20 March 2017. Available at <http://www.philstar.com/agriculture/2017/03/20/1682970/philippine-coconut-authority-chief-bucks-preventive-suspension>. Accessed on 27 March 2017.

<sup>5</sup>*Id.*