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SENATE

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P.S. Res. No. 275

Introduced by **SENATOR LEILA M. DE LIMA**

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE SAFE PHILIPPINES PROJECT PHASE 1, WITH THE END IN VIEW OF PROTECTING NATIONAL SECURITY, GUARANTEEING THAT STATE SECRETS ARE SAFEGUARDED, AND ENSURING THAT THE RIGHT TO PRIVACY OF THE PEOPLE IS UPHELD AND SECURED

1 WHEREAS, Article II, Section 11 of the Constitution states that "[t]he State
2 values the dignity of every human person and guarantees full respect for human
3 rights";

4 WHEREAS, Article 12 of the Universal Declaration of Human Rights to which
5 the Philippines is a signatory states that: "[n]o one shall be subjected to arbitrary
6 interference with his privacy, family, home or correspondence, nor to attacks upon his
7 honor and reputation. Everyone has the right to the protection of the law against such
8 interference or attacks";

9 WHEREAS, during the first state visit of Chinese President Xi Jinping¹ in 2018,
10 the Philippine government signed 29 deals with China – among which is the contract
11 between the Department of the Interior and Local Government (DILG) and state-
12 owned China International Telecommunications and Construction Corp. (CITCC) for
13 the installation of a ₱20-billion network of security cameras in the country;²

¹ Placido, Dharel. "LIST: Philippines, China sign 29 deals in Xi Jinping visit." 20 November 2018. ABSCBN News online. Retrieved from <https://news.abs-cbn.com/news/11/20/18/list-philippines-china-sign-29-deals-in-xi-jinping-visit>

² Romero, Paolo. "DILG, Chinese firm to install P20-billion CCTV network." Philstar Global online. Retrieved from <https://www.philstar.com/headlines/2018/12/13/1876639/dilg-chinese-firm-install-p20-billion-cctv-network>

1 WHEREAS, under the aforementioned project, more than ten thousand closed-
2 circuit television (CCTV) cameras will be installed in Metro Manila and Davao City in
3 the span of 30 months.³ Installation in crossings, roads, public squares, business
4 districts, science and technology parks, residential areas and stadiums, among others,
5 will be implemented.⁴ A national command center with facial and vehicle recognition
6 software will be built under the project, with its backup data center located in Clark,
7 Pampanga – where the Clark Freeport and Special Economic Zone (CFSEZ) is also
8 found;⁵

9 WHEREAS, initial reports revealed that under the contract, Chinese
10 multinational telecommunications equipment and consumer electronics company
11 Huawei will supply the equipment requirements.⁶ Not long after the contract was
12 revealed, a high-ranking Huawei official, in a forum held in Manila attended by
13 business leaders, was quoted saying, “Huawei wants to know what you like to eat,
14 where you want to go...”;⁷

15 WHEREAS, such reports led some Senators of the 17th Congress to be alarmed
16 at the potential risk of entering into a contract with a Chinese corporation that has
17 gained international notoriety for being instrumental in many acts constituting
18 violations of the rights of the people. In the first quarter of 2018, security experts in
19 Canada have cautioned about the country’s ties to Huawei – one of the primary bidders
20 for the project, it being reportedly essentially under the control of China;⁸

21 WHEREAS, several Senate resolutions were filed in the 17th Congress to look
22 into the commercial contracts that would implement the project. The potential risks
23 that the project and the contracts exposed the country to has led Senate President Pro
24 Tempore Ralph G. Recto, who noted that Chinese companies and individuals have

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ Elemia, Camille. *Senators sound alarm over China-funded DILG surveillance project*. 13 December 2018. Rappler. Retrieved from <https://www.rappler.com/nation/218831-dilg-china-telecom-affiliate-partnership-video-surveillance-system-philippines>

⁷ Rivas, Ralf. *China’s surveillance system coming to the Philippines?* 02 December 2018. Rappler. Retrieved from: <https://www.rappler.com/newsbreak/inside-track/218026-huawei-china-surveillance-coming-to-philippines>

⁸ The Canadian Broadcasting Corporation. *“Security experts sound alarm about Canada’s ties to Chinese tech company Huawei.”* 20 March 2018. CBC Radio online. Retrieved from <https://www.cbc.ca/radio/asithappens/as-it-happens-tuesday-full-episode-1.4584297/security-experts-sound-alarm-about-canada-s-ties-to-chinese-tech-company-huawei-1.4584301>

1 allegedly been involved in espionage and hacking activities over the years, to issue a
2 statement which contains in part that, “[i]t is imperative that the Philippine
3 government review and evaluate government programs and projects and their impact
4 on national security and public interest”;⁹

5 WHEREAS, in December 2018, DILG Secretary Eduardo Año, in an attempt to
6 allay the fears of those who have looked closely into the China deal, clarified that
7 Huawei has failed to win the public bidding, and instead assured the public that the
8 project will go through as planned. Despite the highly technical specifications that the
9 project will entail, including an intelligent video surveillance system which is capable
10 of facial recognition, Secretary Año stressed that the project is not primarily for
11 surveillance, but is an integrated system to improve police response time as well as to
12 deter and reduce crime;¹⁰

13 WHEREAS, upon the conclusion of the plenary deliberations for the 2019
14 budget, the Senate, as a body, vigilant of the perils attached to government contracts
15 affecting State obligations and rights of the people, inserted a “block payment”
16 provision that would effectively prevent the government from using the
17 Unprogrammed Appropriations for the P20-billion project;¹¹

18 WHEREAS, the safeguard thus found in Special Provision No. 17 under the
19 Unprogrammed Appropriations titled “Prohibitions Against the Use of
20 Unprogrammed Appropriations”, which reads: “[n]o amount appropriated herein
21 shall be utilized for any project intended for public video surveillance and
22 communication system with suppliers or service providers that are considered as
23 serious risks to national security or interest or are involved in cases regarding
24 information leakage, computer or network hacking, or other forms of cyber espionage,
25 whether in the Philippines or in other countries”, was vetoed in whole by President
26 Duterte. He defended his veto on the ground that the said provision “limits the power

⁹ Cervantes, Filane. *'Safe PH' project faces Senate probe*. 17 January 2019. PNA. Retrieved from:
<https://www.pna.gov.ph/articles/1059221>

¹⁰ DILG: *Safe Philippines project will improve police response time, deter and reduce crime*. 17 December 2018.
Retrieved from: <https://dilg.gov.ph/news/DILG-Safe-Philippines-project-will-improve-police-response-time-deter-and-reduce-crime/NC-2018-1376>

¹¹ Nicolas, Bernadette. *Duterte vetoes budget restriction*. 06 May 2019. Business Mirror. Retrieved from:
<https://businessmirror.com.ph/2019/05/06/duterte-vetoes-budget-restriction-on-funding/>

of the President, as chief architect of foreign policy, to enter into loan agreements consistent with Section 20, Article VII of the Constitution”;¹²

WHEREAS, reports also revealed that the President “also tinkered with the second safeguard provision on the list of foreign-assisted projects included by the Senate.” While the Senate deliberately excluded the Safe Philippines Project from this list of 14 projects, the President placed the whole list instead under conditional implementation. The President said this provision shall not “limit” him in “negotiating other foreign loan agreements in consonance with Section 20, Article VII of the Constitution,” referring to the legal basis for the President to contract or guarantee foreign loans on behalf of the Philippines with prior concurrence of the Monetary Board, and subject to such limitations as may be provided by law;

WHEREAS, in 2018, Chinese authorities started deploying a new controversial surveillance tool: “gait recognition” software that uses people’s body shapes and how they walk to identify them, even when their faces are hidden from cameras. Huang Yongzhen, the CEO of Watix – the company that launched the software, said that its system can identify people from up to 50 meters (165 feet) away, even with their back turned or face covered, said that with their software they, “don’t need people’s cooperation for us to be able to recognize their identity.”¹³ This new technology has raised concern worldwide given the track record of China in the use of its surveillance technology, with Sophie Richardson, China director of Human Rights Watch, stating that “states have an obligation to provide their citizens with public security, but not at the expense of fundamental human rights... Much of this technology gathers information about people without their knowledge and consent. They have no way of knowing until it’s somehow being used against them. There is no effective way of pushing back against that”;¹⁴

WHEREAS, in March 2018, a contract was entered into between China and Zimbabwe, for the use of China’s CloudWalk technology for a surveillance program. In

¹² *Ibid.*

¹³ Kang, Dake. *Chinese ‘gait recognition’ tech IDs people by how they walk*. 06 November 2018. The Associated Press. Retrieved from: <https://apnews.com/bf75dd1c26c947b7826d270a16e2658a>

¹⁴ Yan, Sophia. *Chinese surveillance grows stronger with technology that can recognise people from how they walk*. 06 November 2018. The Telegraph. Retrieved from: <https://www.telegraph.co.uk/news/2018/11/06/chinese-surveillance-grows-stronger-technology-can-recognise/>

1 the said agreement, the program will help build a national facial database in
2 Zimbabwe.¹⁵ The program was however put under spotlight when legal loopholes
3 made it possible for Zimbabwe to share the data of millions of its citizens with China,
4 compromising their personal privacy and safety.¹⁶

5 WHEREAS, “super aggressive”¹⁷ espionage activities in the U.S. perpetrated by
6 China and Chinese companies continue to persist despite a large number of arrests,
7 public exposure, and most recently, U.S. trade sanctions;¹⁸

8 WHEREAS, granting a country whose global reputation for its forceful
9 espionage activities has raised worldwide concern, the opportunity to create a
10 surveillance system in our country should raise a red flag for our policymakers to
11 ensure that none of our national interests are compromised by such agreements,
12 particularly our national security;

13 WHEREAS, commercial contracts with companies whose international
14 operations have put at risk the right of the people to privacy, entails careful scrutiny
15 and utmost diligence in order to prevent abuses and violation of rights. In dealing with
16 Chinese companies, the State shall be cautious of Article 22 of the new Counter-
17 Espionage Law of China signed by President Xi Jinping in 2014 which provides that
18 “when the state security organ investigates and understands the situation of espionage
19 and collects relevant evidence, the relevant organizations and individuals shall provide
20 it truthfully and may not refuse”;

21 WHEREAS, the matter of improving the country’s technological capability in
22 the enforcement of laws must be put on a scale to strike a balance between gaining

¹⁵ Shan Jie. *China exports facial ID technology to Zimbabwe*. 12 April 2018. Global Times. Retrieved from: <http://www.globaltimes.cn/content/1097747.shtml>

¹⁶ Romaniuk, Scott and Tobias Burgers. *How China’s AI Technology Exports Are Seeding Surveillance Societies Globally*. 18 October 2018. . The Diplomat. Retrieved from: <https://thediplomat.com/2018/10/how-chinas-ai-technology-exports-are-seeding-surveillance-societies-globally/>

¹⁷ Strobel, Warren and Landay, Jonathan. *Exclusive: U.S. accuses China of ‘super aggressive’ spy campaign on LinkedIn*. 31 August 2018. Reuters. Retrieved from: <https://www.reuters.com/article/us-linkedin-china-espionage-exclusive/exclusive-us-accuses-china-of-super-aggressive-spy-campaign-on-linkedin-idUSKCN1LG15Y>

¹⁸ Eftimiades, Nicolas. *The Impact of Chinese Espionage on the United States*. 04 December 2018. The Diplomat. Retrieved from: https://thediplomat.com/2018/12/the-impact-of-chinese-espionage-on-the-united-states/?fbclid=IwAR17wWPyAB147-YPk6lJOGeh5AZpcK-XRCxqGAKhfBgVlHFSyXUV0g6_gCs

1 technological competence and yielding access to information from our country and our
2 citizens;

3 WHEREAS, public interest requires that inquiry be made as to the threats to
4 the Philippines' national security of contracts entered into with foreign companies
5 whose questionable track record raises international concern;

6 WHEREAS, the right of the people to information on matters of public concern,
7 as enshrined in Article III, Section 7 of the Constitution, demand that an investigation
8 must be made to determine the extent of these Chinese companies access to
9 information relating to classified information, national security, national defense,
10 military and diplomatic secrets, and other confidential matters of the State;

11 WHEREAS, the right of the people to privacy necessitates that an inquiry be
12 made into the information sought to be collected through surveillance using
13 equipment sourced from these Chinese companies;

14 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE, to direct the
15 appropriate Senate Committee to conduct an inquiry, in aid of legislation into the Safe
16 Philippines Project Phase 1, with the end in view of protecting national security,
17 guaranteeing that state secrets are safeguarded, and ensuring that the right to privacy
18 of the people is upheld and secured.

Adopted,


LILIA M. DE LIMA