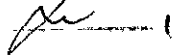


FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

8 SEP -2 1955

SENATE
S. No. 2591

RECEIVED BY 

Introduced by **Senators Richard J. Gordon and Juan Miguel F. Zubiri**

EXPLANATORY NOTE

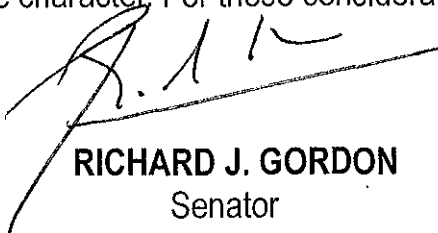
The Philippine National Red Cross (PNRC) is the premiere humanitarian organization in the country, whose main objective is to alleviate human suffering wherever and whenever such situation occurs. During wartime, the PNRC assumes a neutral, non-combative posture to attend to the wounded. During peacetime, the PNRC provides aid to victims of calamities.

The PNRC was chartered in 1947 through Republic Act No. 95, which was amended by Republic Act Nos. 885 and 6373 and later on by Presidential Decrees Nos. 1264 and 1643. To be sure, the PNRC is a unique hybrid because while it was created by law and hence a Philippine entity, it is imbued with international character having been created by virtue of the Third Geneva Convention where the Philippines, by "that action, indicated its desire to participate with the nations of the world in mitigating the suffering caused by war x x x.". Moreover, the PNRC is a member of the International Federation of the Red Cross (IFRC) and Red Crescent Societies. As such, its functions, operations, management and existence must conform to IFRC rules, regulations, resolutions, policies and norms.

Because of the PNRC's unique hybrid nature, the PNRC must be accorded a huge amount of flexibility in its operations. The PNRC needs all the resources it can gather to sustain its operations and at the same time maintain its principle of independence. The PNRC has to buy ambulances, fire trucks and many other costly equipment for its relief efforts. It conducts programs in blood donations and emergency response training in schools for the formation of the Filipino youth.

However, being a mere auxiliary, the PNRC does not receive a budget from the national government. It has been given tax exempt status on its donations of real property but remains subject to real property tax. The tax liability is a heavy burden to bear considering the number of disasters that plague the Philippines annually.

It therefore behooves this august chamber to amend Republic Act No. 95 to give the PNRC the needed flexibility to fulfill its mandate given its international, auxiliary and corporate character. For these considerations, the passage of this bill is earnestly sought.



RICHARD J. GORDON
Senator


JUAN MIGUEL F. ZUBIRI
Senator

FOURTEENTH CONGRESS OF THE)
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8 SEP -2 P5 15

SENATE
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AN ACT
AMENDING REPUBLIC ACT NO. 95, OTHERWISE KNOWN AS THE PHILIPPINE
NATIONAL RED CROSS CHARTER, AS AMENDED, AND FOR OTHER PURPOSES

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

1 **SECTION 1.** Section 1 of Republic Act No. 95, otherwise known as the Philippine
2 National Red Cross Charter, as amended, is hereby further amended to read:

3 "CREATION OF THE PHILIPPINE NATIONAL RED CROSS. - There is
4 hereby created in the Republic of the Philippines a body corporate and politic
5 CALLED THE PHILIPPINE NATIONAL RED CROSS WHICH SHALL [to] be
6 the voluntary organization officially designated AS AN AUXILIARY TO THE
7 REPUBLIC OF THE PHILIPPINES, [and] to assist the Republic of the
8 Philippines in discharging the obligations set forth in the Geneva
9 Conventions, and to perform such other duties as are inherent upon a
10 national Red Cross Society; PROVIDED, THAT, THE PHILIPPINE NATIONAL
11 RED CROSS SHALL NOT BE CONSIDERED A GOVERNMENT
12 INSTRUMENTALITY AND, HENCE, SHALL NOT BE COVERED BY
13 GOVERNMENT AUDITING, PROCUREMENT AND CIVIL SERVICE
14 REGULATIONS APPLICABLE TO OTHER GOVERNMENT
15 INSTRUMENTALITIES. The national headquarters of this [Corporation]
16 AUXILIARY TO THE REPUBLIC OF THE PHILIPPINES shall be located in
17 Metropolitan Manila."

18 **Section 2.** Section 2 of Republic Act No. 95, otherwise known as the Philippine
19 National Red Cross Charter, as amended, is hereby further amended to read:

20 "The name of [corporation] THIS AUXILIARY ENTITY shall be "The
21 Philippine National Red Cross" and by that name shall have perpetual

1 succession AND ENJOY THE FOLLOWING CORPORATE POWERS:

- 2 a. [with the power] To sue and be sued;
- 3 b. [t] To own and hold such real and personal estate as shall be deemed
4 advisable and to accept bequests, donations and contributions of property of
5 all classes for the purpose of this [Corporation] AUXILIARY TO THE
6 REPUBLIC OF THE PHILIPPINES hereinafter set forth;
- 7 c. [t] To adopt a seal and to alter and destroy the same at pleasure, and
8 to have the right to adopt and to use, in carrying out its purposes hereinafter
9 designated, as an emblem and badge, a red Greek cross on a white ground,
10 the same as has been described in the Geneva Conventions, and adopted by
11 the several nations ratifying or adhering thereto;
- 12 d. [t] To ordain and establish by-laws and regulations not inconsistent
13 with the laws of the Republic of the Philippines; and
- 14 e. [g] Generally to do all such acts and things as may be necessary to
15 carry into effect the provisions of this Act and promote the purposes of said
16 organization.”

17 [; and the corporation] THE PHILIPPINE NATIONAL RED CROSS, AS hereby
18 created, is designated as the organization which is authorized to act in
19 matters of relief under said ConventionS. In accordance with the Geneva
20 Conventions, the issuance of the distinctive Red Cross emblem to medical
21 units and establishments, personnel and materials neutralized in time of war
22 shall be left to the military authorities. The red Greek cross on a white ground,
23 as has been described by the Geneva Conventions is not, and shall not be
24 construed as a religious symbol, and shall have equal efficacy and
25 applicability to persons of all faiths, creeds and beliefs. The operational
26 jurisdiction of the Philippine National Red Cross shall be over the entire
27 territory of the Philippines.”

28 **Section 3.** Section 3 of Republic Act No. 95, otherwise known as the Philippine
29 National Red Cross Charter, as amended, is hereby further amended to read:

30 “PURPOSES OF THE PHILIPPINE NATIONAL RED CROSS. That the
31 purposes of [this Corporation] THE PHILIPPINE NATIONAL RED CROSS
32 shall be as follows:

- 33 a. To provide volunteer aid to the sick and wounded of armed forces

1 in time of war, in accordance with the spirit of and under the conditions
2 prescribed by the Geneva Conventions to which the Republic of the
3 Philippines proclaimed its adherence;

4 b. For the purposes mentioned in the preceding sub-section, to
5 perform all duties devolving upon the Corporation as a result of the
6 adherence of the Republic of the Philippines to the said Convention;

7 c. To act in matters of voluntary relief and in accordance with the
8 authorities of the armed forces as a medium of communication between
9 people of the Republic of the Philippines and their Armed Forces, in time of
10 peace and in time of war, and to act in such matters between similar national
11 societies of other governments and the Governments and people and the
12 Armed Forces of the Republic of the Philippines;

13 d. To establish and maintain a system of national and international
14 relief in time of peace and in time of war and apply the same in meeting and
15 emergency needs caused by typhoons, flood, fires, earthquakes, and other
16 natural AND/OR MAN-MADE disasters, and to devise and carry on measures
17 for minimizing the suffering caused by such disasters;

18 e. To devise and promote such other services in time of peace and in
19 time of war as may be found desirable in improving the health, safety and
20 welfare of the Filipino people;

21 f. To devise such means as to make every citizen and/or resident of
22 the Philippines a member of the Red Cross.”

23 **Section 4.** Section 4 of Republic Act No. 95, otherwise known as the Philippine
24 National Red Cross Charter, as amended, is hereby further amended to read:

25 “POWERS TO ASSIST THE PHILIPPINE NATIONAL RED CROSS TO
26 REALIZE PURPOSES AND MANDATE. In furtherance of the purposes
27 mentioned in the preceding sub-paragraphs, AND IN ORDER TO ALLOW IT
28 TO FULLY REALIZE ITS MANDATE UNDER THE GENEVA CONVENTIONS
29 AND THIS ACT, the [Philippine National Red Cross] PHILIPPINE NATIONAL
30 RED CROSS shall:

31 a. Be authorized to secure loans from any financial institution
32 which shall not exceed its budget of the previous year.

33 b. ALL PROVISIONS OF LAW TO THE CONTRARY

1 NOTWITHSTANDING, [b] BE exempt from payment of all [duties,] DIRECT
2 AND INDIRECT taxes, fees, and other charges of all kinds on all INCOME
3 DERIVED FROM ALL ITS OPERATIONS, INCLUDING PROVISION OF
4 SERVICES, AS WELL AS FROM ALL DIRECT AND INDIRECT DUTIES,
5 TAXES, FEES AND OTHER CHARGES ON ALL importations and purchases
6 for its exclusive use. THE PHILIPPINE NATIONAL RED CROSS SHALL
7 LIKEWISE BE EXEMPT FROM ALL DUTIES, TAXES, FEES AND OTHER
8 CHARGES OF ALL KINDS on donations for its disaster relief work and other
9 Red Cross services, and in its benefits and fund raising ACTIVITIES AND
10 drives, INCLUDING THE USE, LEASE OR SALE OF ITS REAL PROPERTY.
11 [all provisions of law to the contrary notwithstanding.] FINALLY, THE
12 PHILIPPINE NATIONAL RED CROSS SHALL BE EXEMPT FROM THE
13 PAYMENT OF REAL PROPERTY TAXES ON ALL REAL PROPERTY
14 OWNED BY IT WHETHER OR NOT THE SAME IS ACTUALLY BEING USED
15 TO CARRY OUT ITS PURPOSES UNDER THIS ACT.

16 c. Be allotted by the Philippine Charity Sweepstakes Office AT
17 LEAST one lottery draw yearly for the support of its disaster relief operations
18 in addition to its existing lottery draws for the Blood Program.”

19 **Section 5.** Section 5 of Republic Act No. 95, otherwise known as the Philippine
20 National Red Cross Charter, as amended, is hereby further amended to read:

21 “MEMBERSHIP. Membership in the Philippine National Red Cross
22 shall be open to THE entire population in the Philippines regardless of
23 citizenship. Any contribution to the Philippine National Red Cross Annual
24 Fund Campaign shall entitle the contributor to membership for one year and
25 said contribution shall be deductible in full for taxation purposes.”

26 **Section 6.** Section 6 of Republic Act No. 95, otherwise known as the Philippine
27 National Red Cross Charter, as amended, is hereby further amended to read:

28 “PHILIPPINE NATIONAL RED CROSS BOARD OF GOVERNORS.
29 The governing powers and authority shall be vested in a Board of Governors
30 composed of thirty members, six of whom shall be appointed by the President
31 of the Philippines, eighteen shall be elected by chapter delegates in biennial
32 conventions and the remaining six shall be elected by the twenty-four
33 members of the Board already chosen. At least one but not more than three

1 of the Presidential appointees shall be chosen from the Armed Forces of the
2 Philippines.”

3 a. The term of office of all members of the board of Governors shall
4 be four years, including those appointed by the President of the Philippines,
5 renewable at the pleasure of the appointing power or elective bodies.

6 b. Vacancies in the Board of Governors caused by death or
7 resignation shall be filled by election by the Board of Governors at its next
8 meeting, except that vacancies among the Presidential appointees shall be
9 filled by the President.

10 **Section 7.** Section 7 of Republic Act No. 95, otherwise known as the Philippine
11 National Red Cross Charter, as amended, is hereby further amended to read:

12 “PHILIPPINE NATIONAL RED CROSS OFFICERS. The President of
13 the Philippines shall be the Honorary President of the Philippine National Red
14 Cross. The officers shall consist of a Chairman, a Vice-Chairman, a
15 CORPORATE Secretary, a Treasurer, a Counselor, an Assistant Secretary
16 and an Assistant Treasurer, all of whom shall be elected by the Board of
17 Governors from among its membership for a term of two years and may be
18 re-elected. The election of officers shall take place within sixty days after all
19 the members of the Board of Governors have been chosen and have
20 qualified.”

21 **Section 8.** Section 8 of Republic Act No. 95, otherwise known as the Philippine
22 National Red Cross Charter, as amended, is hereby further amended to read:

23 “BIENNIAL MEETING. The Biennial meeting of chapter delegates
24 shall be held on such date and such place as may be specified by the Board
25 of Governors to elect members of the Board of Governors and advise the
26 Board of Governors on the activities of the Philippine National Red Cross;
27 Provided, however that during periods of great emergency, the Board of
28 Governors in its discretion may determine that the best interest of the
29 [corporation] shall be served by postponing such biennial meeting.”

30 **Section 9.** Section 9 of Republic Act No. 95, otherwise known as the Philippine
31 National Red Cross Charter, as amended, is hereby further amended to read:

32 “BY-LAWS AND RULES AND REGULATIONS. The power to ordain,
33 adopt and amend by-laws, AS WELL AS ITS RULES and regulations,

1 INCLUDING THOSE GOVERNING ITS CHAPTERS, shall be vested in the
2 PNRC'S Board of Governors."

3 **Section 10.** Section 10 of Republic Act No. 95, otherwise known as the Philippine
4 National Red Cross Charter, as amended, is hereby further amended to read:

5 "COMPENSATION. The members of the Board of Governors, as well
6 as the officers of the corporation, shall serve without compensation. The
7 compensation of the paid staff of the [corporation] PHILIPPINE NATIONAL
8 RED CROSS shall be determined by the Board of Governors upon the
9 recommendation of the Secretary General."

10 **Section 11.** Section 11 of Republic Act No. 95, otherwise known as the Philippine
11 National Red Cross Charter, as amended, is hereby further amended to read:

12 "FUNDING. As a national voluntary organization, the Philippine
13 National Red Cross shall be financed primarily by contributions obtained
14 through solicitation campaigns throughout the year which shall be organized
15 by the Board of Governors and conducted by the Chapters in their respective
16 jurisdictions. These fund raising campaigns shall be conducted independently
17 of other fund drives and service needs, WHICH SHALL INCLUDE BUT NOT
18 BE LIMITED TO, THE SALE, LEASE OR JOINT VENTURE DEVELOPMENT
19 OF THE PHILIPPINE NATIONAL RED CROSS' REAL PROPERTIES."

20 **Section 12.** Section 12 of Republic Act No. 95, otherwise known as the Philippine
21 National Red Cross Charter, as amended, is hereby further amended to read:

22 "PHILIPPINE NATIONAL RED CROSS CHAPTERS. The Board of
23 Governors shall promulgate rules and regulations for the organization of local
24 units of the Philippine National Red Cross to be known as Chapters. Said
25 rules and regulations shall fix the relationship of the Chapters to the
26 Corporation, define their territorial jurisdictions, and determine the number of
27 delegates for each chapter based on population, fund campaign potentials
28 and service needs."

29 **Section 13.** Section 13 of Republic Act No. 95, otherwise known as the Philippine
30 National Red Cross Charter, as amended, is hereby further amended to read:

31 "ANNUAL REPORT. The [Corporation] PHILIPPINE NATIONAL RED
32 CROSS shall, at the end of every calendar year, submit to the President of
33 the Philippines an annual report containing the activities of the [Corporation]

1 PHILIPPINE NATIONAL RED CROSS showing its financial condition, the
2 receipts and disbursements.”

3 **Section 14.** Section 14 of Republic Act No. 95, otherwise known as the Philippine
4 National Red Cross Charter, as amended, is hereby further amended to read:

5 “UNLAWFUL SOLICITATION. It shall be unlawful for any person to
6 solicit, collect or receive money, materials, or property of any kind by falsely
7 representing or pretending himself to be a member, agent or representative of
8 the Philippine National Red Cross.”

9 **Section 15.** Section 15 of Republic Act No. 95, otherwise known as the Philippine
10 National Red Cross Charter, as amended, is hereby further amended to read:

11 “RED CROSS NAME AND EMBLEM. The use of the name Red Cross
12 is reserved exclusively to the Philippine National Red Cross and the use of
13 the emblem of the red Greek cross on a white ground is reserved exclusively
14 to the Philippine National Red Cross, medical services of the Armed Forces of
15 the Philippines and such other medical facilities or other institutions as may
16 be authorized by the Philippine National Red Cross as provided under Article
17 44 of the Geneva Conventions. It shall be unlawful for any other person or
18 entity to use the words Red Cross or Geneva Cross or to use the emblem of
19 the red Greek cross on a white ground or any designation, sign, or insignia
20 constituting an imitation thereof for any purpose whatsoever.”

21 **Section 16.** Section 16 of Republic Act No. 95, otherwise known as the Philippine
22 National Red Cross Charter, as amended, is hereby further amended to read:

23 “PENAL CLAUSE. As used in this Decree, the term person shall
24 include any legal person, group, or legal entity OF whatsoever nature. [,and
25 a] ANY person violating any section of this Article shall, upon conviction
26 therefore be liable to a fine of not less than [one] FIFTY thousand pesos or
27 imprisonment for a term not exceeding one year, or both, at the discretion of
28 the court, for each and every offense. In case the violation is committed by a
29 corporation or association, the penalty shall devolve upon the president,
30 director or any other officer responsible for such violation.”

31 **Section 17. Repealing Clause.** - All laws or parts thereof, decrees, orders, rules
32 and regulations inconsistent with the provisions of this Act are hereby repealed or modified
33 accordingly.

1 **Section 18. Separability Clause.** - If any of the provisions of this Act is declared
2 invalid, the other provisions not affected thereby shall remain in full force and effect.

3 **Section 19. Effectivity.** - This Act shall take effect fifteen (15) days following its
4 publication in the Official Gazette or in at least two newspapers of general circulation.

5 Approved,