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SENATE

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P.S. RES. NO. 818

Introduced by Sen. M. A. Madrigal

RESOLUTION

DIRECTING THE COMMITTEES ON ENVIRONMENT AND NATURAL RESOURCES AND ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE ALLEGED APPROVAL AMID BRIBERY CHARGES OF THE \$120 MILLION WORTH SOUTH KOREAN HOTEL AND CASINO PROJECT IN THE SUBIC BAY FREEPORT ZONE THAT WOULD RESULT IN THE DESTRUCTION OF CENTURY-OLD TREES

Whereas reports disclose that 366 trees and 37 more that are at least a century-old would be cut off to give way to the construction of the \$120-million worth Ocean 9 Casino and Hotel Resort at the Subic Bay Freeport Zone;

Whereas Grand Utopia, the Korean company funding the construction of the casino and hotel project, allegedly contracted internationally-acclaimed local architect Felino Palafox Jr. to design the project but the latter backed out and gave up the \$1-million architectural fee to protest the cutting of the trees;

Whereas a foreign architecture firm, Yamazaki, was also alleged to have been hired by Grand Utopia to design the project, and Palafox's name would only be used as a dummy;

Whereas Arch. Palafox further claims that a member of the SBMA Bids and Awards Committee demanded an 18% commission from his firm in exchange for his firm's inclusion in the shortlist of bidders for a project updating the Subic Bay Freeport's master development plan;

Whereas amid such allegations of bribery, Subic Bay Metropolitan Authority (SBMA) Chairman Arman Aranza defended the project, noting that the SBMA Ecology Center had classified the project site as "urban forest";

Whereas Aranza stressed that the area is identified as a commercial zone and also argued that part of the forest would have to be sacrificed for the project to generate jobs for the townspeople;

Whereas the management of Grand Utopia admitted getting the architectural services of Yamazaki, but denied that trees would be cut;

Whereas the SBMA was reported to have given Grand Utopia a demolition and a temporary fencing permit although the latter has not acquired the mandatory environmental compliance certificate (ECC) nor has it submitted the requisite balling (transplantation) plan;

Whereas early this year, the SBMA was involved in another controversy in relation to the clearing of a forest area for the construction of condominium buildings by South Korean firm Hanjin, which resulted in the cutting of 43 trees for the project, contravening the free port's zoning policy;

Whereas the requirements of conservation and ecology must be taken into account in all development and economic projects and the State is mandated with protecting the patrimonial right "to a balanced and healthful ecology in accord with the rhythm and harmony of nature" (Article XII);

Whereas it should be of great concern that the forest area in the Subic freeport zone is fast being depleted in the name of development and job-generation when Arch. Palafox however asserts that the Grand Utopia hotel and casino project could be designed in such a way that the trees can be preserved;

Whereas the accusations of corruption involving SBMA officials tasked with supporting investments in conformity with sustainable development and environmental protection are serious charges that should be immediately investigated;

THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to direct the Committees on Environment and Natural Resources and Accountability of Public Officers and Investigations to conduct an investigation, in aid of legislation, on the alleged approval amid bribery charges of the \$120-million worth South Korean hotel and casino project in the Subic Bay Freeport Zone that would result in the destruction of century-old trees.

Adopted,


M. A. MADRIGAL