

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

P.S. Res. No. 937

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

RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT
AN INQUIRY, IN AID OF LEGISLATION, ON THE RECENTLY
REPORTED TAKEOVER OF THE BENGUET ELECTRIC COOPERATIVE
(BENECO) BY THE NATIONAL ELECTRIFICATION ADMINISTRATION
(NEA) WITH THE ASSISTANCE OF HEAVILY ARMED POLICE
OFFICERS

1 WHEREAS, Chapter I, Article 2 of Republic Act No. 6938, as amended by
2 Republic Act No. 9520, otherwise known as the “Philippine Cooperative Code of
3 2008”, declares, in part, that the State shall “foster the creation and growth of
4 cooperatives as a practical vehicle for promoting self-reliance and harnessing people
5 power towards the attainment of economic development and social justice”;

6 WHEREAS, Chapter I, Article 2 of the same also declares that “the State
7 recognizes the principle of subsidiarity under which the cooperative sector will
8 initiate and regulate within its own ranks the promotion and organization, training
9 and research, audit and support services relative to cooperatives with government
10 assistance where necessary”;

11 WHEREAS, on Monday, 18 October 2021, just before the break of dawn, it
12 was reported that, at the behest of the National Electrification Administration (NEA),
13 about 50 policemen deployed by the Cordillera Police Office at Camp Dangwa in
14 Benguet province allegedly broke into the offices of Benguet Electric Cooperative
15 (BENECO) along Baguio’s South Drive to allow lawyer Omar Mayo, a NEA-appointed

1 caretaker, to assume control over one of the country's top-performing rural electric
2 cooperatives;¹

3 WHEREAS, the takeover also reportedly allowed lawyer Ana Maria Paz
4 Rafael-Banaag to assume as the utility's general manager despite public outcry and
5 protests over her alleged ineligibility to run BENECO;²

6 WHEREAS, according to Mayo, he was simply enforcing the September 21
7 NEA Board Resolution No. 2021-106, which placed six members of the BENECO
8 Board of Directors, Board President Esteban Somngi and incumbent General
9 Manager Melchor Licoben under a 90-day preventive suspension for rejecting
10 Banaag;³

11 WHEREAS, as a result, employees did not report for work and instead staged
12 a sit-down protest because they were "scared by policemen in full battle gear who
13 broke into their offices", according Mark Anthony Amisola, Vice President of
14 BENECO Employees Labor Union;⁴

15 WHEREAS, according to Licoben, the police who entered the compound and
16 offices carried long firearms. He also said the police barricaded the entrances. Initial
17 reports also indicated that the police also took the recorder of the CCTV system and
18 damaged a glass door;⁵

19 WHEREAS, this prompted Somngi to question the manner in which the
20 suspension order was carried out as he saw no need for the "commando operations"
21 to be conducted by heavily armed policemen in the dead of night. He insists that
22 what the police did was illegal and that they would look into possible legal actions
23 against the police and NEA;⁶

24 WHEREAS, for their part, Baguio City Mayor Benjamin Magalong and the
25 Philippine Rural Electric Cooperative Association (PHILRECA) both condemned the

¹ Philippine Daily Inquirer. (19 October 2021). *NEA, backed by cops, takes over Benguet electric co-op*. Retrieved 20 October 2021, from <https://newsinfo.inquirer.net/1503535/nea-backed-by-cops-takes-over-benguet-electric-co-op>

² *Ibid.*

³ *Ibid.*

⁴ *Ibid.*

⁵ De Vera, S. (18 October 2021). *NEA, police storm Benguet Electric coop office to install new general manager*. Retrieved 20 October 2021, from <https://www.rappler.com/nation/nea-police-storm-beneco-office-install-new-general-manager>

⁶ *Ibid.*

1 “forcible takeover” of the BENECO headquarters and operation. Mayor Magalong has
2 vouched for the competence, integrity and efficiency of its general manager, Melchor
3 Licoben. Moreover, PHILRECA has asserted that the NEA has no power to take over
4 the management of BENECO unless they can prove that it is an ailing cooperative;⁷

5 WHEREAS, this incident marks the latest in the feud between BENECO
6 officials, employees, and member-consumers, and the NEA Board after the state
7 agency endorsed Banaag as its sole nominee for BENECO manager back in May.
8 Banaag was appointed by the NEA Board toward the end of August, but a majority of
9 the BENECO Board rejected her in a special session. The dispute led to multiple
10 lawsuits against NEA board members for allegedly breaking its own rules to
11 accommodate Banaag’s application as BENECO manager;⁸

12 WHEREAS, in the morning of 20 October 2021, employees and member-
13 consumer-owners (MCOs) took back BENECO headquarters;⁹

14 WHEREAS, with the uproar that this incident has caused, there is a clear need
15 to determine whether the NEA’s takeover was valid and legal under our relevant
16 laws;

17 WHEREAS, there is also need to ascertain whether NEA exceeded its
18 authority in taking over BENECO in spite of the absence of any indication that the
19 latter is an ailing cooperative. NEA’s mandate should be reviewed to ascertain
20 whether it provides sufficient safeguards against abuses that run contrary to the
21 spirit of the Philippine Cooperative Code;

22 WHEREAS, the police’s involvement in the takeover also casts further
23 questions. While our police are mandated to protect and serve, over time, it has
24 become apparent that they have instead cultivated a culture of fear among the
25 citizenry owing to their excessive display of force, among other irregularities, in their
26 conduct of police operations;

⁷ *Ibid.*

⁸ Philippine Daily Inquirer. (19 October 2021). *NEA, backed by cops, takes over Benguet electric co-op.*
Retrieved 20 October 2021, from <https://newsinfo.inquirer.net/1503535/nea-backed-by-cops-takes-over-benguet-electric-co-op>

⁹ Rappler. (20 October 2021). *Employees, coop members 'take back' Beneco on 3rd day of NEA takeover.*
Retrieved 20 October 2021, from <https://www.rappler.com/nation/employees-coop-members-take-back-beneco-nea-takeover>

1 WHEREAS, under the guidelines on the conduct of operations relative to the
2 exercise of workers' activities it is a declared general policy that, "[w]orkers and
3 employers have the right to life, liberty and property and enjoy the right to political
4 dissent within the bounds of law. The absence of these civil liberties removes all
5 meaning from the concept of workers' and employers' rights, which are better
6 exercised in a climate that is free from violence, pressure or threats of any kind. It is
7 incumbent upon the government to ensure that this principle is respected...";¹⁰

8 WHEREAS, the raid-like takeover assisted by the PNP, as well as the
9 subsequent acts which its personnel undertook while the employees were protesting,
10 instilled within the employees of BENECO a degree of fear that is unwarranted by the
11 situation, and is in palpable violation of Article V. A. paragraph 1 of the
12 aforementioned guidelines which states that the "involvement of PNP personnel
13 during picketing, strikes, lockouts and labor disputes in general shall be limited to
14 the maintenance of peace and order, enforcement of laws, and implementation of
15 legal orders of the duly constituted authorities";¹¹

16 WHEREAS, if the reports are any indication, the manner in which the police
17 conducted their operations to carry out a relatively benign suspension order was not
18 only excessive but also completely unnecessary in terms of the show and display of
19 excessive force against unarmed civilians;

20 WHEREAS, under the PNP Guidebook on Human Rights-Based Policing,
21 "[a]ny act of enforcement (that is, the use of police powers or any manner of
22 application of force) apart from the law may be considered criminal, or at the very
23 least, an abuse of authority. Respect for rule of law and civilian supremacy is best
24 exemplified when the police practices accountability for its actions or, as the case
25 may be, inaction on matters related to the protection of people's legal rights." It is
26 thus essential to determine whether the force and intrusion carried out by the police
27 in the BENECO takeover is upon lawful order;

¹⁰ Guidelines on the Conduct of the DOLE, DILG, DND, DOJ, AFP and PNP Relative to the Exercise of Workers' Rights and Activities. Retrieved 20 October 2021

<https://didm.pnp.gov.ph/images/Standard%20Operating%20Procedures/GUIDELINES%20ON%20THE%20CONDUCT%20OF%20THE%20DOLE,%20DILG,%20DND,%20DOJ,%20AFP%20AND%20PNP%20RELATIVE%20TO%20THE%20EXERCISE%20OF%20WORKERS'%20RIGHTS%20AND%20ACTIVITIES.pdf>

¹¹ *Ibid.*

1 WHEREAS, an inquiry into this incident is also necessary to ensure the
2 regularity of police operations nationwide in order to guarantee the safety and
3 protection of Filipino citizens;

4 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE, to direct the
5 appropriate Senate Committee to conduct an inquiry, in aid of legislation, on the
6 recently reported takeover of the Benguet Electric Cooperative (BENECO) by the
7 National Electrification Administration (NEA) with the assistance of heavily armed
8 police officers.

Adopted,


LEILA M. DE LIMA