

It's WB on trial in Senate hearing

Contractors, others in blacklist deny raps

by MICHAEL LIM UBAC, CHRISTINE AVENDAÑO
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THE Senate last Feb. 12 decided to summon the representative of the World Bank in the Philippines to show proof of purported bid rigging in road projects, in effect shifting the burden from those implicated in the corruption controversy, including President Gloria Macapagal-Arroyo's absent husband.

Speaking with reporters after the hearing on the "collusive practices" of three Filipino contractors that bid for the National Roads Improvement and Management Program 1 (NRIMP 1), Sen. Miriam Defensor-Santiago said that "so far, there is no evidence against" First Gentleman Jose Miguel "Mike" Arroyo.

But Sen. Panfilo Lacson said there seemed to be something fishy about the hearing, the second conducted on the controversy by the Senate committee on economic affairs along with the committees on public works and on finance.

"It seems orchestrated, if you look at the events of the day," Lacson told reporters, adding that it was like "shooting the messenger"—in this case the World Bank, which had exposed the purported corruption in the

bidding for NRIMP 1.

For much of the hearing, presided over by the iron-willed Santiago and lasting more than three hours, senators from both sides of the political fence assailed the World Bank and its officials for not furnishing the Senate a copy of the report it had given the Department of Finance (DoF) and Office of the Ombudsman as early as November 2007.

The senators also bristled at the "confidentiality clause" invoked by the World Bank in barring the DoF and the Ombudsman from "distributing" the nine-page report, or using it as evidence against personalities mentioned.

Blanket denials

With the joint committee's scrutiny focused on the World Bank, the "implicated persons," including former Representatives Prospero Pichay (Surigao del Sur), and Jerome and Jacinto Paras (Negros Occidental), as well as contractors and public works officials, were able to issue blanket denials.

The joint committee will subpoena World Bank country director Bert Hofman to attend the next hearing and to present the four documents it had issued in

connection with the blacklisting of the three Filipino contractors.

Senate President Juan Ponce Enrile said the World Bank had a "strange procedure" because it suspected anomalies yet left it to the concerned government to obtain evidence.

"Duty demands that they come here," he said.

The joint committee will also hold next week an executive session, as suggested by Finance Secretary Margarito Teves and Ombudsman Merceditas Gutierrez, to decide if the Senate was bound by the World Bank's invocation of confidentiality.

In a statement issued early Thursday night, the World Bank said it "welcomed the Senate's initiative to follow up" on its findings on the Filipino contractors.

An hour on Mike A's health

Lacson had earlier shown reporters "excerpts" of the World Bank report implicating Mike Arroyo, former lawmakers and public works officials in the purported corruption, and had called for the reopening of the inquiry.

But he excused himself in the middle of the hearing last Feb. 12, citing a long-scheduled speaking engagement with the Rotary Club of Manila. He returned past 2 p.m. to find the hearing adjourned.

Lacson expressed dissatisfac-



APPROACHABLE Allowed to approach by Sen. Miriam Santiago, the stern and masterly chair of the economic affairs committee, Finance Secretary Margarito Teves, shares a confidence with her and Senate President Juan Ponce Enrile even as Senators Mar Roxas and Alan Peter Cayetano try to listen in.

Photo from Inquirer.net

tion with the way the hearing proceeded, particularly because, he said, an hour or so was spent delving on Mike Arroyo's health instead of the important question of whether there was corruption in the bidding for the World Bank-funded projects.

He also drew attention to the fact that Ms Arroyo's husband suddenly agreed to speak with reporters at St. Luke's Medical Center in Quezon City and assailed him for his exposés.

He lamented that the hearing served as a venue for a "bashing" of the World Bank, and observed

that it was aired live by three government stations—something that, he said, "happened only now."

Asked what he thought was the reason for the turn of events, he said: "To create the perception that this is nothing but persecution, and that the World Bank has nothing against these people, against the system of corruption that included the bidding."

Good faith

Sen. Alan Peter Cayetano did not second-guess the joint committee's motive in assailing the World Bank instead of protesting Mike Arroyo's absence.

"I ascribe good faith to each and every senator as to how they view the World Bank," he said. "But definitely, Malacañang would like it to appear that the World Bank was biased against it, which, I think, is too early to conclude."

Cayetano said there was "unanimity" among the senators who were present in criticizing the World Bank.

"But that doesn't mean that the Senate, Ombudsman and the other agency should not pursue its own independent investigation," the senator said, adding:

"Whether or not the World Bank did a sloppy job, it does not mean we in the Philippine government should also do a sloppy job in investigating this. In the end, we will treat the World Bank report as a lead, and it's our duty to follow up on the lead."

Only 3 hours

Lacson said he was not questioning the motive of Santiago and the other senators.

But he wondered why the hearing was held for only three hours when it was normal for a Senate hearing to take until the evening particularly if it concerned big issues.

Lacson expressed hope that the inquiry would continue, and showed reporters a voluminous

report containing the transcript of interviews between 50 persons and World Bank investigators looking into the alleged collusion of contractors and government officials in cornering bank-funded projects.

The report, titled "Notice of Sanctions Proceedings Part II: Record of Interviews," was by the World Bank Department of Institutional Integrity.

FG excused

Mike Arroyo sent his lawyer Ruy Rondain and his cardiologist Dr. Antonio Sibulo Jr. to explain his absence.

Sibulo said his medical team at St. Luke's had "advised Mr. Arroyo to avoid a personal appearance...since the conduct of the hearing may be detrimental to his cardiovascular condition."

"We cannot in good conscience allow him to assume that risk for whatever consequence that may ensue from the hearing," the doctor said.

Since Sibulo was an "expert witness," Santiago said "his expert testimony excuses the First Gentleman."

The joint committee decided that Mike Arroyo, who underwent risky open-heart surgery in 2007, would just be asked to reply to written questions.

Attitude problem

Teves and Gutierrez said they were in a bind because the cover letter of the World Bank report stated: "This report should not be cited or referred to in the course of any investigation, report or administrative, civil or criminal proceedings undertaken by the government."

Exclaimed Santiago: "And who are they to dictate whether we shall respect this confidentiality or not?"

She said it was not for the World Bank to make "a judgment on the opinion" of a "sovereign" Senate.

She accused the United States of having an "attitude problem" and threatened to rally the world to reform the United Nations which supervises the US-controlled World Bank.

Not delaying

To reporters, she said: "People think we're delaying [the investigation but] my hands are tied in using the documents that we have. It's so hard."

Gutierrez said she was turning over to the Senate the documentary evidence she received from Hofman on Feb. 10 and let the senators decide whether to make it public.

She said Assistant Ombudsman Mark Jalandoni had conducted the initial fact-finding investigation and that this was "nearing completion." ■

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