

August 5, 2008

Carlo M. Batalla

Board Member, 1st District

Thank you Mr. Chairman:

Today I speak simply as possible because the issues I have brought to the attention of the public are too large to be obscured by eloquence. Today I speak simply in the hope that my words will be taken by heart.

Mr. Chairman, we have all heard over the radio Governor Villafuerte's enmity towards me. The governor threatens to file cases against this representation. You may have also heard the graft cases I already filed against Governor Villafuerte and against a number of our provincial officials at the office of the Ombudsman.

These swap of cases undoubtedly-had the people of Camarines Sur from all walks of life waits-stunned or cheering in the confines of their houses, in the markets, and everywhere that local radio connects.

But no one who is not in my position can understand what my thoughts and feelings are today. Since when I was young, I have had a profound reverence for this office I hold. I have been honored that 1st District, the people, have entrusted it to me. I am proud of what we have accomplished together.

I may have fallen short of what they should expect from a board member, I may have let too many of them down. But I take full responsibility for my actions-I take full responsibility in formally filing at the Office of the Ombudsman last July 10, 2008 those graft and corruption cases against Governor Luis Raymund F. Villafuerte Jr. Including the provincial treasurer, the provincial budget officer, the general services officer, and the provincial health officer.

For Violations of: Section 3e and Section 3g of Republic Act 3019 otherwise known as the "Anti Graft and Corrupt Practices Act"; for Violation of Section 89 and Section 338 of Republic Act 7160; for Violation of Section 88 of Presidential Decree 1445.

Section 3e of RA 3019 provides: Causing undue injury to any party, including the government, or giving any private party any unwarranted benefits, advantage or preference in the discharge of his official administrative or judicial function through manifest partiality, evident bad faith or gross inexcusable negligence.

Section 3g of RA 3019 provides: Entering, on behalf of the government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.

Section 89 of RA 7160 provides: "It shall be unlawful for any local government official, employee, directly or indirectly, to 1] engage in any business transaction with the local government unit in which he is an official or employee.

Section 338 of RA 7160 provides: that no money shall be paid on account of any contract under which no services have been rendered or goods delivered.

Section 88 of PD 1445 provides: that except with the prior approval of the President, the government shall not be obliged to make an advance payment for services not yet rendered, or for supplies and materials not yet delivered under any contract.

These complaints emanate from:

1. The Provincial Government of Camarines Sur paid in advance P7,943,030 for the purchase of 25,000 G.I. sheets. Said transaction violated Section 338 of RA 7160 and Section 88 of PD 1445.
2. The Provincial Government incurred inordinate expenses of more than P28M for its various activities to celebrate the Camarines Sur Kaogma Festival during the year 2006, of which P18M was the subject of disallowance.

The particular disallowance was for the transactions which covered fund transfers in the form of financial assistance made by the Provincial government to the Kaogma Foundation.

The Kaogma Foundation is a foundation registered with SEC on July 29, 2005. A review of its Articles of Incorporation showed that among its incorporators and trustees are the key officials/department heads of the provincial government of Camarines Sur.



The disallowed transaction, so called financial assistance, involved the transfer of funds from the Camarines Sur Provincial Government to the Camarines Sur Kaogma Foundation. Subject transaction were approved, processed, and paid for in behalf of the recipient foundation.

Additionally, Mr. Chairman, in a separate complaint this representation charged the following provincial officials for Violation of Republic Act 6713 also known as “Code of Conduct and Ethical Standards for Public Officials and Employees” namely:

Provincial Treasurer Mr. Mario T. Alicaway
Provincial Budget Officer Mr. Fortunato C. Pena
OIC/PGSO/Engineering Group Mr. Edgar A. Cuya
Provincial Health Officer Dr. Bernadette Carlos and
Governor Luis Raymund F. Villafuerte Jr.

These officials failed to furnish this representation, in the spirit of public service, transparency and good governance, the official report on expenses incurred by the Provincial Government of Camarines Sur from the time of their inception insofar as the Eco-Tourism Zone Projects; GOTA 1 & 2 Eco-Tourism Zone Project, Eco-Tourism Projects Phase I & II reported to have earned millions in gross income.

Moreover, I also requested for a copy of the Management Contract between the Province of Camarines Sur and a certain Genesis Hotels and Resorts Corporation, my request was ignored as well by the said Provincial officials. Hence, for their failure to promptly reply with particularly the simple request-they violated RA 6713 and as such were charged criminally and administratively.

Aside from the above cases already filed Mr. Chairman, the legal panel formed to assist this representation in the prosecution of these graft cases is set to file another graft cases against Governor Luis Raymund F. Villafuerte Jr. Et al for the following questionable transactions:

1. The Province of Camarines Sur extended fund assistance amounting to P6,238,062.45 to unregistered/dissolved cooperatives, corporations, foundations, and associations, in contravention to Section 3.2 and 3.3 of COA Circular No. 96-003.
2. Personal transportation/airfare expenses incurred by guests who are not government officials and employees amounting to P 803,260.25 were paid by the provincial government of Camarines Sur, in Violation of Section 335 of RA 7160, Section 331, Vol. 1 of the Government Accounting and Auditing Manual (GAAM), and Section 4 of Executive Order No. 298.
3. Contrary to the provisions of Section 336 of RA 7160, the aggregate amount of P 29,928,122.22 were disbursed for labor and materials for the CWC Cable Ski Park, Multi-Purpose Building, Swimming Pool, Cable Ski Starting Area, Generator House at Cable Ski Park, Repayment of Bank Loans, Construction of Billboards, Cash Advances for Kaogma Festival, and others erroneously charged to the General Fund-Proper instead to the General Fund-Local Development Fund.

Section 336 of RA 7160 states that: “Funds shall be available exclusively for the specific purpose for which they have been appropriated. No ordinance shall be passed authorizing any transfer of appropriation from one item to another”.

4. Contrary to the provisions of RA 9184 and its Implementing Rules and Regulations and Section 477 of RA 7160, various infrastructure projects implemented thru contracts costing P 95,957,627.33 have no approved and complete plans and specifications, no details for specific items of work, and other important data. Hence, contract review and technical inspection and evaluation to determine the completeness of the projects and reasonableness of their costs could not be undertaken.

Mr. Chairman, this is a frightening misuse of government funds, and these are not small sums. I pray we all come to our senses and see that these anomalies and abuses are curbed. Let us call upon noble instinct and navigate this province to safety.

In the four districts of our province, thousands are trapped in poverty-increasing poverty that wound tighter and tighter each passing day. While cabals of few are growing richer and richer day by day, widespread incidence of malnutrition is multiplying by leaps and bounds as featured in national television. As the malnourished children increases-the provincial wealth is lavished on a number of foreigners at the CamSur WaterSports Complex.



These are differing evil. They reflect the imperfection of human justice, the inadequacy of human compassion, our lack of sensibility toward the sufferings of our fellows.

But we can perhaps remember-even if only for a time-that those thousands trapped in poverty, those malnourished children-live with us and they are our brothers-and they are our children; that they share with us the same short moment of life; that they voted us into office-that their general welfare is our concern.

Hence, I urge you once again, my dear fellow Sanggunian Members –think about the damage being done to our province, think about the future of our province. The law is quite clear on the matter of graft and corruption, and we should not support officials who scorn the statutes in this way.

It is with this thought Mr. Chairman, that I have cause the filing of graft and corruption cases against Governor Luis Raymund F. Villafuerte. It is with this thought that I have cause the filing of graft and corruption cases against a number of the province's department heads.

I am gratified that hundreds of people from different municipalities of the province have manifested and communicated their support, encouragement and prayers. Lawyers from Nationwide organizations; Citizens Crime Watch and Lapiang Manggagawa have concurred and have authorized me to announce their concurrence.

Mr. Chairman, I speak as a concerned citizen. I speak as a voter. I speak as a member of this Honorable Body. I speak as an ordinary man.

Thank you and May God have Mercy in this Province! I am ready for questions Gentlemen.

