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SENATE
P.S. RES. NO. 461

RECEIVED BY: 

Introduced by Senator Manny B. Villar

RESOLUTION

URGING THE COMMITTEES ON BANKS, FINANCIAL INSTITUTIONS AND CURRENCIES, PUBLIC ORDER AND ILLEGAL DRUGS, AND ECONOMIC AFFAIRS, TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORTED HIGH NUMBER OF CURRENCY TRANSACTIONS INVOLVING SIGNIFICANT AMOUNTS OF PROCEEDS FROM INTERNATIONAL NARCOTICS TRAFFICKING VIS-À-VIS THE IMPLEMENTATION OF ANTI-MONEY LAUNDERING ACT IN THE COUNTRY WITH THE INTENTION OF UPDATING THE RELEVANT LAWS AND PREVENTING THE CIRCULATION OF NARCOTICS MONEY.

Whereas, in 29 September 2001 Republic Act 9160 " An Act Defining the Crime of Money Laundering, Providing Penalties Therefor and for Other Purposes" was enacted;

Whereas, three years thereafter, or in 07 March 2003, RA 9194 amended 9160, Otherwise known as the "Anti-Money Laundering Act of 2001";

Whereas, almost 10 years since the enactment of the Anti Money Laundering Law, the Philippines still face a problem on money laundering and this is highlighted by the country being named as one of the 63 "major drug money-laundering countries" in the world by the United States Department of State;

Whereas, 2011 International Narcotics Control Strategy Report (INCSR), reported that the financial institutions in the Philippines, together with the other named countries, "engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking";

Whereas, according to the INCSR, the Philippines "continues to face challenges in the areas of drug production, drug trafficking and internal drug consumption" with methamphetamine hydrochloride, also known as 'shabu as the most widely used;

Whereas, it is alarming to note that the report also said that "numerous arrests in South America and Asia in 2010 showed an increasing trend of Philippine citizens acting as drug couriers employed by international drug syndicates;"

Whereas, the from 2005 to 2009, the Philippines has already received a minimum of 99 million dollars in US aid;

Whereas, the US is the next highest source of foreign aid to the Philippines, the highest being is Japan;

Whereas, this US aid is in endanger of being cutback or withheld as the US can impose restrictions on these aids in order to pressure the recipient country, in this case the Philippines, to improve performance on a specific area;

Whereas, in fact the US State Department, reveals that US foreign aid may not be provided to any country shown to have failed to adhere to certain US measures, unless the US President determines that provision of such aid was vital to US national interests, that the country concerned has made a substantial effort to comply with the counternarcotics conditions in US legislation;

Whereas, the INCS reports that among the problem areas in the Philippines are the “lack of law enforcement resources, the slow pace of judicial and investigative reforms and lack of law enforcement inter-agency cooperation which continue to hamper government efforts to investigate and prosecute higher echelon of drug trafficking organizations operating in the Philippines;”

Whereas, the foreign aid is important in the Philippine economy as it helps fund projects aimed at economic development and uplifting the standard of living of the poorest of the poor;

Whereas, increasing problem on illegal drug trafficking and consumption, and money laundering should be a cause for concern as these can threaten the Philippines’ business environment and corrupt the lives of our youth;

NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved, to urge the Committees on Banks, Financial Institutions and Currencies, Public Order and Illegal Drugs, and Economic Affairs, to conduct an inquiry, in aid of legislation, on the reported high number of currency transactions involving significant amounts of proceeds from international narcotics trafficking vis-à-vis the implementation of anti-money laundering act in the country with the intention of updating the relevant laws and preventing the circulation of narcotics money.

Adopted,


Manny Villar