



THE STATUS OF COMBATING CORRUPTION IN THE PHILIPPINES

By

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I. CORRUPTION REFORMS: A DEBATE OF PRIORITIES

The Government is, undoubtedly, expected to perform multifarious functions and initiate a myriad of reforms if only to better serve the needs of its constituents. In a situation of very limited resources, however, as in the Philippines, the matter of emphasis and of determining priority areas of reform arises and becomes a dividing, rather than a rallying factor among bureaucrats. Indeed, rightly or wrongly, the different offices in the government may even compete, if not for individual public approval, then for the limited resources needed in any bureaucracy-wide reform. Different agencies, therefore, lobby for different agenda in what is perceived to be a contest of competing interests for resource-allocation.

In the Philippines, anti-corruption agencies, like the Office of the Ombudsman, compete with other agencies for funding. The Office's severe need for resources is supported by the independent studies and findings of various organizations. The ASIA PACIFIC GROUP ON MONEY LAUNDERING confirmed the Office's severe need for massive resources and stressed, in its MUTUAL EVALUATION REPORT ON THE REPUBLIC OF THE PHILIPPINES, that "[t]he Office of the Ombudsman ... is severely under-resourced..." Likewise, the FELICIANO COMMISSION, constituted to investigate the *Oakwood incident*, emphasized in its REPORT that, "*the Office of the Ombudsman must be given the budgetary and other support that it needs, with all possible dispatch...*"

Along this line, the recently published Political and Economic Risk Consultancy, Ltd. Survey (Issue No. 667) identified the apparent weakness of the anti-corruption initiatives in the Philippines:

Of course, even if the government really wanted to get serious about corruption, it would not be able to do so unless it spends a lot more money beefing up **the country's ill-equipped anti-corruption forces**. There is currently a

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backlog of around 2,000 cases swamping the country's anti-graft court and **those responsible for fighting corruption simply do not have the financial resources to do their jobs efficiently.**

In lobbying for additional resources, the Office of the Ombudsman highlights the fact that corruption is one of the most pressing problems of our country today. In fact, it is considered as one of the most difficult stumbling blocks to economic development. The WORLD BANK DEVELOPMENT REPORT FOR 2005 reported that corruption is the top investment constraint in the Philippines.¹ This is confirmed by the 2004 CORPORATE PERFORMANCE SURVEY conducted by the WALLACE BUSINESS FORUM, which reported that corruption is the most serious disadvantage to investment in the Philippines.²

In a study on investment climate in the Philippines conducted by the ASIAN DEVELOPMENT BANK, in collaboration with the WORLD BANK, it was reported that, "*corruption affects 34% of the firms, ranking it as a major or severe burden*".³

For good reason, however, budget officials and bureaucratic fund managers invariably distribute available resources to its projects, without giving top priority to anti-corruption programs. We do quite understand that our government, it seems, is caught in a dilemma, considering the Philippines's very limited resources and difficult fiscal position.

Eduardo T. Gonzales, Ph.D., President of the DEVELOPMENT ACADEMY OF THE PHILIPPINES, provides an insight into how we, as a people, as well as the government, can paddle through a seemingly unforgiving course. Dr. Gonzales asserts:

Taken together, the building blocks of reform appear overwhelming, as they entail significant changes in the nexus of relationships within the government and between government and society, and in the current policy practices of government. **The lock opener is not a singular capacity to pursue reforms all at once. The choice and sequencing of reforms must be in harmony with both the limits and possibilities of governance in the country.**⁴

¹ BUSINESS WORLD, 29 September 2004.

² At page 21.

³ PHILIPPINES: MOVING TOWARD A BETTER INVESTMENT CLIMATE (2005), at page 7.

⁴ PHILIPPINE GOVERNANCE REPORT (2002), at page 385.

II. ANTI-CORRUPTION: A UNIFYING REFORM FOR THE POOR

The Office of the Ombudsman in the Philippines advances the view that, in reality, there is no such dilemma. Recent studies have shown that corruption directly and positively impacts on poverty. *“There is a sufficient consensus around the world regarding the link between good governance and poverty reduction goals.”* Further, a WORKING PAPER OF THE INTERNATIONAL MONETARY FUND, entitled *“Does Corruption Affect Income Inequality and Poverty?”*⁵, concludes that there is a statistically significant *positive association* between corruption and poverty; that statistical *“evidence shows that corruption increases poverty.”*⁶ Thus, it is our position that in investing substantial funds in the anti-corruption campaign, the government is effectively helping in alleviating poverty.

Drawing from the insight of Dr. Gonzales, it is clear that it is impossible to pursue all reforms all at once in our country. This is obviously logical considering that the government simply does not have enough resources with which to initiate and sustain all the needed reforms all at the same time. Given our country’s fiscal predicament, the proper sequencing of reforms may, thus, be indispensable. To our mind, therefore, the “lock opener”, carefully considering the *“limits and possibilities of governance in the country”*, is simply a massive re-channeling of focus, priority and resources to anti-corruption reform initiatives. Again, a study conducted under the UNITED NATIONS DEVELOPMENT PROGRAMME stressed the nexus between good governance and poverty reduction:

... There is consensus that good governance is crucial in improving the efficiency and equity of poverty alleviation projects. This is because governments are more suitably placed to command and harness the resources needed to address poverty. Unfortunately, many developing country governments suffer from a lack of (among other things) transparency, accountability and people participation. They also tend to be burdened with graft and corruption, partisan politics and inefficient bureaucracies. All these have worsened the situation of poverty in many developing countries such as the Philippines.⁷

⁵ By Sanjeev Gupta, Hamid Davoodi and Rosa Alonso-Terme.

⁶ *Id.* at p. 21.

⁷ *Razon-Abad, Gregorio-Medel and Brillantes*, DEVELOPING GOOD GOVERNANCE INDICATORS FOR ANTI-POVERTY PROGRAM ASSESSMENT (2002), at page 3.

The link between corruption and poverty is, thus, clear. In the language of Prof. Henedina Razon-Abad, however, “[t]he difficulty is in actualizing this link”.⁸ Examples of Philippine corruption scenarios are, therefore, in order.

Corruption in infrastructure projects would, for example, make farm-to-market roads substandard – making them virtually impassable sooner than expected and altogether causing a negative impact on the livelihood and productivity of the people. Also, the smuggling of vegetables, onions, etc. has forced local farmers to sell their produce at prices lower than their cost of production. On the other hand, if corruption is substantially eradicated at the revenue-generating agencies, tax collection will surely increase drastically, thus, providing fresh funds for anti-poverty programs.

In its 2004 COMMON COUNTRY ASSESSMENT, the UNITED NATIONS DEVELOPMENT PROGRAMME said that about 13% of the ₱781 Billion Philippine national budget (or about ₱100 Billion) was at risk of being lost to corruption.⁹ However, it is estimated that the greatest loss happens at the revenue generation agencies, namely: the BUREAU OF INTERNAL REVENUE and the BUREAU OF CUSTOMS. This is “loss” in terms of uncollected revenues that can be used by the government for its projects. The same matter was noted in the PHILIPPINES: MOVING TOWARD A BETTER INVESTMENT CLIMATE:

... Transactions at the customs bureau are especially and commonly perceived to be riddled with corruption, with more than 50% of exporting and foreign firms surveyed in the Philippines regarding customs administration as a moderate to major obstacle to business...

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Corruption is equally prevalent in the tax system with its more painful costs reflected in the continuing insufficient collection of government revenues. Around one-third of firms find taxation a major or severe strain... By evading payment of more taxes, firms within the same industry undermine competition. On the other hand, the slow and overburdened courts work in the favor of noncompliance because even if the government pursues cases against them, settlements are normally made at a compromise that could, in fact, result in savings for the firm.¹⁰

⁸ PHILIPPINE GOVERNANCE REPORT (2002), at page 3.

⁹ See *Cai Ordinario*, “P100B Lost To Corruption”, THE MANILA TIMES, 31 July 2004, page 1.

¹⁰ At pages 7-8.

This observation is confirmed by a study made by the PHILIPPINE CENTER FOR INVESTIGATIVE JOURNALISM relating to smuggling. According to said study, *“the total revenue loss for the government could reach as much as P200 billion”*:

The amounts of money involved are staggering. Last year, for example, a report by the United Nations Conference on Trade and Development or UNCTAD showed that, based on the records of the country’s trading partners, imports to the Philippines totaled \$45.4 billion.

Philippine government records, however, reported imports of only \$34.5 billion. The discrepancy of \$10 billion could most likely be accounted for by smuggled goods. This translates into a P86-billion tax revenue loss for the government, given an average duty rate of 6.19 percent in 2003 according to the Tariff Commission, 10 percent value-added tax, and an exchange rate of P54.20 to the dollar for that year.

That P89.4 billion, however, would cover only the unpaid duties and taxes on the \$10 billion worth of “missing” goods. As much as 60 percent of all imports may be assumed to be non-dutiable, with some of them supposedly meant for re-export. But re-exporting often doesn’t happen, as the imported goods end up being sold locally. Even if one assumes that only one-fourth of all non-dutiable imports involved some form of fraud, the total revenue loss for the government could reach as much as P200 billion.¹¹

Thus, if an adequately funded anti-corruption initiative is able to substantially reduce such budgetary leakages and revenue “losses”, the immediate effect will be the accrual of “savings” and increased revenue collection for the government, which can, in turn, be used for poverty-alleviation projects. Further, reduced graft and corruption spells higher investor confidence which will, accordingly, translate to more investments and employment for the people.

¹¹ See **Tess Bacalla**, “Smuggled Goods, Flood Walls, Markets”, THE PHILIPPINE STAR, 25 October 2004, page 10.

The Office of the Ombudsman, therefore, posits the view that a massively funded anti-corruption campaign should be seen as an investment and not as an expense, where the primary beneficiaries are the poor and the marginalized sectors of society, and where the direct and immediate effect is the alleviation of poverty in our country. Indeed, if the government is to engage in a campaign to stomp out corruption at all, it must do so with every bit of resource committed to this initiative. After-all, “[w]ell-meaning initiatives that are not realistically backed with sufficient resources and know-how will likely boomerang”.¹²

Anti-corruption initiatives, therefore, constitute the “lock opener” of any intended bureaucracy-wide reform from which all other reform agenda can be realized, considering that an effective anti-corruption campaign can generate the needed resources, either in terms of savings from unsound expenditures or leakages, or increased revenue collection, as outlined earlier. These “unlocked” resources, thus, become available to initiate and/or sustain the much needed reforms in the other areas of the bureaucracy.

III. CURRENT INITIATIVES AGAINST CORRUPTION

To put the Office of the Ombudsman’s anti-corruption initiatives during the past two (2) years in proper perspective, allow me to give you the hard facts when I assumed office in October 2002:

- The OMB had only 32 full-time prosecutors handling approximately 2,000 cases at the Sandiganbayan;
- It had no training program for its prosecutors;
- There was no supervisory/monitoring system of cases and prosecutors’ performance; and
- Its prosecution arm did not even have a docketing/routing/case management system.

Many of the cases pending at the Sandiganbayan are quite complicated and demand great and extra effort and time from the prosecutors handling them. Worse, apart from being overworked, our

¹² PHILIPPINE GOVERNANCE REPORT (2002), at page 386.

prosecutors are underpaid. Our senior prosecutors, who have about ten (10) to fifteen (15) years of experience as lawyers, receive approximately P500,000.00 a year. Said annual compensation is equivalent to the compensation being received by first year lawyers at major Makati law firms. [Worth mentioning also is the fact that the increase in the compensation of the members of judiciary and of the prosecutors of the Department of Justice has been approved. If no commensurate increase in salary is likewise given to Ombudsman prosecutors and investigators, we stand to lose the few lawyers we have to either the judiciary or the Department of Justice.]

To further illustrate how severe the Ombudsman OMB's lack of resources, a comparison with Hong Kong's INDEPENDENT COMMISSION AGAINST CORRUPTION (ICAC), one of the most successful anti-corruption agencies in the world, is in order:

TOTAL PERSONNEL

- ICAC - **1,326** for a bureaucracy of **174,175** officials and employees and a population of **6.8 Million**.
- OMB - **1,141** for a bureaucracy of approximately **1,500,000** officials and employees and a population of **82 Million**, more or less.

FIELD INVESTIGATORS (the personnel responsible for securing evidence against corrupt government officials)

- ICAC - **837** for a bureaucracy of **174,175**: the ratio is **1:208**.
- OMB - **88**¹³ for a bureaucracy of approximately **1,500,000** officials and employees: the ratio is **1:17,045**.

¹³ The OMB had only 37 field investigators when the current Tanodbayan assumed office in October 2002.

BUDGET

- ICAC - \$90 Million or **P4.94 Billion for 1,326** personnel, watching **174,175** public sector officials and employees.
- OMB - **P480 Million** for a **1,141** personnel, watching a bureaucracy of approximately **1,500,000** officials and employees. (Based on the re-enacted budget for 2004)

It must be emphasized that despite the lack of resources to fight corruption, there are certain developments that inspire hope that the evil of corruption may be curbed effectively in the future. These are: (a) the current reforms being instituted by the government to improve governance and address the problem of graft and corruption¹⁴; and (b) the increasingly active and vigilant non-governmental organizations (NGOs) and civil society organizations.¹⁵

A. THE OFFICE OF THE OMBUDSMAN

The Office of the Ombudsman, as the primary office mandated by the Constitution to curb graft and corruption, despite its severe lack of resources, has commenced an aggressive, even ambitious, campaign against graft and corruption in early 2003.

1. AUGMENTED NUMBER OF PERSONNEL AND RESOURCES

With the assistance of the OFFICE OF THE PRESIDENT, through the DEPARTMENT OF BUDGET AND MANAGEMENT, the Office of the Ombudsman was able to hire 30 prosecutors, in addition to the original 32 in October 2002. Likewise, the Office of the Ombudsman was able to hire 51 additional field investigators that now comprise the FIELD INVESTIGATION OFFICE (FIO) created in 2004. The FIO is patterned after the Operations Department (Field Investigation Department) of Hong Kong's INDEPENDENT COMMISSION AGAINST CORRUPTION. The 2005 budget approved by the President allows the Office to hire 48 additional prosecutors and 200 additional field investigators. (It should be noted, however, that due to the complexity and heavy volume of corruption cases, **we need at least 200**

¹⁴ See Office of the Ombudsman's MEDIUM-TERM ANTI-CORRUPTION PLAN AND PUBLIC INVESTMENT PROGRAM (the "OMB Report"), at page 2-25.

¹⁵ Id., at page 2-24

prosecutors to handle about 2,000 cases at the Sandiganbayan. The Field Investigation Office should have, at the very least, 500 field investigators as soon as possible. In fact, using the INDEPENDENT COMMISSION AGAINST CORRUPTION of Hong Kong's ratio of investigator to government officials/employees, i.e., 1:208, **our Office should have at least 7,000 field investigators.**)

2. STRENGTHENED INDIVIDUAL AND INSTITUTIONAL COMPETENCE AND EFFECTIVENESS

We crafted and institutionalized training programs for: (a) our prosecutors on trial advocacy; (b) our field investigators on forensic accounting, conduct of financial and fraud audits, as well as field surveillance and investigation, among others; and (c) our other employees on computer literacy and proficiency programs. Also, we introduced case monitoring and records management systems to ensure accountability and supervision in the handling of cases by the OFFICE OF THE SPECIAL PROSECUTOR.

More particularly, in early 2003, the Office institutionalized its training program for its prosecutors:

- periodic and regular trial advocacy skills seminar
- video-taped our last three seminars and edited the tapes by selecting the best lectures and mock hearings to be used as a teaching aid and training
- crafting of model "*questions and answers*" forms for the common and usual graft offenses

Institutional reforms and re-structuring had also been commenced at the OFFICE OF THE SPECIAL PROSECUTOR (OSP), which prosecutes cases against high-ranking government officials, to ensure ***accountability and supervision***:

- supervisory and monitoring system for prosecutors
- docket and records management system
- created its own administrative office

The training program for our field investigators on the latest skills and techniques of field investigation and evidence-gathering is also well under way:

- seminar on Financial Investigation and Forensic Accounting sponsored by the American Bar Association
- various trainings on corruption detection and investigation conducted by Messrs. Tony Kwok and Paul Dickenson, both former senior officials of Hong Kong's INDEPENDENT COMMISSION AGAINST CORRUPTION
- lecture on surveillance by agents of the UNITED STATES FEDERAL BUREAU OF INVESTIGATION
- forensic accounting lecture by experts from the UNITED STATES CUSTOMS
- workshops conducted by the PHILIPPINE DRUG ENFORCEMENT AGENCY on setting-up entrapment operations
- actual field surveillance and basic intelligence seminar conducted under the PHILIPPINE AIR FORCE'S INTELLIGENCE SERVICE
- training seminar conducted by **GMA 7–Imbestigador**.

The strategy really is, if you have less than the necessary personnel complement, to enhance your personnel's skills, build up their capacities, expand their capabilities and add on their competencies – with a view to allowing them to be able to efficiently do more work and discharge more responsibilities in terms of effective investigation and prosecution.

3. STREAMLINING AND RATIONALIZATION OF ADMINISTRATIVE ADJUDICATION AND PRELIMINARY INVESTIGATION POWERS AND PROCEDURES

It is a sad reality that due to clogged dockets and the limited number of justices and judges, the trial of erring public officials take years to complete that the same falls out of the sphere of public interest, concern and knowledge and is, therefore, merely relegated to history -- like old news buried in the sands of time -- irrelevant and inconsequential to the everyday lives of our people.

Our current efforts aimed at streamlining and rationalizing our preliminary investigation and administrative adjudication procedures intend to partially remedy this situation, at least, with respect to administrative cases:

- administrative adjudication is now **summary**
- formal hearing is not necessary and availed of only where the hearing officer himself is of the opinion that it is needed
- complaints are **doubly-docketed as both administrative and criminal cases**, if possible
- the guilty respondent can be either suspended or dismissed immediately from government service upon finding of substantial evidence, or probable cause, if with a criminal indictment
- decisions of the Office of the Ombudsman in administrative cases are immediately executory even pending appeal

4. CREATION OF THE INTERNAL AFFAIRS BOARD

The OMBUDSMAN INTERNAL AFFAIRS BOARD was created under OMB Administrative Order No. 16 to handle complaints against incumbent and former officials and employees of the Office. It seeks to ensure the highest degree of integrity among officials and employees of the Office of the Ombudsman.

5. ADOPTION OF THE INTEGRITY DEVELOPMENT REVIEW (IDR) PROJECT—PURSUING REFORMS THROUGH INTEGRITY DEVELOPMENT (PRIDE)

The IDR is an in-depth and comprehensive management systems audit developed by the Development Academy of the Philippines (DAP) that will provide government agencies with the diagnostic tools that can assist them in assessing their systems integrity and in identifying their corruption vulnerabilities, with a view to finding ways to prevent the same.

During the second quarter of 2004, the DAP undertook an integrity review of the Office of the Ombudsman, as project “*guinea pig*”, with a view to applying the same in other agencies in the future. As a result of the said IDR, the Office of the Ombudsman has implemented and is implementing a number of internal reforms and control mechanisms, among which are the adoption of: (a) its own specialized **Code of Conduct**; (b) stricter internal policies, prohibitions, procedures and

requirements of disclosures as to **receipt of gifts and benefits** by its officials and employees; and (c) policies, rules and procedures on **whistle-blowing, internal reporting and investigation**.

6. ASSISTANCE FROM THE INTERNATIONAL DONOR COMMUNITY.

In this connection, many of the foregoing reform initiatives and projects were implemented through the help of the international donor community, among which are: UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID), UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP), EUROPEAN UNION, WORLD BANK-ASEM (ASIA EUROPE MEETING) TRUST FUND¹⁶ and THE ASIA FOUNDATION.

B. OTHER REFORMS IN THE GOVERNMENT¹⁷

REFORM IN GOVERNMENT PROCUREMENT. The enactment of **REPUBLIC ACT No. 9184**, otherwise known as the **GOVERNMENT PROCUREMENT REFORM ACT**, in January 2003, is one of the most significant steps taken by the government to curb corruption. It provides for the modernization, standardization and further regulation of public procurement. The procurement reform is based on the enunciated principles of transparency, competitiveness, uniform, simplified and streamlined procurement process, accountability, and susceptibility to post-award monitoring during the implementation of awarded contracts. Among its innovative provisions is the requirement of having two (2) private sector representatives who will act as observers at all stages of the procurement process. This procurement reform has provided the impetus for the emerging strategic collaboration between the government and the civil society in the area of assuring transparency and accountability in government procurement.

Senator Edgardo J. Angara, the principal proponent in the Senate of this much-needed procurement reform measure, captured the magnitude of corruption in the procurement system in his sponsorship speech of Senate Bill No. 2248:

¹⁶ The countries who contributed to the ASEM Trust Fund are: China, European Community (EC), France, Italy, Republic of Korea, Luxemburg, Netherlands, Sweden and Thailand.

¹⁷ The portions on Financial Management Reforms and Judicial Reform Program were lifted from the OMB Report, at pages 2-25 to 2-26.

The magnitude of the loss to corrupt procurement, by the government's own estimate, is at least P22 billion a year, or twice the budget of the Department of Health. This is equivalent to 520 million textbooks for our school children or 63,000 new classrooms. Or 1,500 kilometers of concrete farm-to-market roads...

FINANCIAL MANAGEMENT REFORMS. The government is starting to make significant strides in reforming the government's financial management system. The adoption of the NATIONAL GOVERNMENT ACCOUNTING SYSTEM (NGAS) and the automated information system component, E-NGAS, through the efforts of the Commission on Audit, will hopefully address several accountability issues in government agencies not just at the level of transaction integrity but also at the level of program and institutional performance. Reforms in the government procurement system and its computerization are intended to improve the transparency, competitiveness, efficiency and integrity of the government procurement process. Also, efforts at streamlining budget preparation and budget release procedures and computerization of the budget processes spearheaded by the DEPARTMENT OF BUDGET AND MANAGEMENT will hopefully reduce opportunities for, and vulnerability to, graft and corruption in the budget preparation and execution processes and strengthen the transparency and accountability of budgetary transactions, decisions and performance.

JUDICIAL REFORM PROGRAM. The Judiciary has embarked on a comprehensive JUDICIAL REFORM PROGRAM that is aimed at achieving the Judiciary's vision of providing fair, speedy and impartial justice system that is accessible to all. Started by Chief Justice Hilario G. Davide, Jr. in 1999, the reform program is now in its implementation stage. The JUDICIAL REFORM PROGRAM is anchored on a clear and shared vision and has consistent top management direction and leadership.

THE SOLANA COVENANT. Another anti-corruption initiative was forged among the Constitutional Offices, namely: the OFFICE OF THE OMBUDSMAN, the CIVIL SERVICE COMMISSION and the COMMISSION ON AUDIT. On 16 March 2004, these Constitutional Offices entered into what is called the "SOLANA COVENANT" which embodied said offices' anti-corruption mandates, specific mission and strategic objectives, as well as the concrete and doable initiatives which shall be undertaken jointly and by each institution as a united front against graft and corruption.

Among the SOLANA COVENANT anti-corruption initiatives are: (a) establishment of a Statement of Assets Liabilities and Net Worth database to be run by the CIVIL SERVICE COMMISSION; (b) establishment of an integrity vetting system; (c) the conduct of inter-agency audits; and (d) efficient sharing of information.

THE CIVIL SERVICE COMMISSION. It is worth emphasizing that the CIVIL SERVICE COMMISSION has made substantial strides in instituting good governance, among which are: (a) revision of the Performance Management System; (b) institution of reforms in the Examination System; (c) intensification of the Honor Awards and Client Satisfaction Programs; and (d) stricter enforcement of the Code of Conduct and Ethical Standards for Government Employees. Other reforms include CSC Resolution No. 040275 dated 16 March 2004 adopting the guidelines on whistle-blowers' immunity from prosecution and CSC Resolution No. 040676 dated 17 June 2004 adopting the policy guidelines to govern the liquidation of cash advances and the penalties imposable. The CSC and the Office of the Ombudsman also entered into an agreement for the smooth and efficient handling and monitoring of administrative cases.

RESPONSES FROM CONGRESS. Congress has been quite receptive recently to our Office's plea for additional funding. The Lower House, through the initiative of Speaker Jose De Venecia, approved a very substantial increase (₱140 Million) in the budget of the Office of the Ombudsman. The House version of the budget was approved *in toto* by the Senate under the leadership of Senator Franklin M. Drilon. Said increase will enable our Office, *inter alia*, to hire additional 48 prosecutors, 13 lawyer-investigators and 187 field investigators. This clearly shows our legislators' strong determination to aid the Office of the Ombudsman in curbing graft and corruption.

In terms of legislative reform, parallel positive initiatives are also seen in various proposed legislations in the House of Representatives and in the Senate, among which are:

- a. **Legislation increasing the number of Justices/Divisions in the Sandiganbayan.** In this connection, Senate Bill No. 1970 introduced by Senator Roxas seeks to increase the divisions of the Sandiganbayan from 5 to 15.

It must be emphasized that the "*Sandiganbayan plays a critical role in fighting graft and corruption committed by high-ranking public officials. A survey on caseload funded by the WORLD BANK showed that the median time for the processing*

of cases (from filing to closure) is 6.6 years; the minimum duration was 1.6 years and maximum being 11 years. It was the trial phase that took the longest time which had a median of 2.4 years and the second longest was the decision making itself which had a median of 8 months.”¹⁸ Said delay, despite the diligent efforts of the incumbent justices, is unavoidable due to the heavy case load and the fact that the Sandiganbayan has only 5 divisions. [Right now, a study of the Office’s thirty (30) high-profile cases presently pending at the Sandiganbayan revealed that towards the end of last year, there was an alarming average of four (4) months interval between scheduled hearings in every case.]

- b. **Legislation rationalizing the criminal jurisdiction of the Sandiganbayan to allow more expeditious resolution of cases** involving high-ranking officials and those involving huge amounts of money. **It is proposed that cases involving local and national officials with Salary Grade “27” and “28” where: (i) the case does not involve damages or bribes or the same are unquantifiable or not quantified; or (ii) said damages or bribes are no more than ₱1Million, should be transferred to regional trial courts.**¹⁹ There are about 793 cases which fall under these classifications. Relieved of hearing these cases, the Sandiganbayan will be able to devote more time hearing and resolving bigger cases involving more senior officials. It is further suggested that the remaining cases, which involve damages or bribes which are less than ₱5 Million, should be tried and resolved by individual justices, leaving the more complicated ones for the division of three justices. (Of the 14 incumbent justices, 10 are former regional trial court judges who already have vast experiences in trying and resolving cases involving amounts higher than P5 Million. As to the other 4 justices, they were veteran lawyers prior to their appointment.) In this connection, Senator Mar Roxas has filed Senate Bill No. 1890.
- c. **Legislation allowing the appearance of private lawyers to assist the Office of the Ombudsman in the prosecution of its cases.** Senator Mar Roxas has introduced Senate Bill No.

¹⁸ OMB Report, at page 2-30.

¹⁹ There are 952 Regional Trial Court branches, 761 of which are filled up as of 30 November 2004, throughout the Philippines. The transfer of these 793 cases from the Sandiganbayan may not be too burdensome considering the fact that, with a few exceptions, only 1 case need be assigned to each of these Regional Trial Courts.

1737 in this regard. Senator Francis N. Pangilinan also has filed a similar bill. A bill on the same subject matter was filed by Representatives Marcelino Libanan and Rodriguez Dadivas.

C. ENHANCED STRATEGIC COLLABORATION AND PARTNERSHIP WITH ACTIVE AND VIGILANT NON-GOVERNMENTAL ORGANIZATIONS AND CIVIL SOCIETY ORGANIZATIONS

Another very important development in the war against corruption is the increasing participation of the private sector in the fight against corruption. It is an understatement to say that government alone cannot successfully wage war against corruption. Government resources are far too limited compared to an arsenal of combined public and private sector initiatives. Indeed, private sector involvement is indispensable in any anti-corruption agenda:

Working with nongovernmental actors is a crucial component to broadening an anticorruption coalition. In countries with poor-to-fair-quality governance where there is an increasingly strong civil society and a developing free press, an anticorruption agenda cannot do without the support of nongovernmental organizations (NGO) and the mass media (see Stapenhurst 2000). **Civil society groups, such as NGOs, academic institutions, and research organizations, have proven themselves in various cases to be powerful partners in counter-corruption coalitions...** The work and findings on anticorruption by researchers, analysts, and other scholars may become the bases for investigation by government agencies, hearings by the legislative assembly, social mobilization by NGOs, and may draw the spotlight of media coverage.²⁰

Recent history would show the increasing intensity in interest and participation of NGOs, civil society organizations and media in detecting and exposing corruption in government and in clamoring for the prosecution of the guilty. What is more, the results of a recent SOCIAL WEATHER STATION Survey reveal that most businesses are willing to give 3% of their net income to fund anti-corruption programs.²¹

²⁰ *Bhargava and Bolongaita*, Challenging Corruption in Asia: Case Studies and Framework for Action, The World Bank (2004), at pages 41-42.

²¹ SWS Media Release, 11 June 2004.

The PHILIPPINE CENTER FOR INVESTIGATIVE JOURNALISM, THE PHILIPPINE INSTITUTE OF JOURNALISM, NEWSBREAK, and various public interest television programs like *Imbestigador* of GMA Network, Inc., PROBE Team of Channel 5, *Linawin Natin* of Channel 13 and other television and radio programs which expose graft and corruption, continue to increase in number and coordinate with the proper government agencies.²²

*“The clergy, particularly the Catholic Church, are also becoming vigilant in watching the conduct of government officials.”*²³ The PHILIPPINE PROVINCE OF THE SOCIETY OF JESUS, for example, published the book, entitled *“Ehem!”: A Manual for Deepening Involvement in Combating Corruption*. In this connection, the Office of the Ombudsman partnered with the PHILIPPINE PROVINCE OF THE SOCIETY OF JESUS on 13 October 2003 for the propagation and implementation of the *Ehem!* Manual. The Manual aims to establish a graft intolerant culture through the process of cultural sensitivity and discernment through reforms in individual and institutional orientation, attitude and behavior.

Also, on 7 July 2003, *“the CATHOLIC BISHOPS’ CONFERENCE OF THE PHILIPPINES (CBCP) issued a pastoral statement ‘Let Integrity Flow Like a Stream’, enunciating recommendations to combat corruption and particularly promoting the creation of new organizations, challenging the faithful to do more than just creating awareness”*, and to take action. (As will be discussed later, the Catholic Bishops Conference of the Philippines is one of the founding members of the COALITION AGAINST CORRUPTION which was launched on 21 September 2004.)

IV. PARTNERSHIP WITH THE PRIVATE SECTOR

A. BROADENING AND STRENGTHENING PUBLIC AND PRIVATE SECTOR PARTNERSHIP

As earlier stated, government alone cannot successfully wage war against corruption. The desirability of having the private sector and civil society organizations as effective partners in the fight against graft and corruption is exemplified by some of the collaborative efforts of the Office of the Ombudsman with such NGOs and professional, research and civil society organizations.

²² See OMB Report, at page 2-24.

²³ Ibid.

1. LIFESTYLE PROBE

The first concrete project under the term of the current Ombudsman, which called for active private sector involvement is the *life-style probe program*. Under said project, private citizens and church and/or community-based NGOs and people's organizations would provide the network of people who will gather data and provide information. They can readily identify possible corrupt public servants and their ill-gotten wealth and assets.

The *Lifestyle Probe Project* was made a priority project of the INTER-AGENCY ANTI-GRAFT COORDINATING COUNCIL, which is presently chaired by the Ombudsman. A Memorandum of Agreement was signed on 20 March 2003 with an expanded group composed of church and civil society organizations and other law enforcement agencies.²⁴

Considering that the Office of the Ombudsman had only 17 field investigators in 2003 at our office here in Metro Manila, the Office decided to engage in ***strategic agency targeting***, *i.e.*, focusing our limited resources on 3 agencies/department perceived to be among the most corrupt in the government, *i.e.*, the revenue-generating agencies: the BUREAU OF INTERNAL REVENUE and the BUREAU OF CUSTOMS, and the DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS.

By focusing our limited resources, as to this program, to three (3) pre-identified agencies, we hoped to effectively and frequently uncover illegally acquired wealth, cause their immediate forfeiture and prosecute the corrupt public officials, until a critical number is reached sufficient to deter others from engaging in corrupt activities. Our office data indicate the following significant dispositions on the lifestyle check cases:

DISMISSED OFFICIALS FROM THE DPWH

- a. 1 Undersecretary
- b. 1 Regional Director

²⁴ (1) CBCP-National Secretariat for Social Action; (2) Transparency and Accountability Network; (3) Citizens National Network Against Poverty and Corruption; (4) United People's Against Crime; (5) Citizens Battle Against Corruption; (6) Philippine Government Employees Association; (7) National Association of Corruption Prevention Units; (8) National Youth Commission; (9) Philippine National Police; (10) Intelligence Service of the Armed Forces of the Philippines; and (11) Presidential Anti-Organized Crime Commission.

DISMISSED OFFICIALS FROM THE BUREAU OF CUSTOMS

- a. 1 Deputy Commissioner
- b. Chief of Customs Operations Office
- c. Chief of the Miscellaneous Division
- d. 1 Customs Operations Officer
- e. 1 Customs Collector

DISMISSED OFFICIALS FROM THE BUREAU OF INTERNAL REVENUE

- a. 1 Assistant Commissioner
- b. 1 Regional Director
- c. 1 Chief, Revenue Officer (Region 13)
- d. 1 Legal Officer (Attorney V)
- e. 1 Revenue Regional Head Executive Assistant
- f. 1 Asst. Regional Director

Also, our Office has already rendered Resolutions finding probable cause and directing the filing of cases with the Sandiganbayan against a number of the foregoing personalities for Perjury, Falsification, violation of Republic Act (RA) No. 3019, or the Anti-Graft and Corrupt Practices Act and the Tariff and Customs Code, and forfeiture of ill-gotten wealth under RA No. 1379. Said public officials, together with other BIR and BOC officials and employees, were also placed under preventive suspension, while their cases were pending and prior to their dismissal.

Other cases and respondents include, *inter alia*: (a) retired Major General Carlos Garcia for 4 counts of perjury and forfeiture of ill-gotten assets amounting to more than **P143 MILLION**; (b) Lt. Col. George A. Rabusa, Maj. Gen. Garcia's former aide, for perjury and a Petition for Forfeiture of unexplained wealth; and (c) former AFP Chief of Staff, Gen. Lisandro C. Abadia for unexplained wealth and perjury.

Recently, the Office of the Ombudsman preventively suspended Bureau of Customs Deputy Commissioner Reynaldo Nicolas for charges of unexplained wealth. The case is currently pending administrative adjudication and preliminary investigation for determination of the respondent's administrative and criminal liability. Many more lifestyle check cases are expected to be resolved within the next few months.

2. DEVELOPMENT OF AGENCY-SPECIFIC ANTI-CORRUPTION INITIATIVES

Civil society organizations, especially NGOs from the academe and from professional and research organizations, provide a ready pool of talents and expertise that can offer the government needed information, and working anti-corruption models and systems. This expertise can also translate in the adoption of internal and agency-specific reform programs that are aimed at streamlining and increasing its efficiency and responsiveness in delivering services to the public. In this connection, the Office of the Ombudsman has partnered with TRANSPARENCY AND ACCOUNTABILITY NETWORK FOUNDATION (TAN).

In 2002 to 2003, TAN, in partnership with the Office of the Ombudsman, the Presidential Anti-Graft Commission and the Presidential Committee for Effective Governance, took part in the development of agency-specific anti-corruption plans of 31 national government offices by identifying their respective corruption vulnerabilities and formulating strategic measures to address these vulnerabilities. This led to the crafting of agency-specific CORRUPTION PREVENTION REFORM MEASURES (CPRM) for 10 critical agencies.²⁵ These CPRMs were evaluated, validated and subjected to discussions with Ombudsman personnel, experts and stakeholders, and the programs therein prioritized. Finally, monitoring mechanisms were discussed to ensure implementation of these CPRMs, which are expected to evolve until corruption is significantly reduced in the bureaucracy.

3. TRANSPARENCY IN PROCUREMENT

As previously stated, Republic Act No. 9184, the GOVERNMENT PROCUREMENT REFORM ACT, requires 2 **observers** from the private sector to sit in the bids and awards committees (BAC) of government agencies. Private sector assistance can also extend to providing **monitors** in the implementation of the awarded contracts.

In this connection, the Office of the Ombudsman has partnered with PROCUREMENT WATCH, INC. (PWI) for the latter to train volunteer **observers** for the BAC. PWI has already given training seminars to several groups nationwide. Also, THE ASIA FOUNDATION granted funding for the operationalization of the COMPLAINTS HANDLING MECHANISM for handling

²⁵ Bureau of Internal Revenue, Bureau of Customs, Department of Agrarian Reform, Department of Environment and Natural Resources, Department of Education, Department of Health, Department of Interior and Local Government, National Labor Relations Commission and Department of Justice.

the reports of BAC observers. This mechanism is intended to: (a) translate observations into concrete actions for systems enhancement; (b) propose recommendations for corrective improvement; or (c) cause retributive action for any violation of procurement laws or corrupt practices.

For monitoring the implementation of awarded contracts and training monitors, there is the G-WATCH or GOVERNMENT WATCH. G-WATCH is an independent monitoring, research and advocacy project that addresses governance and public management concerns. It specializes in the monitoring of the contract implementation side of procurement. At present, it monitors the procurement of the DEPARTMENT OF EDUCATION, DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, DEPARTMENT OF HEALTH and DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT. Its proponent and implementer is the ATENEO SCHOOL OF GOVERNMENT.

Among the major projects of G-WATCH is the monitoring of the textbook deliveries purchased by the DEPARTMENT OF EDUCATION. Volunteer boy and girl scouts, working with G-WATCH, check the quality and delivery of the textbooks. Inspections are conducted on-site and, after inspection, a BOOK QUALITY CONTROL INSPECTION REPORT is prepared, a portion of which is filled out by the civil society monitor.

On actual delivery, and informed of the dates thereof, the volunteer scouts ensure that the correct type and number of books are delivered to the proper school district. The volunteer scouts, using a monitoring report form, witness and record the date and time of delivery of the textbooks. Report for any defective, “under-delivery” or over-supply of books is immediately made *via* **SMS** to the DEPARTMENT OF EDUCATION. This independent monitoring by the volunteer scouts, who are barely in their teens, has deterred or minimized resort to “ghost” or “under-deliveries” of textbooks. It is quite admirable how the participation of even very young people can be utilized to greatly aid in deterring corruption.

It is reported that the results have been positive, thus far. In two instances, 100,000 textbooks were rejected because of poor binding. Several defects were also found and immediately rectified. The participation of end-users and civil society organizations have resulted in putting pressure on suppliers to raise the quality of the textbooks to ensure satisfaction of the end-users.

4. PROJECT CASE ASSIST/OPERATION BIG FISH

Competent private lawyers are being recruited to assist the Ombudsman prosecutors in handling the “**big fish**” cases at the Sandiganbayan. The common criticism against the Office has been that despite its 15 years of existence, it has failed to indict and successfully prosecute the proverbial “big fish”. As earlier stated, however, the main reason, even now, is that only 62 public prosecutors are handling about 2,000 cases. As earlier emphasized, we need about 200 prosecutors as soon as possible.

The Office of the Ombudsman has identified about **50 of the most prominent and high impact cases** at the Sandiganbayan which involve **high ranking government officials who are represented by the best lawyers that money can buy**. Among the “big fish” cases are: (1) President Diosdado Macapagal Boulevard Case; (2) the RSBS Pension Fund Case; (3) the PEA–AMARI Scam; (4) the Tax Credit Scam Cases; (5) DPWH Vehicle Repair Scam Case; (6) the PCGG Cases; and (7) the Maj. Gen. Carlos F. Garcia cases.

The intended involvement of private lawyers is patterned after the ESTRADA PLUNDER CASE MODEL. Despite the avalanche of pleadings filed and the demands of continuously presenting 76 witnesses in this Plunder case over a period of almost 1½ years, the prosecution never asked for a single postponement. This was made possible by the active assistance given *pro bono* by private prosecutors.

On 15 June 2004, the Office of the Ombudsman and the PHILIPPINE BAR ASSOCIATION (PBA) entered into a Memorandum of Agreement with respect to the prosecution of some of these “big fish” cases. Later, 16 lawyers from the PBA volunteered. At 2 lawyers per major case, the Office would need at least 100 volunteer lawyers for its 50 “big fish” cases.

On 25 February 2005, the Office of the Ombudsman and the COALITION AGAINST CORRUPTION signed an agreement whereby the Coalition undertook to recruit private lawyers who will assist the Ombudsman in prosecuting its “big fish” cases.

The moment we have sufficient legal support from volunteer lawyers, our Office intends to ask the Sandiganbayan to have continuous trials in these cases.

5. BRIDGING THE GAP

Many of the existing NGOs and research, professional, and civil society organizations have already developed working models and mechanisms against corruption. However, despite their expertise and tested programs, they are unable to reach every part of the country and implement their programs due to lack of members or volunteers.

It is necessary, therefore, for such anti-corruption NGOs to organize, and establish a working relationship with, the general population, so that together, they can form an anti-corruption network that is nationwide in scope and reach. In the Philippines, the Catholic Church, with its nationwide ready network of the “faithful”, is the obvious choice to bridge this gap. Indeed, in almost every local community, no matter how remote, one can always find the Catholic Church at work.

In view of the foregoing, the *Tanodbayan* had meetings with several leaders of the Catholic Church, including His Eminence Ricardo J. Cardinal Vidal. As a result, on 10 July 2004, the *Tanodbayan* was given the opportunity to make a presentation before the CATHOLIC BISHOPS’ CONFERENCE OF THE PHILIPPINES. He discussed with the bishops his proposal to re-organize religious and other church-based organizations **into anti-corruption bodies** whose members can sit as observers in bids and awards committees, act as monitors in assuring the faithful execution of awarded contracts, and assist the Office of the Ombudsman in the conduct of the *lifestyle checks*.

- On the same occasion, NAMFREL was also present and apparently had the same idea of getting involved in the fight against corruption. (In fact, it has been involved in several past anti-corruption projects.) Thus, the **COALITION AGAINST CORRUPTION**, mentioned earlier, was born and, on 21 September 2004, launched the Combating Corruption Conference. Its mission is to “[i]mplement and support counter-corruption projects, initially in the area of procurement and delivery of essential public services.”²⁶

The Coalition is presently composed of: the MAKATI BUSINESS CLUB, CODE NGO, NAMFREL, CBCP-NATIONAL SECRETARIAT FOR SOCIAL ACTION, BISHOPS-BUSINESSMEN’S CONFERENCE FOR HUMAN DEVELOPMENT, TRANSPARENCY AND ACCOUNTABILITY NETWORK and the TAG PROJECT. The initial projects of the COALITION are:

²⁶ “Expanding the Advocacy: CAC Experience”, Guillermo Luz.

- Textbook Count
- Bids and Awards Committee Observers' Training
- Medicines Monitoring
- Internal Revenue Allotment Monitoring
- Pork Barrel Monitoring
- Lifestyle Check Program
- Volunteer Lawyers' Prosecution Support
- Advocacy on COMELEC Cases

An example of a re-organized group is the Cebu-based NGO, BARUG! PILIPINO. The prime mover of BARUG! PILIPINO is His Eminence Ricardo J. Cardinal Vidal, Archbishop of Cebu, while its *managing director* is Fr. Carmelo O. Diola.

On 6 October 2004, 2 agreements were entered into by the Office, whereby BARUG! PILIPINO volunteers undertook to gather data and detailed information on the properties of government officials and employees for the lifestyle checks, and act as bidding observers and implementation monitors for DEPARTMENT OF EDUCATION procurement contracts.

The initiatives of BARUG! PILIPINO has since borne fruit:

a. Volunteers from the Prelature of Ipil organized the **INTER-FAITH COALITION FOR GOOD GOVERNANCE** that has a regular Wednesday radio program anchored by a priest. They also organized **LOGCCO FOR PEACE**, or **LOCAL GOVERNMENT, CHURCHES AND COMMUNITIES FOR PEACE**, which focuses on values education and information dissemination.

b. Volunteers from the Diocese of Maasin got involved in the monitoring of textbook deliveries to public schools.

c. In the area of value formation, moral reconstruction and strengthening personal conviction, *Barug! Pilipino* has partnered, on 04 January 2005, with the BROTHERHOOD OF CHRISTIAN BUSINESSMEN AND PROFESSIONALS (BCBP).

Further, the model structure of BARUG! PILIPINO has since been replicated. Thus, on 27 November 2004, with the blessings of Archbishop Angel N. Lagdameo, D.D., a Memorandum of Agreement was executed among the People's Graftwatch of Iloilo City, the People's Graftwatch of

Iloilo Province, and the Office of the Ombudsman. Under the said agreement, members of the People's Graftwatch will sit as observers in government bidding committees, act as monitors in the implementation of awarded contracts and assist the Office of the Ombudsman in the conduct of its lifestyle check.

Finally, representatives from church-based civil society organizations from Regions I, II and the Cordillera Autonomous Region (CAR) met with the Tanodbayan last month. They expressed their desire to help the Office of the Ombudsman in its battle against graft and corruption. Inspired by the success stories of the CONCERNED CITIZENS OF ABRA FOR GOOD GOVERNMENT (CCAGG), their church-based civil society organizations and non-governmental organizations from 13 dioceses in Regions I, II and CAR have formed an alliance, led by Bishop Ramon Villena of the Diocese of Bayombong (Nueva Vizcaya), called the NORTHERN LUZON COALITION FOR GOOD GOVERNANCE (NLCGG). NLCGG has mobilized the Social Action Centers of the 13 dioceses of Northern Luzon and partnered with active NGOs like the CCAGG, an active anti-corruption partner of the office.

As soon as NLCGG is registered with the Securities and Exchange Commission, the Office will sign a Memorandum of Agreement with NLCGG's representatives.

Finally, our Office is now initiating talks with other religious groups with the intention of making the fight against corruption an inter-faith project.

All told, strategic collaboration with the private sector extends and multiplies the otherwise limited and finite resources of the government, as well as empower, expose, educate and embolden those involved to commit more of their time, expertise and resources in the fight against corruption.

Indeed, people are already taking note of various private sector initiatives, including those from the business sector, as part of social responsibility and good corporate citizenship, noting the initiatives of, among others: NAMFREL, G-Watch of the Ateneo School of Government, Transparency and Accountability Network, Boy Scouts and Girl Scouts, the Bishops-Businessmen's Conference, Procurement Watch, Makati Business Club, and the Center for Contextualized Theology and Applied Ethics of the University of Santo Tomas. As observed by the Philippine Daily Inquirer:

“All of these initiatives show that different sectors are coming together creatively in order to check corruption. If it is true that in 2001 the nation lost P95 billion through graft, then corruption is the most important cause of our poverty, and it is only right that all sectors deal with the monster single-mindedly and forcefully.”²⁷

It is no wonder then that, despite the recent report of the Political and Economic Risk Consultancies, Ltd. that Philippines is perceived by foreign expatriates as the second most corrupt country in Asia, local residents have noted a positive development in our efforts against graft and corruption. Thus, in June 2004, the SOCIAL WEATHER STATION 2003/04 Survey revealed that the Office of the Ombudsman received the **highest trust rating among agencies where the public can complain**. Also, in the same survey, the Office of the Ombudsman received the **second highest positive increase in terms of net sincerity**, as compared to the previous years, second only to the Securities and Exchange Commission. If at all, these indicate that the initiatives thus far taken by the government and the internal reforms being instituted by the Office of the Ombudsman are hopefully in the right direction.

What is more, in 2004, contrary to some published reports, TRANSPARENCY INTERNATIONAL’s corruption rating of the Philippines did not continue to deteriorate, or go down from its 2003 rating. Instead, there was a slight improvement from a comparative rating of 2.5 to 2.6 in 2004. This slight improvement of 0.1, however, is not something to crow about. Nonetheless, from a positive perspective, it shows that, unlike in the past 3 years, the situation did not deteriorate. This is confirmed by the observation in a very recent editorial:

In recent months some progress has been made in the campaign against corruption, with much of the credit going to the renewed zeal of the Office of the Ombudsman. Military generals are being court-martialed and facing graft charges in civilian courts. Ranking government officials have also been indicted, suspended or dismissed for unexplained wealth. Graft busters mean business, **but their message is slow in getting out, and it is being muddled by continuing corruption at all levels of the bureaucracy. It is also being muddled by the slowness of the prosecution of graft cases, including the trial of Estrada and Garcia.**²⁸

²⁷ “Corruption Watch”, PHILIPPINE DAILY INQUIRER, 7 March 2005, at page 14.

²⁸ “Second Worst”, THE PHILIPPINE STAR, 9 March 2005, at page 14: emphasis supplied.

CONCLUSION

It is evident, therefore, that two (2) primary things should be done:

First, the government must invest massive resources in anti-corruption initiatives. Its current budgetary support to anti-corruption initiatives must not only be sustained, but also increase steadily and drastically, and snow-ball as more inroads are made against graft and corruption. As earlier discussed, the “lock opener”, in our currently difficult situation, and carefully considering the “*limits and possibilities of governance in the country*”, is simply a massive re-channeling of focus, priority and resources to anti-corruption reform initiatives. It must be stressed, however, that while there has been a substantial increase in the Office’s 2005 Budget, *i.e.*, about ₱140 Million, the foregoing discussion inevitably leads to the conclusion that much more is needed. Hong Kong ICAC’s annual budget of about \$90 Million or **₱4.94 Billion** easily comes to mind.

Re-channeling of resources should also include the enactment of legislative reforms in the Sandiganbayan enumerated earlier. Indeed, as already observed, the initial partnership between the government and the private sector had proven very effective and fruitful. From this collaboration, more graft and corruption can be unearthed and more cases are expected to be filed. This progress must, however, flow through the prosecution stage which has been observed and described as slow-grinding. To be truly effective, therefore, our anti-corruption campaign must include the efficient and speedy resolution of cases by the courts. There is, therefore, a need for the passage of the pertinent bills rationalizing and streamlining further the jurisdiction of the Sandiganbayan and drastically increasing the number of justices and divisions in the Sandiganbayan to ensure the swifter resolution of corruption cases through continuous trial.

The importance and indispensability of this reform is confirmed by the analysis of Mr. Tony Kwok himself:

... any successful fight against corruption must start with effective enforcement and successful prosecution on major targets, so as to demonstrate to the public the government’s determination to fight corruption at all costs.²⁹

²⁹ From “Formulating an Effective Anti-Corruption Strategy – The Experience of Hong Kong ICAC.”

Second, both the government and the private sector must earnestly help each other in fighting graft and corruption. Government, considering its lack of resources, should, as much as it can, allow the greatest latitude for private sector participation in procurement and governance. Further, the government should be able to recognize and tap ready and available private sector resources, organizations and structures that can be re-cast and used in the fight against graft and corruption. Thus, great efforts should be exerted by the government to convince private citizens and civil society organizations that they should not content themselves with just being able to complain or criticize the government: more importantly, they should make themselves part of pro-active and concrete anti-corruption initiatives and programs.

This active and fruitful collaboration with the private sector and civil society organizations can best be realized through the mechanism provided under the GOVERNMENT PROCUREMENT REFORM ACT, which allows the active involvement of our private citizens in the procurement process, either as observers in the bids and awards committees, or as monitors in the implementation of awarded contracts. Indeed, the GOVERNMENT PROCUREMENT REFORM ACT is a very potent vehicle to prevent corruption in the procurement process - snuffing out its life before it even starts. In the words of its Senate sponsor, Senator Angara:

And while we may not be able to fight graft and corruption at all levels, we are nevertheless in the best position to nip its greatest bloom in the bud...

Clearly, a combined, parallel or even complementary anti-corruption initiatives in the private and public sectors is indispensable – a partnership best illustrated in a recent editorial:

But we don't need surveys to tell us corruption is bad. Everyone knows this, and have known it since time immemorial. The equally age-old question in the light of this perennial observation is, why aren't inroads being made in the fight against corruption? Tony Kwok, former deputy commissioner of the Hong Kong Commission Against Corruption, has come forward with the clearest reason. Speaking during a recent anti-corruption workshop, Kwok said, "I am confident that given the effective enforcement and successful prosecution by the [Office of the Ombudsman] and the partnership approach in this corruption prevention project, it is possible that this three-year project will see a marked improvement in the eradication of corruption in this country."

The key word in his statement is not a call for political will – which is, indeed required, but not enough – but the concept of partnership.³⁰

What emerges, therefore, is the indispensability of a holistic, strategic and even complementary approach to anti-corruption. A complete expeditious cycle of efficient corruption prevention, detection, successful prosecution and swift judicial resolution is indispensable if only to make whole, effective and lasting any anti-corruption reform initiated. Thus, a graft-free society is still possible. But only if the government will commit massive resources and widen, to the greatest extent possible, private sector participation; and if the private sector: citizens, groups and organizations, will actively commit their talents and resources to concrete anti-corruption initiatives.

In closing, a word of caution: in this struggle against graft and corruption, it is easy to despair and, metaphorically, to see the *glass as half-empty*. We should, however, realize that the glass is half-full. But, more importantly, with all the public and private sector initiatives steadily increasing, we should see the water rising and the glass as filling-up.

³⁰ "Corruption Watch", PHILIPPINE DAILY INQUIRER, 7 March 2005, at page 14.