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MABUHAY ANG PILIPINO!!!

BAGUIO CITY, AND LA TRINIDAD, BENGUET

LONG LIVE THE FILIPINO!!!

Pahayagang palaban!!!

RP banking system: Standing still amid global financial crisis



HAZARD CAPITAL. One of the populated slopes of Baguio City, which geologists say is landslide prone.
PHOTO BY ACE ALEGRE

MANILA, Dec. 30 (PNA) — Resiliency of the Philippines banking system was seen since the start of 2008 even when the financial system of the world's biggest economy — the United States — is on the brink of collapse.

Monetary officials attributed this to the improvement of fundamentals done a decade ago or after the 1997 Asian financial crisis.

The Bangko Sentral ng Pilipinas (BSP) said domestic banks remain robust even as financial institutions in the US, Europe and other major economies are reporting bleak operations while some have closed down.

Its easing stance on policy rates stated since 2007 as inflation continue to decline, and even averaged at 2.7 percent last year.

The Monetary Board (MB), central bank's policy-making body, cut for the fourth consecutive meeting BSP's policy rates since October last year after noting the continued deceleration of inflation.

Thus, rate of the central bank's overnight borrowing

Cont. on page 10

**3 killed, 40 hurt as truck falls into
ravine in Ilocos Norte.....p2**

**“Justice on Wheels” brings more
human face to judiciary.....p2**

**Chinese dairy companies apologize
for milk scandal.....p3**

**Towards quality air transport
service (Aviation).....p12**



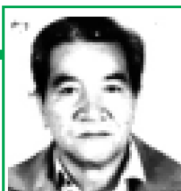
**CA decision
enforcement holds
more power than audit
on cabinet officials,
says Chiz.....p2**

**Breakthrough in
dengue fever.....p7**

CORDI NAWI

*BENECO- dapat
maging makatao!!!*

BY: EMILIO M. LIWANEN (GUEST
COLUMNIST)



THE PEACE COMBATANT

US and RP crises in 2009

BY: ARTURO BOQUIREN



on page 6

on page 5

CA decision enforcement holds more power than audit on cabinet officials, says Chiz

While welcoming the House's proposal to conduct a performance audit on all Cabinet members, Senator Chiz Escudero today said Congress has more power over Cabinet officials if it enforces the decision of the Commission on Appointments on all appointed government officials.

Escudero said Congress does not have

the power to remove cabinet officials as the President holds the sole prerogative in appointing her officials.

Yesterday, House Speaker Prospero Nograles proposed that Congress conduct a performance audit on Cabinet Members to find out who among the government officials are not implementing President Arroyo's policies. person and it cannot serve

in that capacity."

Cabinet officials who have been bypassed by the CA continue to enjoy acting in the same capacity once the President re-appoints them in the same position.

Escudero said this practice is unfair because it forfeits the chance from other possibly qualified individuals to serve effectively and be appointed in the post./Office Of Senator Chiz Escudero

"Justice on Wheels" brings more human face to judiciary

MANILA, — The judiciary showed its more human side this year, thanks to the pioneering efforts of Supreme Court (SC) Chief Justice Reynato S. Puno in pushing for the "Justice on Wheels" (JOW) which aims to enhance the access of the prisoners and marginalized sectors to the judicial process.

Launched last August, the SC's "JOW" program has so far freed over 500 plus inmates in various jails in Manila, Caloocan, Pasay, Las Pinas, Davao Del Sur, Davao Del Norte, Bacoor, Olongapo, Cebu, Quezon, Sarangani, Tacloban, Aglan and Baler, aside from bringing much-needed medical aid to over 5,000 prisoners detained in those facilities.

"JOW" procedure usually calls for the deployment of a mobile court room (a passenger bus converted into a mobile court room) in con-

gested jail facilities.

There inmates' criminal cases are no longer actively being pursued by the complainants which are provisionally ordered released by the judges staffing the mobile court room.

"JOW" mobile court hearings also give litigants an additional hearing day – a "special" hearing day – of their cases, thereby contributing to speedy disposition of cases.

The "JOW" is part of the SC's "Increasing Access to Justice by the Poor Program" which aims to close in the gaps and roadblocks under the justice system that limit the poor from seeking redress from the courts.

Chief Justice Puno also said that the "JOW" program is an off-shoot of the successful forum titled "Increasing Access to Justice: Bridging Gaps and Removing Roadblocks" spearheaded by the SC

last June 30 and July 1.

"When you consider the realities on ground, the poor and the marginalized oftentimes play in an uneven legal field. So the JOW program is predicated on that rationale: bringing social justice to the disadvantaged sectors of our society as a living reality," he further said.

The Chief Justice also added that the "JOW" project is also being used to strengthen the education, information, and communication (IEC) program of the SC as attested by the recent outreach session wherein some 242 Aetas were given an overview on the Indigenous People's Rights Act (IPRA), various agrarian, and environmental laws, rights and access to justice of indigenous women and children.

"We will be bringing this JOW (in the coming days) to our indigenous peoples, fishermen, farmers, and we will have experts, legal lecturers who will edu-

Cont. on page 9

3 killed, 40 hurt as truck falls into ravine in Ilocos Norte

BANNA, Ilocos Norte, — Three persons were killed and 40 others were injured when a truck they were riding fell into a deep ravine here on New Year's Day.

Investigators of the Banna Police Station said the victims were going home from a New Year's party at the Currimao Beach when a forward truck they

were riding fell into a deep ravine.

Police identified the fatalities as Gregorio Gorospe, his daughter Lorraine Gaygay; and Leo Apostol, all residents of Banna.

The accident happened when the driver of the truck reportedly lost control of the brake while negotiating a sharp curve on the downward road, thus it felled

into a deep ravine.

Police identified the driver of the truck as Christopher Guzman, also a resident of Banna, who was unhurt. He is now detained at the Banna Police Station.

The injured are now confined in different hospitals of Ilocos Norte where some of them are still in coma. (PNA)

LAP/LVM / Freddie G. Lazaro/rma/rsm



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The Junction- OIC

Chinese dairy companies apologize for milk scandal SC refuses to comment on incident involving ex-IBP prexy

BEIJING — Sanlu and other 21 Chinese dairy firms that were implicated in a tainted milk scandal apologized to the public via text messages on Thursday.

"We are deeply sorry for the harm we have brought to children and to the society," said the message. "We offer our sincere apology and plead for forgiveness."

The firms will compensate sickened children and cover all expenses for any after-effects of the melamine-contaminated milk, ac-

cording to the message. The 22 firms have established a compensation fund for victims.

The companies also pledged to get rid of all the sub-standard products and open themselves up to the public.

Sanlu's former board chairwoman and general manager Tian Wenhua and three other executives stood trial in Hebei Province on Wednesday and pleaded guilty to producing and selling fake or sub-stan-

dard products.

Six babies died and more than 290,000 infants suffered from urinary problems such as kidney stones after drinking tainted milk. The scandal was exposed in September 2008.

Medical organizations across the country had provided free diagnosis and treatment to affected babies and would continue to do so until no new cases were reported, according to the Ministry of Health. (PNA/Xinhua) vcs/rsm

SC refuses to comment on incident involving ex-IBP prexy

"benefit of the doubt" and give him the opportunity to explain his side of the incident.

According to SC Spokesman Atty. Jose Midas Marquez, Grapilon should be given the chance to present his side of the story.

"If news reports are accurate, these are just initial charges. Let's give him the benefit of the doubt enshrined in the Constitution. I'm confident that he will be able to present his side in due time," Marquez said.

Nonetheless, Marquez assured that the SC would take note of Grapilon's case in the sense that as a lawyer, there should be a "Code of Ethical Standards" that should be followed.

"More are expected from members of the Bar, and more so from

him since he is a respected member of the Bar, being the former national president of the IBP," Marquez added.

Grapilon, 60, was arrested after the incident.

He is facing charges of illegal possession of firearms, grave threats and direct assault of a person in authority.

On January 1, Magdalen Malana, a barangay official of Barangay Roxas, in Quezon City filed the complaint against Grapilon who allegedly poked a gun on her and on her other visitors in front of her house on Champaca Street around 4 a.m. on January 1.

Initial investigation showed that Grapilon was in his Mitsubishi Lancer together with his son when they suddenly stopped in front of the house of the Malana family.

PROBLEMA Sa Housing and Land Use Regulatory Board (HLURB-CAR)?

Send us an email at info@hlurb.net or text/call 0917-5069123 and we will post the information at www.hlurb.net.

Magsumbong at mag-ingay para mabawasan ang katiwalian sa Gobyerno!!

Grapilon and with

'Mother rocket' causes fire in Vigan

VIGAN CITY, — Investigators of the Vigan Fire Station said the fire that gutted a two-storey grocery store here on December 31 that burned and killed its owner, was ignited by a "mother rocket" bomb.

The local fire station initially placed the damages on the two-storey FQ Grocery Store at the Vigan Public Market at P10 million.

Senior Fire Officer 1 Glenn Paat, investigator of the Ilocos Sur Bureau of Fire Protection (BFP), said the lone fatality in that blaze was Florencio Que, 62, owner of the grocery who was trapped inside.

"Our assessments on the fire are not yet final because we are still conducting follow-up investigation, particularly on the

damaged properties and are also waiting for the official declaration of the victim's family," Paat said.

According to Paat, the FQ Grocery Store located near the old Vigan City Public Market was totally burned while its neighboring business buildings were partially damaged.

Paat said a case of arson is now being prepared against one Richard Pugal, 21, who was identified by witnesses to have fired the

"mother rocket" bomb that hit the stockpile of firecrackers inside FQ Grocery Store.

A companion of Pugal said the suspect was drunk when he fired the "mother rocket".

Que was trapped inside the building during the fire and his cadaver was recovered by elements of the city fire marshal at about 11:00 a.m. Thursday. (PNA)

LAP/LVM/
Freddie G. Lazaro/
rma/rsm

New Manila Day

The SC said that it would still give Grapilon the

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We believe that the Golden Rule applies to animals, too. We don't accept the prevailing notion that "people are more important than animals." Animals feel pain and suffer just as we do, and it is almost always humans making animals suffer and not the other way around. Yet in spite of how cruelly people behave towards animals – not to mention human cruelty to other humans- we are supposed to believe that humans are superior to other animals. If people want to fancy themselves as being of greater moral worth than the other creatures on this earth, we should begin behaving better than they do, and not worse. Let's start treating everyone as we would like to be treated ourselves.

- Public Service Message from Linis Gobyerno

www.linisgobyerno.org

Deferred Hope

Everybody is for sale in this country". Ex-speaker Jose de Venecia delivered this "hope deferred" claim before a congressional committee hearing impeachment raps against the President. It came just before Advent started. The four-week season, before Christmas, traditionally focuses on hope.

The hearings offered a chance for legislators to scrub their image as "commodities for sale", De Venecia claimed. Remember how a Marcos cabinet secretary wandered into a Makati hotel lobby? Spontaneously, the string ensemble burst into "How Much Is That Doggie In The Window?"

Not this time. Committee members swiftly shred, by a 42 to 8 vote, the complaint as "baseless". This was fourth time that the House embalmed an impeachment rap in as many years. Practice does make perfect. But is the exercise more lucrative? Committee members deny they pocketed post-vote payoffs at a Linden Suite meeting. "I never deny, I never contradict," Benjamin Disraeli said of his relations with Queen Victoria. "I sometimes forget."

Some 190 or so congressmen never denied or contradicted reports that, in a Palace meeting in October 2007, cash-stuffed envelopes were thrust on them. All forgot to return the cash. De Venecia remembered — a year later when he wrote, as an Inquirer editorial noted: "the perfect epitaph for the House of Representatives" as a glitzy brothel.

Unfortunately, that buttresses a perception, held by far too many citizens. Where does the ex-speaker's new candor spout from? He hasn't gone through a "Road-to-Damascus" experience. Still, his charges, like that of mass bribery, have the "insider's" ring of truth.

So, why can't get he get people steamed up? Babati-bati, butas ang labi, the Pilipino proverb.. ("He criticizes, yet is hare-lipped himself.") Doesn't overseeing for five terms, the best House of Representatives that money can buy, require shared values and bed?

After squabbling with Malacanang, over the ZTE broadband scandal, De Venecia tries his hand at fiscalizing. This is not for wimps. And "Sunshine Joe" has had precious little practice. He thrived best when comfortably embedded within regimes in power.

He gropes today for a new opposition identity. In so doing, he glosses over his tolerance, not to say involvement, in scandals he now denounces. He jettisoned fig-leaves of uprightness. "I've never turned a fig leaf that didn't have a price tag on the other side", novelist Saul Bellows once wrote.

Still, the fact is: some decent men and women are House members. We are all in the gutter," Oscar Wilde once wrote. "But some of us are looking at the stars." And daily, one bumps into people of self-effacing integrity everywhere: in courts, government agencies, business firms, hospitals, schools the military, ordinary homes. They work by values.

"These people of faith are truly an Advent people", the late Jaime Cardinal Sin wrote "(They) see in the Babe....the God who wanted to share the 'not having' that is theirs, the littleness and being of no account. They hope...in the promises God made to those who bear unbearable burden...and struggle to for a better life to give to their children..."

Goodness, however, coexists with goodness. "What are you willing to give me if I turn Him over to you?", Judas Iscariot probed as he sidled up to the chief priests. The 30 pieces of silver became the world's most notorious quid for quo.

This mercenary rule taints our national life. Consider the 40-30-30 divvying of slabs from Joc-Joc Bolante's fertilizer scam.

Cont. on page 9

DIRETSAHAN

Unang Banat

BY RUDY "BANTAY SIYASAT" GARCIA



Pasok na naman ang taong 2009 na "Year of the Ox" mga suki at syempre, marami na naman sa atin ang may nyu yirs resolusyon para sa magandang pagbabago sa sarili.

Hindi lamang sarili ang inaasam ng ilan na may magandang pagbabago kundi sa bayan at sa liderato nito, Ang kolurin na diretsahan ay patuloy na ipaglalaban ang karapatan ng mamamayan. Kung ano ang istayl natin ay siya pa rin ngayon. "AS IS AS IT IS" ika nga.

En op kors dahil sa pagpasok ng TAON NG TORO merong "WISH" ang inyong lingkod para sa ating lahat.

Sana'y SUWAGIN tayo ng malakas at walang tigil na suwerte. TADYAKAN sana tayo ng saya, at maging mabilis ang PAGKARIPAS ng pera tatakbo sa atin. TAPAKAN nawa ng aspeto ng gating buhay AMEN!

At bago po ang pabuwena mano nating banat sa taon ng toro, gusto ko munang pasalamatang ang lahat ng mga tao at ahensya na naging kaakibat ng diretsahan, ang kolumn na palaban sa nagdaang taon, una, ay ang NBI-Car sa pangunguna ni Regional Director attorney Ricardo Pangan Jr. Public attorneys office ng Baguio City Lalo an kay attorney Frisco Domalsin at attorney Debbie Dulay, ang public order and safety office ng mayors office baguio, sa pangunguna ni chief engr. Greg Delijero. Baguio City Police office, Baguio Fire Department sa pangunguna ni Fire Chief Marshal Palaroan, Your Friends Against Crime Volunteers, ang aking mga bubuwit at marami pang iba na hindi ko man nabanggit ay akin pong ipinaabot ang aking taos-pusong pasalamat.

At sa mga taong napikon dahil po sa lupit ng ating mga hataw, trabaho lang po, wala pong personalan, diretsahan lang! ngayon ang unang hataw!.....

ooooOoooo

aging abala ang lungsod ng Baguio dahil sa pagdagsa ng mga bakasyunista noong kapaskuhan at pagtatapos ng taong 2008....at dahil dito rin namalagi si pangulong Arroyo at ang kanyang pamilya.....at pati mga alipores!at dahil rito, nagkabuhol-buhol ang trapiko ,....wala kasi iyong mga pulis na nagpapatupad ng batas trapiko....abala sila sa pagtratrapiko sa mga darananan nina Pangulong Arroyo.

Sa palengke, halos wala ng madaanan ang mga mamimili dahil

Cont. on page 8

THE PEACE COMBATANT

US and RP crises in 2009

BY: ARTURO BOQUIREN



The United States will be in a deeper economic crisis while the Philippines will be mainly in a political crisis in 2009.

As the US goes deeper into recession, Philippine economy will be affected with a lag. This means the United States crisis will begin to be exported to the Philippines but only after several months or a year after.

This does not mean that the Philippines has no economic crisis. It is in fact ALWAYS in crisis: poverty rates are much higher than the United States.

The Philippines has economic growth but it is the rich that mainly benefits. For the poor, economic growth merely reflects population growth.

Economic power is cornered by the few; it is only the richest among the rich who benefits from the growth.

The middle classes also wallow in poverty and sink deeper in the morass.

Work overseas had provided relief but not this time given the ongoing United States and global crises. The word "middle" in middle classes signifies not really the midpoint between the rich and poor but merely denotes the middle of extreme poverty and regular poverty.

The country will be polarized in 2009 into multiple poles as presidential candidates join the political race. Political spending will translate into small cushions that can soften the impact of the US crisis into RP.

Many of the unemployed will become paid campaigners for candidates. Demand for campaign goods will offset a bit the drop in foreign and local demand for goods.

Yet, the US and global crises actually presents a golden opportunity to strengthen Philippine economy. But the opportunity will be lost because as US recovers in about 5 years, free marketeer economics will wipe out the gains of local entrepreneurs during the US crisis years.

Thus, instead of being transformed into opportunities, the US and global crises will be transformed into local crises.

As mentioned, the elections will provide some transitional cushions and, thus, the political crisis instead of the economic crisis will become prominent in the Philippines.

What then is the nature of the Philippine political crisis?

The fundamental nature of Philippine political crisis is this: Philippine politics is a politics of the elite even with people power and revolts. In contrast, given the fundamental problems of the country, what is required is a politics of the masses, the politics of genuine empowerment and rule of the people.

Further, on the horizon, there is a serious probability that the people's organizations and movements will only be part of the political machinery of the elite.

In contrast, what is needed is to transform the politics of people empowerment into a genuine people's political power and people's rule.

To build people's rule, we must transform the politics of 2009 into a politics of issues rather than of personalities. We must identify the issues and what our visions consist. The support we give to political leaders must be understood as a covenant: betray the people and the people will have to rise up and the politician must go down the drain.

(The author maintains a website at www.geocities.com/arturoboquiren and can be contacted through artboquiren2040@yahoo.com and 0927-536-8431)

KAKAMPI MO ANG BATAS

Sec. Raul Gonzales must go on leave

BY: BATAS MAURICIO

**RAUL GONZALEZ SHOULD TAKE A LEAVE OF ABSENCE:**

Now that even President Arroyo has stepped into the P50 million bribery charge against the Department of Justice (DOJ) relative to the dismissal of drug-pushing charges against three kids now known as "Alabang Boys" and in other drug cases likewise dismissed by the DOJ, Secretary Raul Gonzales may want to seriously consider going on leave in the meantime.

Since he is the boss at the DOJ, and it is his state prosecutors that the Philippine Drug Enforcement Agency is fingering in the bribery case, he cannot prevent people from thinking that he may try to influence, in one way or another, the results of the investigation to clear not only the department but also himself.

To avoid any perception of bias or partiality or whitewash, therefore, Raul should take it upon himself to protect the integrity of his office and of the entire department by allowing the investigation to proceed smoothly, and this can only happen if he takes a vacation.

If the investigation will show that there was no bribery, then he can simply resume being secretary again, just like what he did after his successful operation. If the results would be otherwise, he can then defend himself more properly and clear his name.

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LOCAL OFFICIALS THREATENING DOJ PROBES ON MEDIA KILLINGS?

Justice Undersecretary Ricardo Blancaflor issued a very interesting press statement the other day, in answer to charges by the National Press Club that 2008 was a "bad year" for media considering that mediamen continued to be killed, wounded and made the subject of attacks during the entire year.

Ric said the NPC was being "unfair", because the DOJ, through its so-called Task Force 211, somehow managed to solve with dispatch four of the five cases where mediamen were killed while discharging their duties in 2008.

I say Blancaflor's statement was "interesting" because, among many things, he disclosed that DOJ officials and prosecutors who are leading the investigation of the media killings have been receiving death threats from local politicians.

Local politicians threatening Blancaflor and those investigating the media killings? Perhaps, Ric should name names and identify who these local politicians are, and since making threats against anyone is a serious crime, charges should be filed against them posthaste by the DOJ.

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MUZZLING OF POLICE AND MILITARY GUNS FOR THE NEW YEAR HAS BECOME A YEARLY RITUAL:

Did you know that orders for military and police personnel not to fire their guns to welcome the New Year have become a yearly ritual of sorts? Here is an article I wrote on the matter in 2005:

"The drive to muzzle guns of policemen and soldiers in the frenzy of welcoming the New Year is a worn out and pathetic approach to solving deaths by indiscriminate firing of guns on New Year's Eve.

"It had been tried before, it was repeatedly tried again and again as time went by, but year in and year out that Filipinos have been celebrating the coming of a new year, many continued to fall victim to bullets being fired by murderous rouge policemen and soldiers and uncaring civilians.

"I really do not know why, but if something is being barred by the authorities hereabouts, Filipinos are tempted to do it all the more, as if doing what is prohibited gives more satisfaction to the evildoers. Kung ano ang bawal, yun ang mas masarap gawin.

-000-

PRAYING IS A MORE EFFECTIVE AND BLESSED WAY

Cont. on page 9

CORDI NAWI

BENECO- dapat maging makatao!!!

BY: EMILIO M. LIWANEN (GUEST COLUMNIST)



I am sharing with you my dear readers some information (letter from the ERC to Prof. Federico Balanag) regarding the refund due to us BENECO consumers. It is really very much unfortunate that the BENECO can afford to spend for millions of pesos for cars of it's senior executives but refuses to refund the hard earned money of it's consumers. Happy New Year To All and God Bless Us.

ERC

October 9, 2008

Prof. FEDERICO A. BALANAG

Chairman of the Board
Baguio Electric Power Consumer's Cooperative (BAELCO)
Cordillera Administrative Region (CAR)
c/o Unit 3 & 4 Ground Floor, BARP Foundation
Otek Square, Otek Street, Baguio City

Dear Prof. Balanag:


This refers to your letter dated August 25, 2008, inquiring on the status of the Commission's Order dated June 15, 2006, directing Benguet Electric Cooperative, Inc. (BENECO) to implement a Purchase Power Adjustment (PPA) refund amounting to PhP33,946,936.00 equivalent to PhP0.0372kWh.

Please be informed of the following events after the issuance of the aforesaid Order:

1. On August 22, 2006, BENECO filed a Motion for Reconsideration (MR) on the Order of the Commission.
2. Notwithstanding the filing of an MR, the Commission issued a Show Cause Order on May 2, 2007, directing BENECO to explain why no administrative penalty should be imposed upon it and/or criminal action instituted against its directors and officers for its failure to comply with the aforesaid directive.
3. On May 9, 2007, the Commission issued an Order denying BENECO's MR for lack of merit.
4. BENECO appealed the Orders dated June 15, 2006 and May 9, 2007 rendered by the Commission in a Petition for Review filed with the Court of Appeals (CA) docketed as CA G.R. SP. No. 99360. The said Petition for Review was dismissed by the CA in its Resolution dated 27 July 2007.*
5. On August 23, 2007, BENECO moved for the reconsideration of the CA's Decision, which until now has not been resolved by the CA.

Rest assured that we will closely look into this case to ensure that BENECO will comply with the Commission's directives.

Very truly yours,


Atty. FRANCIS SATURNINO C. JUAN
Executive Director III

Reference No. 2008-D1-E99

ria/fpa/ngc

ria/fpa/ngc

Pacific Center Building, San Miguel Avenue, Origas Center, Pasig City, Philippines
Website: <http://www.erc.gov.ph>, Email: info@erc.gov.ph, Phone: +632 9145000

Crude prices rise as Middle East tension continues, OPEC to cut output

NEW — Crude prices rose above 46 U.S. dollars a barrel Friday as the Middle East tension continued while OPEC would carry out its largest production cut.

Concerns that the conflict between Israel and Hamas in Gaza could disrupt supplies in the Middle East continued boosting prices.

The gains were

also encouraged by a rally in U.S. stocks to a two-week high despite U.S. manufacturing activity fell more than expected in December.

The Organization of Petroleum Exporting Countries (OPEC), which accounts for about 40 percent of global supply, is to slash 2.2 million barrels per day this month. It would be the

cartel's biggest-ever output cut.

Light, sweet crude for February delivery rose 1.74 dollars to settle at 46.34 a barrel on the New York Mercantile Exchange.

In London, February Brent crude rose 1.32 dollars to settle at 46.91 dollars a barrel on the ICE Futures exchange. (PNA/Xinhua) ALM

Senate: One of most-watched gov't institutions in 2008

MANILA, -- If the Senate could be compared to a movie, it would probably be an indisputable blockbuster, considering in particular the series of significant events that happened in that chamber during the last quarter of 2008.

Certainly one of the most-watched government institutions during the year, the Senate had its hands full with the revival of the issue on Charter change; the resignation of Sen. Manuel Villar from the Senate presidency; and the surfacing of former Agriculture Undersecretary Jocelyn Bolante to shed light on the alleged fertilizer fund scam.

The chamber is dominated by the opposition, which tells why controversial issues perceived as involving the administration, eventually translate to investigations.

Among such issues, the controversial P728-million fertilizer

fund involving Bolante was the much-talked about as he finally surfaced to give testimonies on who ordered him to release the money.

Bolante, without batting an eyelash, cleared President Gloria Macapagal Arroyo's name, saying she did not have a hand on the controversial fund.

The senators felt Bolante was just going in circles and continued to be evasive. This prompted the Senate Blue Ribbon committee, headed by Sen. Richard Gordon, to detain Bolante in the Senate premises for contempt, but was released after a week.

As of this writing, the Senate inquiry on the issue has not been terminated.

VILLAR'S RESIGNATION AS SENATE PREXY

He saw it coming.

Senator Villar

resigned from his post as Senate president last November after he felt that he no longer enjoyed the trust and confidence of his colleagues.

This, after Sen. Panfilo Lacson implicated Villar as the proponent of the P200-million "double insertion" in the budget of the C-5 infrastructure project in Paranaque City. Villar denied Lacson's allegations.

But even before his fellow senators could oust him, he declared during a Senate session in November that he was stepping down. He was replaced by one of the most senior members of the Senate — Sen. Juan Ponce Enrile.

Following the change in the Senate leadership, Enrile named Sen. Juan Miguel Zubiri as the Majority Leader after Sen. Francis Pangilinan resigned from the same post.

The different Senate committees were also re-

Cont. on page 8

MMDA embarks on new projects to finish Metro Gwapo

MANILA, - The Metropolitan Manila Development Authority (MMDA) will embark on new projects that will finally put the finishing touches on the Metro Gwapo project.

MMDA Chairman Bayani Fernando said the present situation in Metro Manila is very encouraging because many residents have shown some degree of discipline brought about by the many projects instituted by the agency.

He said the thinking and taste of the residents of Metro Manila have developed dramatically and they have the sense of urbanity in terms of following traffic rules and regulations, proper disposal of garbage and the like.

"Ang pinakamalaki at pinakamagandang accomplishment noong 2008, ay nagbago na ang kaisipan at panlasa ng mga tao, 'Isip-Metro Manilan' na sila," said Fernando.

The MMDA chief said a big percentage of the residents in Metro Manila has

veered towards order and discipline and done away things that they have been used to in the past.

This thinking has already seeped into the different barangays in Metro Manila as shown by the passage of resolutions of their barangay councils calling for discipline and order.

Motorists, pedestrians and passengers also show improvements in their ways thus traffic in major roads in Metro Manila has vastly improved.

MMDA has cleared some 2,000 kilometers of road network in Metro Manila for the past years.

Fernando said flooding has improved and they are continuing with the monitoring of the door-to-door garbage collection system.

This year the MMDA wanted to finish all the aspects of Metro Gwapo project that include construction of the

second phase of the elevated U-turn slot in C-5 and Kalayaan in Makati City, footbridges, bridge that will connect Makati to the Pasig River, clean up of all the drainage systems and the installation of the remaining 150 closed-circuit cameras in strategic points in Metro Manila.

Once these cameras are in place, vehicular traffic will further improve which will be complemented by the enhanced organized bus route (OBR) system using the radio frequency identification technology.

The OBR system will control the dispatch of buses from their terminals up to the bus stops and lane separators.

The cameras will not only be utilized in monitoring traffic but also flooding and road emergencies. (PNA)

LAP/LBV/CLTC

Breakthrough in dengue fever

MELBOURNE, — Australian researchers have made a breakthrough that could curb the spread of the mosquito-borne dengue fever virus.

Scientists from the University of Queensland said they had proven that they could limit the lifespan of the *Aedes aegypti*, which spreads the disease.

In a paper published in the prestigious international journal, *Science*, the researchers said they could halve the insects' lifespan by infecting them with a bacterium that is harmless to humans and other animals.

The breakthrough could dramatically curtail the insects' potential to spread the disease because only older mosquitoes can transmit it to humans, Brisbane's Courier Mail newspaper reported.

PhD student Conor McMeniman, who carried out the research, used super-fine needles to manually inject 10,000 mosquito embryos with the bacterium, then encouraged the surviving mosquitoes to feed on his own blood.

"We ended up having to inject thousands of embryos to achieve success, but

it was well and truly worth it in the end," he was quoted as saying.

Professor Scott O'Neill, head of the university's School of Biological Sciences, said researchers would now conduct field experiments in northern Queensland.

"If that proves successful, we hope to deploy this new dengue control measure in other parts of Australia, as well as Thailand and Vietnam," Professor O'Neill said.

There is no vaccine or cure for dengue fever. It harms up to 100 million people and kills more than 20,000 every year. (PNA/Bernama)vcs/rsm

Subic: A growing line of business opportunities in 2008

SUBIC BAY FREEPORT, — After fulfilling its mandate to mitigate the loss of jobs resulting from the pullout of the US Navy from the former Subic Naval Base in 1992, the Subic Bay Metropolitan Authority (SBMA) is now poised to play a bigger role in national development by serving as a catalyst of growth in Central

Luzon.

SBMA officials stressed this point to stakeholder groups here on several occasions as the agency stepped up efforts to realize President Gloria Macapagal Arroyo's vision to turn the neighboring free ports of Subic and Clark into a globally-competitive service

and logistics center in Southeast Asia.

Figures from the SBMA performance indicators indicated that a total of US\$ 211,872,389.61 worth of approved Foreign Direct Investments (FDIs) were posted from January to October 2008 which is 84.52 percent higher than the US\$ 1,569,425,586.12

posted from January to October in 2007.

The over-all top 10 new investments were Subic NeoCove Corp with US\$ 175,205,000 of committed investment.; Hanil E & C Subic, Inc, US\$ 11,000,000; Sultan Ahmed Lootah Enterprises Corp., US\$ 6,720,000; George Dewey Medical and Wellness Center, Inc, US\$ 6,580,000; Hanafil Golf & Tour, Inc, US\$ 3,000,000; Australasia Marine Alliance Corp, US\$ 2,319,000; Pacific Pearl Airways Aviation School, US\$ 2,131,287.30; Taiwan CoGeneration Corporation Subic Bay Branch, US\$ 2,000,000; PalmGold Int'l Ltd., US\$ 1,938,000.00 and Grand Pillar International Development, Inc. with US\$ 1,900,00 of

committed investments.

SBMA Administrator Armand C. Arreza said he is confident that more FDIs, as well as local investments, are set to find their own place in the Subic Bay Freeport due to the positive business climate that the SBMA has been maintaining for the past years.

In 2008, the influx of FDIs that mostly came were from the Philippines' Asian neighbors like the South Korean, Taiwanese, Malaysian, Pakistani, Japanese and Norwegian.

In term of active workforce, the SBMA Labor Department indicated that from January to September 2008, the Freeport totaled 83,428 active workforce, an increase of 18.88 percent from the 70,179 active workforce posted

from January to September in 2007.

Of this total, 43.17 percent are employed by the services sector, 31.69 percent by shipbuilding/marine related services, 17.74 percent by manufacturers, 6.75 percent by construction and 1 percent by private households.

Majority of the workforce came from Olongapo City with a 38.67 percent share or a total of 32,258 workers; Zambales ranked next with 22.20 percent or 18,519 workers; Bataan has 11,226 workers or a 13.46 percent share; Pampanga with 2,845 workers or a 3.41 percent share; National Capital Region with 4,213 recorded workers or 5.05 percent share; while 13,048 workers or 15.69 percent share came from other provinces in Central Luzon and Metro Manila. (PNA) By Malou Dungog

Senate.....

.... from page 6

shuffled. The Blue Ribbon committee, considered the most powerful body in the Senate and used to be chaired by opposition Sen. Alan Peter Cayetano, is now headed by Gordon.

After resigning from the Senate presidency, Villar focused to help abused overseas Filipino workers (OFWs) to come home by shouldering their fare expenses.

NOT JOINING THE CHARTER CHANGE TRAIN

The senators were steadfast in their stand that they would oppose all attempts to change the 1987 Constitution before 2010.

In December, all 23 senators signed a resolution opposing Rep. Luis Villafuerte's proposal that the House of Representatives convene as a Constituent Assembly even without the participation of the senators.

Most incumbent senators have maintained that the House and the Senate must vote separately if amendments are to be made to the Constitution.

This was the first time in recent years that senators filed a resolution with the same sentiments.

The looming rift between the two houses of Congress due to the issue on Charter change was prevented, however, when House leaders gave up their plan to amend the Constitution even without Senate participation.

Sen. Aquilino Pimentel has said he is in favor of conducting dialogues with their counterparts at the House of Representatives to once and for all discuss what mode should be used to amend the Constitution.

BILLS FILLED AND PASSED

The number of bills filed in the Senate during the first two regular sessions of the 14th Congress totalled 2,882, of which 314 have been passed by the chamber.

The measures passed by both houses of Congress and signed into law by President Gloria Macapagal-Arroyo include:

Republic Act No. 9499, or the Filipino World War II Veterans Act;

R.A. 9500 — University of the Philippines (UP) Charter;

R.A. 9501 — Magna Carta for Small and Medium Enterprises;

R.A. 9502 — Cheaper Medicines Act;

R.A. 9505 — Personal Equity and Retirement Account;

R.A. 9507 — Low-Cost Housing Loans;

R.A. 9510 — Credit Information System.

The Cheaper Medicines Act was approved in April. Senate Trade and Commerce committee chair Sen. Manuel Roxas III said that with the passage of the measure, not just the government but even the private sector can import drugs or medicines from another country as long as they comply with the guidelines to be set by the Bureau of Food and Drugs Administration and the Department of Health. (PNA)/ **By Janice M. Cave**

Diretsahan.....

..... from page 4

sa dami ng tao,...at sa sobrang sikip bunsod ng kaliwa't kanang hatag ng mga paninda. Wala tuloy espasyo para madaanan at hindi lang sa palengke, pati mga kalsada at bangketa sa may "Central Business District", ginawa nang lugar na tiangge,...nakabakasyon kasi ang demolisyon ng POSD!. "Op kors wen da kat is away da maws wil pley"!

Naunsiyami naman ang mga taga Baguio sa hindi pagsipot ni GMA sa pagdiriwang ng Rizal Day sa Rizal Park, imbes ang anak niyang si kongresman Mikey Arroyo ang sumipot....nagtatampo daw tuloy si butihing mayor B sa pangulo,...hindi kaya naaalala ng pangulo na minsan ay nangako siya sa harap mismo ng rebulto ni Rizal sa Baguio pero napako kaya minabuti niyang huwag na ulit mangako o magbitaw ng anumang pahayag hinggil sa kanyang planong pampulitikal? "Less talk less mistake" ika nga.

Kaugnay nito' gusto kong tawagan ng pansin ang BCPO Traffic Management Division na sana'y pag-ukulan nila ng masinsinang pagpapalano kung paano maiiwasan ang problemang trapiko kapag dumarating ang ganitong sitwasyon. Alalahanin na malapit na naman ang selebrasyon ng Panagbenga dito sa lungsod, di ba inspector David Mariano ng BCPO Traffic Division?Pansinin?

ooooOoooo

At totoo kaya itong tsinika sa akin na meron daw mataas na opisyal ng Baguio City Hall na hinuli at ikinulong umano dahil sa paglalasing at paglalaway ng mga pitsas sa isang casino ng Subic. Ayon pa sa kwento kaya daw nilalawayan ni opisyal ang mga pitsas ay para daw suwertehin he! he! sa halipna swerte, malas ang inabot ng kilalang lasenggong opisyal na nag-aambisyon tumakbo para sa pagka mayor! Sino ang hula ninyo, mga suki?

ooooOoooo

At sino rin itong balak tumakbo ulit para sa pag mayor ng lungsod? Ngayon pa lang kasi ay panay na ang kanyang pagsipot sa mga okasyon at nangangampanya na. Ang problema hindi pa nito alam kung ano ang partido na sasandalan. Kunsabagay, kung ako ang pagpipiliin, dito na lang ako kay Mr. YL as in Young Lover, "Among the Evils, select the least evil" ika nga!

ooooOoooo

Naglabas ang PNP ng mga pangalan ng paputok na bawal ibenta,... Pero ang iba dito ay nakikita na ibinebenta sa mga bangketa ng Baguio City. May mga pulis pa akong nakita na sila mismo ay bumibili.... O nangingi? Kaya pala malakas ang loob ng mga tindero't tindera, may mga "kapit"!

Providing.....

.... from page 12

the price."

At present, the government subsidizes the operations of the MRT with an average of Php40 per passenger, who only pays Php15 from Taft Avenue in Pasay City to North EDSA in Quezon City.

The Joint Foreign Chambers (JFC) of the Philippines has asked the government to implement the LRT 1 South extension project bidding in order to help business in the Cavite southern Manila area.

It (JFC) said "the project was conceived and has been under discussion for over a decade. Although the last two administrations were unable to implement it, the time is right for the Arroyo administration to do so, as part of the strong emphasis of the DOTC on modernizing and expanding rail transportation."

For MRT 7 project, the department has allotted the amount of Php61.75 billion. It is a 23-kilometer line and will be constructed at the North Avenue to San Jose del Monte City in Bulacan, passing through the eastern portion of Novaliches, Quezon City and the northern portion of Caloocan City.

The project involves the financing, design, construction, testing, commissioning and operation and maintenance of an integrated transportation system consisting of Intermodal Transportation (ITT) and MRT system through Build Gradual Transfer and Maintain (BGTOM) arrangement. The BGTOM was signed on June 18, 2008.

Aside from the expansion of current services of the LRT, more are now being implemented. One of these is the Northrail Section I, Phase I project. It runs from Caloocan City to Malolos City, Bulacan, along a 32.2-kilometer double track, at grade and elevated carriageway. It will be utilizing diesel-powered locomotives/rolling stocks, with project cost estimated at Php27.667 billion (US\$ 452.32 million) financed by China Export-Import Bank.

The second one is the Northrail-Southrail Linkage Project or the South Manila Commuter Railway Project which runs from Caloocan City to Alabang, Muntinlupa City.

It seeks to rehabilitate the 34-kilometer line along its old route. Estimated to cost US\$ 50.42 million, it is funded by Korean Import-Export Bank (KEXIM). p>More projects are under evaluation and final approval by the National Economic and Development Authority (NEDA) and other concerned agencies. These include the MRT 3 Capacity Expansion project, LRT Line 1 South Extension Project from Baclaran to Bacoor, Cavite, LRT Line 2 East Extension from Santolan Extension in Marikina City to Masinag in Antipolo City and LRT Line 1 Airport Extension Project from the Baclaran station to NAIA Terminal 3.

Plans are also afoot to implement the South Manila Commuter Railway Project that will extend from Alabang, Muntinlupa to Calamba, Laguna; and the Southrail and Sorsogon Extension Line-Phase I running from Calamba City, Laguna to Lucena City, Quezon Province. (PNA)/ **By Lynda B. Valencia**

Justice.....**.... from page 2**

cate them on their rights and privileges under our laws, rules and regulations and the manner in how these rights can be effectuated in our tribunals," the Chief Justice further stressed.

He also likened the JOW to an experiment "when we see the highest officials of the Judiciary coming down from their ivory tower and giving a human face to our system of justice – showing compassion, giving heart to our justice system".

"As I have said, this is a victory not just on the part of the Judiciary but victory that must be shared by local government units – provinces and cities as well as all stakeholders of justice system...." We shall continue with our effort to bring this JOW Program to every nook and cranny so that we can diminish this critics that justice system does not respond to social justice (mandate) embedded from the 1935 Constitution to the 1987 Constitution," Chief Justice Puno further stated.

He added that the JOW's mobile court fleet is expected to increase by five more buses by next year, thanks to the donations which will be provided by the World Bank (WB), local government of Leyte and Sarangani.

The SC presently has three mobile courts doing the rounds in its JOW program. With the arrival of the five buses pledged by the WB to Leyte and Sarangani, the fleet will grow to eight by 2009.

"With this increase in our fleet of mobile courts, we intend to accelerate and complete the visit of our JOW in every province to satisfy the quest for justice of our poor people," Puno further stressed.

"We have improved our JOW to make more effective our promise of bringing justice right to the doorsteps of the poor. The enhanced JOW program now includes medical and dental services, and, so far, it has given these health services to more than 2,000 inmates," the Chief Justice stated.

Puno also noted that court-annexed mediation (CAM) is now gaining momentum in the Philippines.

Puno made this announcement after noting that of the 40, 729 cases that actually underwent court annexed mediation in the last six years, 28,563 or 70 percent had already been resolved or settled.

CAM means the settlement of selected civil cases, like estafa and bouncing check violations, filed in court.

Puno said that court annexed mediation is a joint project of the Philippine Judicial Academy (PHILJA) and the Canadian government.

This aims to declog courts of unnecessary and unimportant cases.

The SC earlier announced the possibility of ordering lawyers to do more pro-bono work in order to provide the poor more access to the law.

"That is one model that is followed in other jurisdictions, compelling all the members of the Bar to render free legal service. There is also another proposal. This is already

in the form of a bill pending in our Congress. That is to give tax credits to lawyers who will render legal assistance to the poor for free. Both these proposals are worth looking into. We will certainly widen the base of lawyers who will be available to defend the poor," he said.

He added that lawyers who will do pro-bono work will be granted tax credits in return for services rendered.

Integrated Bar of the Philippines (IBP) president Feliciano Bautista earlier suggested that the SC used its constitutional power to regulate the practice of law by requiring all members of the bar to render at least 100 hours per year of free legal aid work to indigent clients as a pre-condition for their good standing.

"Certainly, if our courts can require continuing legal education as a prerequisite for good standing in the Bar, the achievement of the noble purposes for which our noble profession was established, that is the administration of justice to all, should also warrant this rather drastic intervention by our Court," said Bautista. (PNA) DCT/PFN/**By Priam F. Nepomuceno**

Editorial**..... from page 4**

A one peso deposit ballooned into P3,233,104,173.12 in "Jose Velarde's" (a.k.a. Joseph Estrada) account in just one year. And the notorious coconut levy continues to draw predators, to cite a few examples. Human nature is flawed. Many of today's leaders are old hands at government by quid pro quo. Anyway, the poor sell us their votes, they shrug. Indeed, many do –out of necessity. Yet, the last eight Social Weather Stations surveys, going back to 2002, reflect consistent opposition, by "buyable" citizens, against shooting craps with the constitution.

Agencies turned into bawdy houses call for better checks-and-balances. "This is the old system, gasping for life," Sociologist Randy David has pointed out. But they're barreling down a blind alley. As Judas learned, that leads to a potter's field. So, better safe than swindled.

Is there hope that ordinary citizens can curb wayward officials? There was, after all, only one Judas. And his 11 companions ultimately stood by what is decent. Dum spiro, spero ("While I breath, I hope") And Advent underscores this truth.

"When Advent comes around, we say-is it with such naivette?– come, even when nothing better seems to happen," the theologian Catalino Arevalo, SJ, wrote. "Only we keep wanting him to do what he doesn't intend to do. What he has come to be is Emmanuel: God with us.

"Emmanuel means there is nothing more in human life and joy and pain and even dying but God is in it also....Nothing of our human experience but he has made his own...To all our darkness and despair, there is a God who gives us one answer today, one only: 'Behold my Son is born.'"/ J.L.Mercado

Batas.....**.... from page 5**

TO WELCOME THE NEW YEAR: "Anyway, since about five years ago, my family and I decided to stop exploding fire-crackers and displaying pyrotechnics in welcoming the New Year.

"By God's grace, I have not been victimized by these fiery merry-makers, but then, one New Year's Eve it suddenly dawned upon me that, if the intention of a noisy welcome is to drive away evil spirits as the Chinese are won't to say, what better noise would there be than a prayer silently and humbly offered and recited?

"I did not know where it came from, but then I suddenly got an inspiration which convinced me that praying would be more explosive and fiery, especially in the light of the truism that God could never resist the pleas of a prayerful man.

"From then on, my wife Angelina, my daughter Louie, and myself would gather together about ten to fifteen minutes before the midnight clock strikes 12, and start praying the Holy Rosary."

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ORDINARY CITIZENS CAN NOW SEIZE ILLEGAL LOGS: Did you know that any ordinary citizen previously constituted as an agent of the Forest Management Bureau (FMB) and the Department of Environment and Natural Resources (DENR) could seize illegal forest products anywhere in the country?

By virtue of Department Administrative Order No. 97-32 of DENR Secretary Jose L. Atienza, ordinary citizens who have been constituted as environment and natural resources agents could seize any forest product that have been removed, cut, collected, processed and/or transported under the following circumstances:

1. Without the requisite authorization or permit, or with incomplete required supporting documents, or with genuine authorizations or permits and/or supporting documentation that have an expired validity, have been cancelled or that contain forged entries;

2. With spurious or fake authorizations, permits and/or supporting documentation. In implementing this directive, original documents shall be required at all times to actually accompany any forest products being moved or transported to any place for any purpose.

-000-

BATAS PARTY LIST: Interested parties can now become members of the BATAS Party List, or the Bagong Alyansang Tagapagtaguyod ng Adhikaing Sambayanan. Please send your names and complete addresses to us, through text, at 0919-609-64-89, or you can call (02) 433-75-49, (02) 433-75-53, or send an email to www.batasnews.com, or at batasmauricio@yahoo.com, or you can write us at 18 D Mahiyain corner Mapagkawangawa, Teachers Village, Diliman, Quezon City.

RP banking.....

.... from page 1

or reverse repurchase (RRP) facility stood at five percent while the overnight lending or repurchase (RP) is at seven percent.

The government has set the rate of price increases this year between three to five percent and monetary officials believed that the target is achievable as inflation continue to go down in the early part of this year.

Another factor cited for the rate cut is the positive growth of the domestic economy, which posted a 7.3 percent growth for the full year of 2007, the fastest in more than three decades.

Inflation started to heat up in the second quarter of this year due to external developments, monetary officials remained firm that the domestic financial system has buffers that will shelter it from harsh developments in the US.

BSP's easing mode on rates was stopped but the central bank cut closed longer-term Special Deposit Accounts (SDAs) and reduced the rates of shorter-term SDAs.

BSP Governor Amando Tetangco Jr. said the move is a neutral policy stance and cited that monetary policy is not enough to address the increasing prices of oil and food commodities in the international market.

Among those that he cited as proper solution to the problems are keeping a close tab on changes in global commodities market, coordinating closely with concerned government agencies, and communicating inflation outlook carefully.

Tetangco said external supply shocks create risks to this year's inflation target but with regards to the 3.5 percent to 5.5 percent target next year the March 2008 decision of the MB was seen to be consistent with the target.

Along with the keeping of key policy rates is the Board's decision to close the windows for the two, three and six-month SDA and reduced the rates of the one-week, two-week and one-month tenors to 5.0625 percent from 5.09 percent; 5.1250 percent from 5.1875 percent and 5.1875 percent from 5.25 percent, respectively.

Tetangco said reduction of rates of short-term SDAs "will ensure that bank's loanable fund remain adequate to meet the requirements of the expanding economy" and will encourage banks to lend more to ensure the economy's growth.

BSP Deputy Governor Diwa Guinigundo explained that they have expected about P500 billion to P600 billion worth of funds to come out of the closed SDA facility but this is also eyed to be placed in the remaining SDA windows or other alternative instruments like government securities.

SDA was initially opened to bank proper but in May 2007, trust entities as well as government pension funds were allowed to tap the facility in a bid to mop up excess liquidity in the system.

The move was made after growth of domestic liquidity (M3) or the total available money supply in the market continue to register a more than 20 percent growth, which monetary officials said will result in inflationary pressure if not addressed within 12 months.

In April 2007, M3 growth stood at 26.3 percent but at end-May 2007 it went down to 21.1

percent. As of October 2008, M3 registered a 13.1 percent growth, down from the previous month's 13.5 percent after net foreign assets (NFA) grew by 10.7 percent in October from month-ago's 11.1 percent as banks' foreign assets went down due to drop in their foreign securities investments.

Likewise, as inflation continues its upward trek, the Board decided to raise the central bank rates in a bid to address the situation with the help of monetary policy.

It first raised the rates in June by 25 basis points after monetary officials noted that second round effects have crept in on inflation.

This was followed by the 50 basis points increase last July 17, the first time in several years, after inflation hit double-digit at 11.4 percent last June primarily due to the rise in oil prices, which was then over \$ 140 per barrel.

The last rate increase this year was on August 28 at 25 basis points after the MB noted that its latest forecasts by that time indicate that inflation would surpass the government's three to five percent target for this year and 2.5-4.5 percent for 2009.

The total of 100 basis points increase in the central bank rates brought the BSP's borrowing rate at six percent while lending rate at eight percent.

Tetangco said they needed to institute a tight monetary policy stance to stabilize rate of price increases and bring it near their government's target range and help manage inflation expectations.

Inflation peaked in the country at 12.5 percent last August as prices of food and oil in the international market improves.

Thus, the MB decided to keep policy rates at six percent for the borrowing rate and eight percent for the lending rate when it conducted its policy meeting last October 6.

Tetangco also noted then that due to the improving inflation outlook, they see a rate of price increases to be back to single digit in the first quarter of 2009 and "reach the target-consistent path by 2010."

Guinigundo, however, stressed then that although they saw an improvement in the inflation expectations and outlook monetary officials also considered that it is still early to think that the Board's decision in October would signal the start of the central bank's easing policy stance since risks to inflation like volatility of world oil prices remains.

In November, the Board again maintained BSP's rates along with those of the SDAs even as inflation continued to decline.

Monetary officials explained that the reason behind this is the fact that core inflation, which excludes volatile items like oil and some food commodities, slightly increased to 7.9 percent last November from the previous month's 7.8 percent even as nationwide headline further slowed to 9.9 percent from last October's 11.2 percent.

Monetary officials projected inflation to return to single digit in the first quarter of 2009, thus the early return of single-digit rate of price increases was dubbed as taken as a welcome development for BSP officials.

Even as US banking giants like Lehman Brothers collapse along with Merrill Lynch and other major financial institutions like American International Group (AIG), Philippines monetary officials said domestic financial institutions (FIs) remained

strong despite exposure to Lehman among others.

Some big domestic banks have admitted exposure to Lehman and this include Banco de Oro Unibank (BDO), Rizal Commercial Banking Corporation (RCBC) and Metropolitan Banking Corporation (Metrobank).

However, officials of these banks have assured regulators as well as their clients that they have set aside appropriate provisions for their exposures to collapsed US FIs.

Tetangco said only about 0.3 to 0.4 percent of the domestic banking system's total assets are directly affected by the subprime mortgage crisis.

He said FIs in the country remained well-capitalized due to prudent measures instituted by the BSP and well-observed by the FIs.

To date, banks in the country still have capital adequacy ratio (CAR) beyond the 10 percent requirement of the BSP, which monetary officials said only shows how strong they are amid the crisis.

CAR is a among the gauge of a bank's financial strength.

"Our regulatory policies have served their purpose," he said referring to BASEL 2, a risk-based capital adequacy framework which increased requirement for banks' investments portfolio.

This December alone, nine rural banks both in the provinces and the National Capital Region (NCR) announced bank holidays and were placed by the MB under the receivership of the state-operated Philippine Deposit Insurance Corporation (PDIC).

These banks are Dynamic Bank (RB of Calatagan) based in Batangas, San Pablo City Development Bank based in Laguna, Rural Bank of Bais based in Negros Oriental, Pilipino Rural Bank based in Cebu, Rural Bank of Paranaque, Philippine Countryside Rural Bank based in Cebu, Rural Bank of San Jose based in San Jose, Batangas, Bank of East Asia based in Cebu, and First Interstate Bank based in Tacloban.

The central bank said placing of these banks under PDIC receivership does not mean that it represents how domestic banks fare in the present financial situation worldwide.

It said examiners from the central bank have been monitoring these financial institutions even before the global financial crisis "because of potentially unsafe and unsound banking practices."

"The Bangko Sentral reiterates that these banks represent a tiny fraction of the banking system and that the Philippine banking system remains stable, highly-capitalized, and highly liquid," it said in statement.

Tetangco said these FIs were placed under receivership to enable the PDIC "to take over the banks' assets to protect the interest of bank depositors and to start processing deposit insurance claims."

During the last policy meeting of the MB this year held on December 18, the Board decided to cut rates by 50 basis points moving in tandem with other central banks worldwide to address and limit the impact of the global slowdown due to the financial crisis.

Thus, BSP's overnight borrowing rate is now at 5.5 percent while overnight lending rate at 7.5 percent.

Cont. on page 11

RP banking.....**.... from page 10**

Tetangco earlier said continued decline of inflation and rate cuts around the world have given them more leeway to do the same, which in turn, is expected to stimulate consumer spending and assist sectors like manufacturing, construction and small and medium enterprises.

The rate cut is widely expected by the market as inflation improves and prices of food and oil in the international market continue to decline./ PNA/LDV/JS/mec

Towards quality.....**.... from page 12**

crease seat entitlements from 500 to 600 seats per week from points (destination) in RP to points in Palau.

The ASA also increases the seat entitlements from 200 to 400 seats per week each from the DMIA, Cebu and Davao to Palau.

RP-Macau — The air talks which was held in Macau last April 24-25 resulted in the increase of entitlement from 850 to 3,500 seats per week on the Manila-Macau route and vice versa.

Separate seat entitlements were also agreed upon for the DMIA and SBIA for 6,300 seats per week and an additional 3,000 seats per week for points outside Manila and Clark.

For all cargo services, the designated airlines of RP and of Macao are entitled to up 300 tons per week in each direction. This entitlement will cater mostly to DMIA.

RP-Canada — Held in Vancouver May 13-15, it resulted in the increase of passengers entitlement from four to seven flight frequencies per week.

For cargo capacity entitlements in the DMIA-SBIA-Vancouver route, a maximum of seven flights per week in each direction was signed. A separate cargo entitlement was also agreed upon for any points in RP other than the DMIA/SBIA of up to three flights per week.

RP-Cambodia — The negotiations were held in Pasay City last June 19-20, and led to the initialing of an ASA to be effective upon approval of the governments of both parties. It is recalled that almost 40 years has passed since the initial air talks in 1967, where an ASA was only drafted.

The Philippine proposal for seat entitlements of 32 flights per week in each direction from points in RP to points in Cambodia is included in the record of discussion which the Cambodian delegation will submit to their government for approval.

In the meantime, it was agreed upon that the carriers from each government could already apply to their respective aviation authorities for approval by the other authority for passenger and cargo entitlements between points in DMIA, Cebu or Davao which RP carriers are very enthusiastic to apply with the Civil Aeronautical Board (CAB) for approval by Cambodian Aviation Authorities.

RP-Hong Kong Special Administrative Region (SAR) — The negotiations were held in Clark Freeport Zone, Pampanga last June 25-26. For passenger services, the Manila-Hong

Kong and vice versa flights will have 13,000 seats per week to a maximum of 15,000 seats per week; Clark-Hong Kong and vice versa, from 0 to a maximum of 2,500 seats per week; points in RP, except Manila, Clark and Cebu and vice versa, a maximum of 2,500 seats per week has been retained.

For cargo, points in RP (except Clark) -Hong Kong and vice versa, from 300 tons per week to a maximum of 400; Clark-Hong Kong and vice versa, from 0 to a maximum of 1,400 tons per week.

RP-Netherlands — Held in Manila July 11-12 and the negotiations resulted for passenger services by frequencies-Manila-Amsterdam and vice versa, from four frequencies per week to a maximum of seven; Clark-Amsterdam and vice versa, from 0 to seven frequencies; points in RP (except Manila and Clark) to other points in Netherlands including Maastricht and vice versa, from 0 to seven frequencies.

For all cargo operations, Clark-Subic to points in Netherlands, from 0 to an average of 700 tons per week; points in RP (except Clark/Subic), points in Netherlands and vice versa, from 0 to an average of 250 tons.

RP-Thailand — It was held in Bangkok from July 24-25 and resulted to passenger services-route 1 (point in RP to Bangkok/Chiang Mai, with 5th freedom travel right-FTR), from 2,850 seats to 3,250; route 2 (Manila-Bangkok, no 5th FTR), from 850 seats to 2,150; route 3 (points in RP except Manila and Clark to points in Thailand, no 5th FTR), from 850 seats to 2,110 seats/week; route 5 (a) (Clark-points in Thailand, no 5th FTR), from 0 to 8,700 seats.

For all cargo services/week — route 4 (points to RP points in Thailand, no 5th FTR), 300 tons in mainland; route 5 (b) (Clark to points in Thailand, no 5th FTR), from 0 to 700 tons

RP-Iran — Held in Manila, August 4-5 and resulted to: passenger services by frequencies/week-points in Iran-Manila and vice versa, a maximum of four frequencies without 5th FTR; points in Iran-Clark and vice versa, a maximum of seven frequencies; points in Iran-points in RP (except Manila and Clark), five frequencies.

All-cargo services: points in Iran-Clark, a maximum of 700 tons/week. This is an initial Air Transport Agreement (ATA) between RP and Iran resulting to entitlements of 16 frequencies and 700 tons of cargo.

In the course of the RP-Iran negotiation, informal verbal exchanges in respect to tourism and trade were put to the fore. It is seen that the following could be developed between RP and Iran: increase of services for overseas Filipino workers (OFWs) numbering about 851 and of tourists arrivals in RP which was 2,166 (2007), all of which the Department of Tourism (DOT) spearheaded; a bilateral negotiation on the supply of oil which the Department of Trade and Industry (DTI) could initiate.

RP-Finland — It was held in Helsinki last Sept. 29-30. The designated airline(s) of Finland may operate on Helsinki-Manila up to four weekly frequencies; points in Finland-Clark, seven weekly; points in Finland to other points in RP except Manila and Clark, up to seven frequencies.

On the other hand, the designated airline(s) of RP may operate on Manila-Helsinki route up

to four frequencies; Clark to points in Finland, seven; other points in RP except Manila and Clark-to Finland, up to seven weekly frequencies.

The designated all cargo airline(s) of the two shall be entitled to operate all cargo services on the basis of 3rd, 4th and/or 5th FTR with capacity of 700 tons/week for points between Helsinki and a point in Finland and Clark or Subic.

RP-Kuwait — The air talks were conducted in Clark Oct. 22-24 to follow-up on the provisions of the records of discussion during the visit in Malacanang by Sheik Nasser Al-Mohamed Al-Alhmed Al-Jabber Al-Sabah, Prime Minister of Kuwait.

No agreement was reached in respect to increase in passengers and cargo capabilities; the delegations discussed the acceptance of additional airline designation upon application which shall be approved by their respective aviation authorities; the delegates decided to review an agreement for additional flight frequencies.

RP-Malaysia — Held in Clark on Oct. 29-30 and resulted in the following: For passenger services, Clark-points in Malaysia vice versa, 9,000 seats; Manila-Kuala Lumpur, 2,300 seats; Manila to Malaysia except Kuala Lumpur, 2,000 seats; RP (except Manila/Clark)-Malaysia, 5,000 seats.

All-cargo services-Manila-Malaysia, 250 tons/week; RP (except Clark/Manila)-Malaysia, 450 tons; Clark-Malaysia, 700 tons/week.

RP-Japan — The negotiations were held Nov. 26-27 at the CAB. The designated airline(s) of either country will be allowed to operate up to 14 weekly rescheduled round trip frequencies between Manila and Osaka and/or Nagoya; six weekly frequencies between DMIA and Osaka and/or Nagoya; 10 weekly round trip frequencies between Manila and Fukuoka; 28 weekly frequencies between RP (except Manila-Tokyo)-Japan.

RP-Russia — The air negotiation with Russia resulted in the signing of memorandum of understanding (MOU) providing for a new basic ASA and route annex. From an agreed route schedule in 1992 of one point in RP and one point in Russia, it was increased to three points in RP and three to Russia. It was held in Manila on Dec. 10-11.

RP-Yemen — It was held in Manila on Dec. 16-17. No result yet.

Two ASEAN Multilateral Agreements on Air Services and Full Liberalization of Air Freight Services were signed by the ASEAN Transport Ministers at Malacanang last Nov. 6, during the 14th ASEAN Transport Ministers meeting. It was witnessed by the President.

The Multilateral Agreement on Air Services will facilitate air services and their related activities to complement the other transport liberalization efforts in ASEAN by removing restriction on a gradual basis, so as to achieve greater flexibility in the operation of air services in ASEAN.

The Multilateral Agreement on the Full Liberalization of Air Freight Services will facilitate air freight services, to complement the other transport facilitation and liberalization efforts in ASEAN by removing restriction on a greater basis. (PNA)/ **By Lynda B. Valencia**

Towards quality air transport service (Aviation)

MANILA.(PNA) — If travel by sea is the cheapest, by air is the fastest. Today, foreign travelers and cargo enter the Philippines by air through at least seven airports.

Now, more foreign airlines are flying in through the Diosdado Macapagal International Airport (DMIA) at Clark Freeport Zone in Pampanga; Subic Bay International Airport (SBIA), as well as that in Kalibo, Aklan, among others.

As new routes open up, new airports and the upgrading of existing ones now take up commercial operation time of 24 hours/seven days a week. A total of 31 airports across the country are being upgraded into international standards to accommodate bigger aircraft and the increased number of passengers.

Last July 22, 2008, the Ninoy Aquino International Airport (NAIA) Terminal 3 initiated its start-up operation that involved about eight domestic flights from Cebu Pacific (CEB), Pacific Air and were subsequently followed by other domestic flights from PAL Express and Air Philippines, the two (PAL Express and Air Philippines) make the largest operator at Terminal 3.

On Aug. 1, CEB

started its international operations at NAIA 3, with President Gloria Macapagal-Arroyo among the principal passengers. It was actually the second time for her to fly into Terminal 3. Last June 30, she was among the first passengers to deplane at the facility when her PAL Boeing 747-400 arrived at 2:50 a.m. from San Francisco, the last stop on her state visit to the United States.

The DMIA Passenger Terminal I rehabilitation and expansion totaled Php151.8 million. It was completed on March 31 and was inaugurated by the President on April 4.

The project involved the expansion of pre-departure/arrival area and improvement of the building's interior and exterior façade.

It currently operates 39 international flights per week with an average of 21,000 passengers per day departing and arriving at the passenger terminal.

The new Bacolod (Silay) Airport was completed to the tune of Php5.692 billion. It was opened

for operations on Jan. 18.

The Busuanga Airport in Coron, Busuanga Island, Palawan was constructed using Php160 million Grant from Korean International Cooperation Agency and Php40 million national government funds.

The airport was completed on Oct. 31 and was inaugurated by the President on Nov. 17.

The total project cost of the Laguindingan Airport Development Project is Php5.386 billion. It involves the development of a new airport of international standard at Laguindingan, Misamis Oriental.

It commenced construction on Jan. 18 and is 13.33 percent complete as of Nov. 30, 2008.

There were 13 air services agreements (ASAs) completed in 2008, which resulted in increased capacity entitlements for passenger and cargo services, making available additional seat capacities for the country's airlines and greater access to domestic tourism destinations. The air agreements include:

The RP-Palau bilateral ASA, signed in 2003 and amended on April 2 at Malacanang, seeks to in-

THE JUNCTION WEEKEND

Providing Metro Manila and the outskirts a modern mass transport rail and railway system

MANILA, — The Department of Transportation and Communications (DOTC) has focused its attention to the country's rail and railways system.

DOTC Secretary Leando R. Mendoza said for 2008, the department's program for its railway operations and development has been in the expansion, extension, rehabilitation, and construction.

For Line I North Extension Project, closing the Metro Rail Transit (MRT) 3 and Light Rail Transit (LRT) I loop, the department has allotted some Php6.32 billion.

The project involves the con-

struction of a 5.71-kilometer elevated seamless line from Monumento station of Line 1 to North Avenue station of Line 3.

The DOTC has secured from the Department of Public Works and Highways (DPWH) excavation and ground-ing permits with 32 tests pits excavated at Caloocan area and 34 bored piles done in Balintawak area.

Procurement process, at the same time, is ongoing for the electrical and mechanical systems for packages EMS-Package C (revised), EMS-1 (signal), MES-3 (automated fare collection), and

EMS-4 (track works).

Mendoza said MRT 3 will not increase its fares to help commuters cope with the current economic realities but hastened to add that the government is looking at the possibility of buying decommissioned but available second-hand trains from Europe. "The mass rail systems in Europe, particularly in Venice, Austria and Germany, had changed their trains and we are looking at buying the old trains."

The department is also looking at buying brand new trains. Industry pricing for brand new train coach is about US\$ 3 million. "So if the government wants to buy 73 trains, then just multiply that by US\$ 3 million and you get

Cont. on page 8

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