

SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

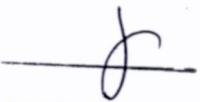
SENATE



P. S. RES. NO. 602

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

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**RESOLUTION**

**DIRECTING THE SENATE COMMITTEE ON BANKS, FINANCIAL INSTITUTIONS AND CURRENCIES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE POSSIBLE VIOLATION OF REPUBLIC ACT NO. 9160, AS AMENDED, OTHERWISE KNOWN AS THE ANTI-MONEY LAUNDERING ACT (AMLA) BY NO LESS THAN PRESIDENT RODRIGO ROA DUTERTE AND MAYOR SARA DUTERE-CARPIO BASED ON THE BANK DOCUMENTS SHOWING UNDISCLOSED 'COVERED TRANSACTIONS' AS DEFINED BY THE AMLA, WITH THE END IN VIEW OF RECOMMENDING LEGISLATIVE MEASURES TO PROMOTE EFFICIENT COMPLIANCE WITH THE AMLA AND FURTHER IMPROVING THE SAID LAW**

**WHEREAS**, it is the State's policy to protect the integrity and confidentiality of bank accounts, and ensure that the Philippines is not used as a money-laundering site for proceeds of unlawful activities;

**WHEREAS**, on 29 September 2001, Republic Act No. 9160 or the Anti-Money Laundering Act (AMLA) was enacted into law. It was amended two years after through Republic Act No. 9194, which lowered the amount of covered transactions, defined suspicious transactions, and provided additional functions for the Anti-Money Laundering Council (AMLC);

**WHEREAS**, on 15 February 2013, Republic Act No. 10365 further amended the AMLA by expanding the list of institutions covered, and the unlawful activities or predicate offenses, among others. The most recent amendment to AMLA was made on 25 July 2016 through Republic Act No. 10927, which seeks to strengthen the enforcement and compliance to the law;

**WHEREAS**, despite numerous attempts to improve the AMLA, violations thereof have been frequently perpetuated and remain undiscovered;

**WHEREAS**, on 21 January 2018, investigative group, VERA Files, published a report relating how President Rodrigo Duterte, and his daughter, Davao Mayor Sara Duterte-Carpio, failed to fully disclose, in their Statement of Assets, Liabilities, and Net Worth (SALN) for the past

years, their joint deposits and investments under the Bank of Philippine Islands which exceeded P100 million<sup>1</sup>;

**WHEREAS**, according to the bank records released by VERA Files, the transactions of the Dutertes in BPI, initially in the Greenhills-EDSA branch and later the Julia Vargas branch, included the following:

- A P48.17 million placement in 2006 that grew to P55.13 million by 2013
- A P40.55 million investment in 2009 that stood at P41.72 million in 2013
- About \$220,000, roughly P10 million, from 2006 to 2012
- The purchase of P80 million in insurance policies in 2014
- A P16.85 million investment begun in 2014<sup>2</sup>

**WHEREAS**, Rule 3 of the Revised Implementing Rules and Regulations (RIRR) of RA 9160, as amended, defined covered transaction as: *“(1) A transaction in cash or other equivalent monetary instrument exceeding Five Hundred Thousand pesos (Php500,000.00) or (2) A transaction exceeding One Million pesos (Php1,000,000.00) in cases of jewelry dealers, dealers in precious metals and dealers in precious stones.”*<sup>3</sup>;

**WHEREAS**, as the highest-ranking official of the land, President Rodrigo Duterte, and Mayor Sara Duterte-Carpio, as the elected City Mayor of Davao City, are classified by the AMLA as *“politically exposed persons”* (PEP) under the law and its implementing rules and regulations, thus:

*“Politically Exposed Person” (PEP) refers to an individual who is or has been entrusted with prominent public position in...the Philippines with substantial authority over policy, operations or the use or allocation of government-owned resources...The term PEP shall include immediate family members, and close relationships and associates that are reputedly known to have: 1. Joint beneficial ownership of a legal entity or legal arrangement with the main/ principal PEP; or 2. Sole beneficial ownership of a legal entity or legal arrangement that is known to exist for the benefit of the main/principal PEP...”*

**WHEREAS**, on 24 January 2018, President Rodrigo Duterte told the media that he is open for any investigation by the Congress on the reports questioning his wealth<sup>4</sup>;

**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved, to direct the Senate Committee on Banks, Financial Institutions and Currencies to conduct an inquiry, in aid of legislation, into the possible violation of Republic Act No. 9160, as amended, otherwise known as the Anti-Money Laundering Act (AMLA), by no less than President Rodrigo Roa Duterte

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<sup>1</sup> Vera Files. (21 January 2018). *Duterte, Sara fail to declare P100M investments, documents show*. Retrieved from <http://verafiles.org/articles/duterte-sara-fail-declare-p100m-investments-documents-show-1>

<sup>2</sup> Vera Files. (21 January 2018). *Duterte, Sara fail to declare P100M investments, documents show*. Retrieved from <http://verafiles.org/articles/duterte-sara-fail-declare-p100m-investments-documents-show-1>

<sup>3</sup> Retrieved from <http://www.amlc.gov.ph/laws/money-laundering/2016-revised-implementing-rules-and-regulations-of-republic-act-no-9160-as-amended>

<sup>4</sup> Corrales, N. (24 January 2018). *Duterte: ‘Billions?’ Investigate me to stop ‘endless suspicion’*. Retrieved from <http://newsinfo.inquirer.net/963308/duterte-investigate-probe-wealth-bank-statement>

and Mayor Sara Duterte-Carpio based on the bank documents showing undisclosed 'covered transactions' as defined by the AMLA, with the end in view of recommending further legislative measures to promote efficient compliance with the AMLA and further improving the said law.

Adopted,

  
ANTONIO "SONNY" F. TRILLANES IV  
*Senator*