

(b) Competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in public bidding.

(c) Streamlined procurement process that will uniformly apply to all government procurement. The procurement process shall be simple and made adaptable to advances in modern technology in order to ensure an effective and efficient method.

(d) System of accountability where both the public officials directly or indirectly involved in the procurement process as well as in the implementation of procurement contracts and the private parties that deal with government are, when warranted by circumstances, investigated and held liable for their actions relative thereto.

(e) Public monitoring of the procurement process and the implementation of awarded contracts with the end in view of guaranteeing that these contracts are awarded pursuant to the provisions of this Act and its implementing rules and regulations, and that all these contracts are performed strictly according to specifications”;

WHEREAS, Republic Act 10349 or the Revised AFP Modernization Act was enacted for the purpose of the continued modernization of all the branches of the AFP;

WHEREAS, on December 29, 2013, the joint venture of the American firm *Rice Aircraft Services Inc.* and Canadian company *Eagle Copters Ltd.* won the contract for the supply and delivery of 21 Huey helicopters for USD 1.3 million each thru a negotiated contract after the three previous bidding failed;¹

WHEREAS, several issues were raised questioning the regularity of the said procurement and other breach of the contract committed by the parties to the disadvantage of the government;

WHEREAS, there is an alleged discrepancy as to the helicopter model purchased between the actual model that has been delivered and received by the government. There are also issues on the delay and non-compliance with the delivery schedule which can amount to the termination of the procurement contract;

WHEREAS, the most alarming issue is that the air worthiness and proficiency of said helicopters are being questioned. There were reports that

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<https://web.archive.org/web/20150724083852/http://www.philstar.com/headlines/2013/12/29/1272982/us-canada-firms-bag-paf-huey-deal>

said units are defective and cannot be utilized by the AFP in accordance with the purpose it was intended;

WHEREAS, series of hearing were already conducted on 2015 dated May 6, May 20, June 9 and July 7 by the Blue Ribbon committee regarding the said issue but unfortunately, no committee report was submitted;

WHEREAS, recently one of the said helicopters crashed wherein a Philippine Air Force (PAF) pilot was killed along with his two crewmen while another one was injured in Tanay, Rizal Wednesday. First Lieutenant Xy-zon Meneses, 2nd Infantry Division (2ID) Public Affairs Office chief, said the mishap happened 3 p.m., May 4, 2017 at Sitio Hilltop, Barangay Sampaloc, Tanay, Rizal.;²

WHEREAS, this kind of anomaly placed the government in a very disadvantageous position and that the envisioned modernization of the AFP will never be attained. The said irregularities do not only hamper the operations of the AFP but also endangers the lives of our soldiers;

WHEREAS, this investigation aims to protect the interest of the Government, especially the taxpayers and to hold accountable the erring officials;

NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved, to direct the Senate Committee on Public Officers and Investigations (Blue Ribbon) to conduct an inquiry and comprehensive investigation, in aid of legislation on the procurement of the twenty-one (21) UH 1H refurbished helicopters and the alleged irregularities in line with the modernization of the Armed Forces of the Philippines (AFP).

Adopted,



VICENTE C. SOTTO III
Senator

² <http://www.sunstar.com.ph/manila/local-news/2017/05/04/3-killed-military-helicopter-crash-tanay-rizal-540008>