

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 2155



Introduced by HON. AMADO T. ESPINO, JR.

EXPLANATORY NOTE

The fast changing world brought about by the rapid advancement in technology and the advent of the era of globalization has resulted in the rapid mobility of persons, money, information, ideas, and commodities. These developments were seen as instrumental in bringing about global progress, world peace and stability. However, a new unforeseen threat to the security of nations emerged – the phenomenon of transnational crime (TNC), a serious crime that has transnational dimension and perpetrated by organized criminal group across and within borders.

The Philippines is not spared from these criminal activities. The country continues to be a source, transshipment point for trafficked and smuggled persons. Illicit trafficking of illegal drugs and psychotropic substances into the country remain unabated. Money laundering, arms smuggling, piracy, credit card, securities and bank frauds, and cyber crimes continue to threaten the security and stability of the country. Terrorism continues to challenge and threaten our peaceful existence.

At the international level, efforts are being undertaken to combat and suppress the proliferation of TNC. International cooperation through bilateral and multilateral agreements between and among nations is encouraged to effectively address the problem. The United Nations has adopted several international instruments against TNC. At the regional Level, The ASEAN has issued the Manila Declaration in December, 1997 aimed at strengthening the commitment of member nations in combating TNC through policy coordination and information exchange.

The growing sophistication of transnational crime demands a concerted, synchronized and focused effort from all law enforcement, intelligence and concerned agencies of the government. However, due to seemingly duplication, rivalry and unorchestrated efforts of law enforcement agencies, there is a need to link, coordinate the missions, functions, and responsibilities of the various supporting agencies to effectively address the transnational crime. The individual efforts of the concerned agencies should harmoniously complement one another.

Hence there is a need for a central authority on transnational crime that will among others:

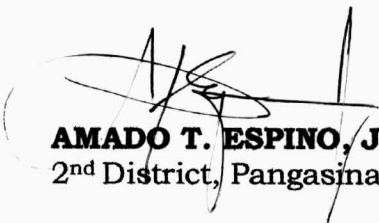
1. coordinate and synchronize the efforts of all law enforcement and intelligence and other concerned agencies of the government to effectively combat transnational crime;
2. concretize cooperation, orchestrate concerted operations, and date resource sharing between and among local agencies and with foreign countries and international organizations involved in the crusade against transnational crime;
3. establish a central database of information on all forms of transnational crime for the purpose of coming-up with intelligence analysis, typologies and trends and for sharing with all local and international law enforcement agencies subject to existing policies and guidelines;
4. serve as the focal point of contact of foreign governments and law enforcement agencies on matters pertaining to transnational crime; and
5. provide and analyze the national situation concerning transnational crime and recommend policy and program adjustment to effectively combat transnational crime.

Moreover, with the eventual ratification by the Philippine government of the UN Convention Against Organized Transnational Crime, the continued and more or less permanent existence of the Center is deemed necessary in order to assist the government in translating the country's commitment into action.

Thus, this act institutionalizes, strengthens and expands the organization and operations of the Philippine Center on Transnational Crimes, the principal government agency on transnational crime,

created by virtue of Executive Order No. 62, series of 1999. It further defines the powers and functions of the Center, including its organizational structure.

Considering the importance of this bill, I earnestly recommend its early approval.



AMADO T. ESPINO, JR.
2nd District, Pangasinan

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HOUSE BILL NO. 2155

Introduced by HON. AMADO T. ESPINO, JR.

AN ACT
INSTITUTIONALIZING THE PHILIPPINE CENTER ON
TRANSNATIONAL CRIME, STRENGTHENING AND
REDIFINING ITS ORGANIZATION AND OPERATIONS,
AND FOR OTHER PURPOSES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

Chapter I

GENERAL PROVISIONS

SECTION 1. **Title** – This Act shall be known as the
“**Philippine Center on Transnational Crime Act of 2004.**”

SECTION 2. **Declaration of Policy** – It is hereby declared the policy of the of the State to combat all forms of transnational crime, promote global cooperation and coordination, and ensure a safe and peaceful place to live in. In this regard the government shall:

- a) coordinate and synchronize the efforts of all law enforcement, intelligence and other concerned agencies of the government to effectively combat transnational crime;
- b) establish a center necessary to concretize cooperation, orchestrate concerted operations, and data resource sharing between and among local agencies and with foreign countries and international organizations involved in the crusade against transnational crime; and
- c) establish a central database of information on all forms of transnational crime for the purpose of coming-up with

intelligence analysis, typologies and trends and for sharing with all local and international law enforcement agencies subject to existing policies and guidelines.

SECTION 3. Definition of Terms – The following terms shall be defined as:

- (a) **Center** – refers to the Philippine Center on Transnational Crime.
- (b) **Transnational Crime** – refers to a serious crime which is usually committed by an organized criminal group for profit and which has international dimensions, such as, but not limited to the following:
 - (i) the offense is committed within two or more jurisdictions;
 - (ii) the members of the criminal group are nationals of two or more jurisdictions;
 - (iii) the offense is committed in one jurisdiction, but the victim is a national or entity of another jurisdiction;
 - (iv) the offense is committed in one jurisdiction but planned, directed and controlled in another jurisdiction.
- (c) **Drug Trafficking** – includes the following prohibited acts:
 - (i) the production, manufacture, extraction, preparation, offering, offering for sale, delivery on any terms whatsoever, brokerage, dispatch, dispatch in transit, transport, importation or exportation of any narcotic drug or any psychotropic substance;
 - (ii) the cultivation of opium poppy, coca bush or cannabis plant for the purpose of the production of narcotic drugs;
 - (iii) the possession or purchase of any narcotic drug or psychotropic substances;
 - (iv) the manufacture, transport or distribution of equipment, materials or of substances, knowing that they are to be used in or for the illicit cultivation, production or manufacture of narcotic drugs or psychotropic substances;
 - (v) the organization, management or financing of any of the offenses enumerated above.

- (d) **Money Laundering** – refers to the conversion or transfer of property knowing that such property is derived from criminal offense, for the purpose of concealing or disguising the illicit origin of the property or assisting any person who is involved in the commission of such offense, or offenses to evade the legal consequence of his action.
- (e) **Terrorism** – refers to the intentional use of force, violence, threat or intimidation or destruction of lives and property with the objective of creating a state of fear in the public mind to achieve a purported political end, to coerce or influence their behavior, to undermine the confidence of the general public on the government.
- (f) **Trafficking in Person** – refers to the recruitment, transfer and deployment of persons, particularly women and children, through legal and illegal means, with or without the victims consent or knowledge, within or across national borders, often involving coercion, abuse of authority, debt bondage, deception and for settlement, work or services, characterized by forced labor, slavery-like practices and prostitution.
- (g) **Piracy** – refers to any act of violence or detention, or any act of depredation, committed for private ends by the crew or passengers of a private ship and directed on the high seas or in a place outside the jurisdiction of any state.

SECTION 4. **Institutionalization** – To carry out the declared policy of the State, the Philippine Center on Transnational Crimes (PCTC) created by virtue of Executive Order No. 62, series of 1999, is hereby institutionalized, its functions and organizational structure strengthened and redefined. It shall serve as the principal agency of the government in combating transnational crimes and shall be principally responsible in orchestrating police actions of local agencies as well as counterpart agencies, foreign countries and international organizations involved in fighting and preventing transnational crimes. It shall be attached under the National Security Council.

SECTION 5. Powers and Functions – The Center shall have the following powers and functions:

- (a) Formulate and implement a concerted program of action of all law enforcement, intelligence and other government agencies for the prevention and control of, but not limited to, the following transnational crimes:
 - (i) Trafficking in Person;
 - (ii) Money Laundering;
 - (iii) Cybercrimes;
 - (iv) Fraud and Counterfeiting Currency;
 - (v) Terrorism;
 - (vi) Smuggling;
 - (vii) Piracy;
 - (viii) Illicit trafficking of narcotic drugs and psychotropic substances; and
 - (ix) Other crimes that have political, economic and socio-cultural impact on the security and stability of the country.
- (b) Establish a shared central database on matters pertaining to transnational crimes;
- (c) Supervise and control the conduct of anti-transnational crime operations of all government agencies and instrumentalities;
- (d) Exercise general supervision and control over the INTERPOL National Central Bureau-Manila and the Police Attaches of the PNP;
- (e) Establish a central database on national as well as international legislation and jurisprudence on transnational crime, with the end view of recommending measures to strengthen responses and provide immediate intervention for the prevention, detection and apprehension of criminals operating in the country;
- (f) Establish a center for strategic research on the structure, typologies and dynamics of organized transnational crime in all its forms, predict trends and analyze relationship of given factors for the formulation of individual and collective strategies for the prevention and detection of transnational organized crime and for the apprehension of criminal elements.

- (g) Explore and coordinate information exchanges and training with other government agencies, foreign countries and international organizations involved in the combat against transnational crime;
- (h) Serve as the focal agency and contact point of all foreign governments and other international and regional organizations on all matters relating to transnational crime;
- (i) Cause and direct investigation, effect arrest and seizure, and assist in the prosecution of criminal elements;
- (j) In aid of its authority to investigate, issue subpoena *ad testificandum* and subpoena *duces tecum*; and
- (k) Enlist the assistance of any department, bureau, office, agency or instrumentality of the government, including government-owned and controlled corporations, to carry out its functions, including the use of their respective personnel, facilities and resources.

Chapter II

ORGANIZATION OF THE CENTER

SECTION 6. Executive Director – The Center shall be headed by an Executive Director who shall be appointed by the President upon the recommendation of the Director-General of the National Security Council. He shall have the rank, privileges and emoluments of an Undersecretary.

The Executive Director shall have the following functions;

- (a) Establish and administer the policies and standards for the effective and efficient operation of the Center in accordance with the programs and thrusts of the Government;
- (b) Exercise direct supervision and control over all functions and activities of the Center, as well as over its officers and personnel;
- (c) Appoint other officers and employees of the Center; and

- (d) Create, abolish or reorganize its divisions and such other service units as may be deemed necessary.

SECTION 7. Deputy Executive Directors. – The Executive Director shall be assisted by two (2) Deputy Executive Directors, one (1) Administration and one (1) for Operations, who shall also be appointed by the President upon the recommendation of the Director-General of the National Security Council. They shall have the rank, privileges and emoluments of an Assistant Secretary.

The Executive Director shall designate either of the Deputy Executive Directors in case of his absence or temporary incapacity.

SECTION 8. Qualifications – The Executive Director and Deputy Executive Directors shall have the following qualifications:

- (a) Advance degree, preferably Ph.D. in any of the following areas: International Relations, National Security, Public Safety, Public Administration, Political and Social Science, Economics;
- (b) At least 15 years experience in dealing with a wide spectrum of law enforcement and an exemplary track record of service in the academic, government and/or international organizations;
- (c) At least 10 years in a supervisory capacity with proven managerial and leadership abilities. Ability to lead and manage activities in a broad range of areas of local and international cooperation covering law enforcement;
- (d) With experience in development planning and project formulation;
- (e) Familiarity with and broad exposure to regional and international issues and developments;
- (f) Ability to conduct concise policy briefings and prepare policy papers;
- (g) Preferably at least 40 years of age; and
- (h) Equivalent rank of Police Deputy Director General for the Executive Director and Police Director for the Deputy Executive Directors.

SECTION 9. **Divisions** – There shall be created six (6) divisions. In the Center, namely: Administrative and Support Services Division, Legal Affairs Division, Human Resource Development and Planning Division, which shall be under the Office of the Deputy Executive Director for Administration; the Security and Investigation Division, Operations Division and Research and Technology Division, which shall be under the Office of the Deputy Executive Director for Operations.

Each division shall be headed by a Director who shall be appointed by the Executive Director. They shall have the rank, privileges and emoluments of a Director IV.

The said division shall be supported by operating units and support staff as may be determined by the Executive Director.

SECTION 10. **Administrative and Support Services Division.** – It shall formulate and supervise the implementation of personnel and administrative policies, rules and regulations, provide administrative and logistical support, manage logistical and financial resources, prepare annual budgetary requirements, maintain and manage an effective record system and perform other functions as may be directed by the Executive Director.

SECTION 11. **Legal Affairs Division** – It shall provide assistance to the Center on legal issues affecting the performances of its functions, conduct legal researches on cases brought by operating units in order to come up with legal strategy for the effective and efficient disposition of the said cases, coordinate with legal entities of different government agencies in the enhancement of legal counter measures on transnational crimes, conduct coordination and networking activities with Congress for the formulation and passage of laws essential to PCTC functions, review proposed bilateral and multilateral agreements on transnational crime, coordinate with the Department of Justice for the effective prosecution of offenders, monitor cases of extradition, deportation and any other sensational transnational cases, maintain and keep records of all pertinent laws, international instruments and agreements pertaining to transnational crime, and perform other functions as may be directed by the Executive Director.

SECTION 12. **Human Resource Development & Planning Division** – It shall design and establish planning processes and methodologies which will particularly enhance the efficiency and effectiveness of the Center, come up with a national plan against transnational crime and continuously update the same, formulate

and implement plans, programs and projects to enhance the national capability in combating transnational crime, continuously review and update the organizational structure of the Center, conduct strategic researches, studies and develop information system for effective planning and policymaking and perform other functions as may be directed by the Executive Director.

SECTION 13. Security and Investigation Division – It shall conduct intelligence and investigate activities and operations on transnational crime, prepare intelligence estimates, summaries, assessments, briefings and reports on transnational crime for use of operating units, produce accurate and timely intelligence analysis and trends, initiate intelligence exchange with various international organization and law enforcement agencies of other countries, formulate and supervise counter-intelligence and security measures, and perform other functions as may be directed by the Executive Director.

SECTION 14. Operations Division – It shall coordinate, supervise and control the conduct of operations against transnational crimes by law enforcement and intelligence agencies, orchestrate efforts of government agencies in the collection, handling and maintenance of information and intelligence on transnational crime, acts as the primary channel of communication and point of contact between the Center and other intelligence and law enforcement agencies including foreign counterparts and attaches, conduct a periodic evaluation of the operational readiness of the various law enforcement agencies engaged in anti-transnational crime operations and perform other functions as may be directed by the Executive Director.

SECTION 15. Research and Technology Division – It shall conduct researches on matters affecting transnational crime, collate, evaluate and process all information on transnational crime including the personalities, organization and modus operandi of transnational crime organizations and syndicates, maintain and update data base information system, manage and maintain the communications and electronic equipment and facilities, promote information technology awareness and literacy among personnel and perform other functions as may be directed by the Executive Director.

SECTION 16. External Affairs Management Staff – It shall manage and perform all the Secretariat functions of the Center and conduct networking and liaison activities with other countries and international organizations to promote and enhance international cooperation.

SECTION 17. **Field Offices** – The Center shall establish such number of field offices as may be deemed necessary by the Executive Director.

SECTION 18. **Training Institute** – The Center shall establish and operate training institute for law enforces and other personnel who may be involved in anti-transnational crime operations. It shall develop appropriate curriculum to enhance the skills of law enforcers and the management of anti-transnational crime operations.

SECTION 19. **Office of the Professional Responsibility** – The Center shall establish an Office of Professional Responsibility that shall function as the internal investigative body to probe erring organic personnel. It shall promote and ensure high professional standards and conduct among the officers and employees of the Center. It shall also serve as the Grievance Committee of the Center.

SECTION 20. **Staffing Pattern** – The Executive Director shall fix its staffing pattern, determine the duties and qualifications, responsibilities and functions as well as the compensation scheme for the positions to be created within one hundred twenty (120) days from the approval of this Act.

SECTION 21. **Compliance with the Salary Standardization Law** – The compensation and emoluments of the officials and employees of the Center shall be in accordance with the Salary Standardization Law and other applicable laws under the national compensation and classification plan.

CHAPTER III

APPROPRIATIONS

SECTION 22. **Appropriations**– Financial allocations as may be necessary for the implementation of this Act shall be taken from the current fiscal year appropriations of the Office of the President and/or such amounts as the President of the Philippines may allocate from other resources in accordance with law. Thereafter, the amount of ONE HUNDRED MILLION PESOS (PhP 100,00,00000.000) shall be included in the annual General Appropriations Act in the following manner: First year, FIFTY MILLION PESOS (PhP 50,000,000.0000); Second year, SEVENTY FIVE MILLION PESOS (PhP 75,000,000.00), and: Third year, ONE HUNDRED MILLION PESOS (PhP 100,000,0000.00).

CHAPTER IV

MISCELLANEOUS PROVISIONS

SECTION 23. Transitory Provisions – The incumbent officers and personnel of the Center shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive their corresponding salaries and benefits until such time when the organizational structure and staffing pattern shall have been approved: *Provided*, That the preparation and approval of the new organizational structure and staffing pattern shall, as far as practicable, respect and ensure the security of tenure and seniority rights of affected employees; *Provided, further*, That nothing herein shall prejudice vested rights existing prior to the approval of this Act.

The personnel whose positions are not included in the new staffing pattern or who are not reappointed or who choose to separate as a result of the reorganization shall be paid their separation or retirement benefits under existing laws.

SECTION 24. Retirement and other Benefits – For purposes of retirement, uniformed officers and personnel of the Center shall be covered by the retirement plan of the PNP, unless they opt to separate or have retired from the police service, in which case they shall be covered by the existing retirement system of the government as in the case of non-uniformed or civilian employees of the Center.

All officials and employees of the Center, whether uniformed or non-uniformed, shall be entitled to other benefits that are and/or may be granted to PNP personnel.

SECTION 25. Coordinating Instructions – The Philippine National Police (PNP) shall continue to be the primary general law enforcement agency of the country pursuant to Republic Act No. 6975, as amended. However, on matters pertaining to organized transnational crime, the Center shall be primarily responsible. Accordingly, close coordination shall be undertaken by the Executive Director of the Center, the Chief PNP, the National Bureau of Investigation (NBI) Director and the heads of other concerned government agencies, to ensure synergy in overall anti-transnational crime campaign.

SECTION 26. Relationship with Other Government Departments – The Center shall enjoy preferential attention from other departments and agencies, with proper endorsement from the

Office of the President or the Director General of the National Security Council relative to the conduct of research, coordination, operation, investigation, and in the matter of providing database information relevant to the effective combat of transnational crime.

SECTION 27. **Tasking Powers** – The Executive Director, with the proper endorsement or authority granted by the President or the Director General of the National Security Council, shall have the tasking authority over all law enforcement agencies and other government entities for the conduct of operation and other relevant anti-transnational crime activities.

SECTION 28. **Repealing Clause** – All laws, presidential decrees, executive orders, and rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 29. **Separability Clause** – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 30. **Effectivity Clause** – This Act shall take effect after the completion of its publication in at least two (2) national papers of general circulation.

APPROVED,