

By FEDERICO D. PASCUAL Jr.

PCGG fund scandals keep haunting Sabio

WHO POCKETED IT?: Chairman Camilo L. Sabio of the Presidential Commission on Good Government must be having sleepless nights, with the PCGG being accused of milking sequestered companies by the millions instead of preserving their assets.



Sabio himself is in the center of allegations that money has been made from companies suspected of being owned by the late Ferdinand Marcos through cronies.

Just last April 25, businessman Jose Ma. Ozamiz, a director of the Philcomsat Holdings Corp., asked Sabio in a letter to explain two documented cases of questioned PHC disbursements:

1. The PCGG received P1 million in 2004 from the PHC, a non-sequestered company. Who were the true recipients of the P1 million booked as "Cash-PR (for ELL to PCGG)"?

2. The PHC also gave P60,000 to PCGG in March 2005, allegedly for Sabio, in "gratitude" for his blocking the listing in the Philippine Stock Exchange of a large number of PHC common shares.

BUCK-PASSING: Ozamiz, who owns 2.7 million PHC shares, is the chairman of the firm's audit committee. In his letter, he told Sabio:

"The records obtained from the PHC offices formerly under the control of your nominee, Enrique L. Locsin, show that the P1 million was coursed through Mr. Locsin and given to the PCGG in 2004, or prior to the assumption by Commissioner Nicasio Conti of his position in the PCGG in 2005."

Conti was mentioned because Sabio said under oath in December 2006 before the House committee on oversight chaired by Rep. Danilo Suarez that the money went to Conti.

Citing the sequence of events, Ozamiz said the recipient could not have been Conti because the latter was not yet PCGG commissioner at the time. Who got the money then?

SEC FACILITATION: Ozamiz pointed out: "It was in 2004 that the PCGG appointed Mr. Locsin as its proxy of the IRC (Independent Realty Corp.) and Mid-Pasig Development Corp., the entities you presumed to be the shareholders for the government in POTC. If you read the Supreme Court decision (with finality) G.R. Nos. 141796 and 141804, both IRC and Mid-Pasig ceased to be shareholders of POTC as of January 2000.

"Moreover, it was in 2004 that Mr. Locsin and his cohorts manipulated the SEC (Securities and Exchange Commission) through its mandated Nomelec to get themselves — the three PCGG nominees and one ex-nominee — elected to the board of directors of PHC, a non-sequestered company. The PHC records also show certain amounts were paid to the SEC for this 'facilitation.'

"As you (Sabio) were already with the PCGG at that time, any information as to the true recipient of the P1 million in funds notated as "Cash-PR (for ELL to PCGGs)" can be only answered by either Mr. Locsin (ELL) or yourself."

The Philippine STAR **OPINION**

SABIO SIGNED IT: Ozamiz continued: "Mr. Locsin's PHC records also reveal that P60,000 was ordered by, and presumably coursed through him, in March 2005, to be given to you as 'one way of showing (our) gratitude for supporting (our) position in the suspension of listing of Philcomsat Holdings Corp. shares in the Philippine Stock Exchange.'

"Notwithstanding the unanimous approval of the PHC board and stockholders, as well as the SEC, you blocked the then-pending application for the listing of the shares of PHC, an unsequestered company, without even understanding the implications of such an act.

"It is your name with your signature on the letter requesting such suspension, to the detriment of the Republic of the Philippines, PHC's largest beneficial shareholder."

INNOCENT VICTIMS: Ozamiz said further: "Based on the then-market price of PHC shares of P1/share, the implied worth of PHC shares owned by Philippine Communications Satellite Corp. (Philcomsat) was approximately P790,500,000, which value could not then, and still cannot, be realized as a result of your incomprehensible action.

"You then signed a second letter dated June 7, 2005, which you could not even recall during the House committee hearing, let alone explain. The deferral or suspension of the listing of these shares has caused such grave damage to Philcomsat, the 80-percent owner of PHC, as these shares are deemed unmarketable, and hence, worthless.

"Moreover, that egregious act of yours has also prevented other innocent shareholders of the still-unlisted PHC shares, like myself, an owner of 2.7 million PHC shares, from trading our shares and realizing their value.

"You committed during that December 6, 2006, House committee hearing to look into this serious matter involving an unsequestered company. However, you have done nothing to date."

PROOF NEEDED: Philcomsat used to be the country's premier satellite telecommunications firm. In 1987, the PCGG sequestered the shares of Roberto Benedicto, Jose Africa, Manuel Nieto, Honorio Poblador, Juan Ponce-Enrile and Potenciano Ilusorio in Philcomsat and its mother company, the Philippine Overseas Telecommunications Corp.

After 13 years of litigation, the only proof of ill-gotten wealth that the PCGG had was an admission by Marcos crony Jose Campos that two corporations — IRC and Mid-Pasig holding about 40 percent of POTC and Philcomsat — were Marcos-owned.

In January 2000, the Sandiganbayan ruled that 35 percent belonged to the government and 5 percent to Ilusorio. It directed POTC/Philcomsat to nullify the IRC and Mid-Pasig shares and issue them in favor of the Republic and Ilusorio.

With case dismissals and compromise agreements between the PCGG and various parties, 106 shares owned by Nieto and one share owned by Africa (out of the 13,527 total shares, or 0.78 percent of POTC/Philcomsat) remain sequestered.

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