

2 former Philcomsat execs charged with graft

By TJ Burgonio

FOR COLLECTING exorbitant pay and other perks from 2003 to 2005, two nominees of former President Gloria Macapagal-Arroyo to govern-

ment-sequestered corporations yesterday were charged with graft before the Sandiganbayan.

The Ombudsman filed charges against Enrique L. Locsin and Manuel D. Andal

for violation of the Anti-Graft and Corrupt Practices Act.

Both were nominees to the Philippine Communication Satellite Corp. (Philcomsat) and Philippine Overseas Telecommunications Corp. (POTC), corporations sequestered by the Philippine Commission on Good Government.

"The respondents, instead of performing their duty as government nominees ... became a party to gross mismanagement ... by siphoning the funds for their own benefit in the guise of allowances," the Ombudsman said in its resolution.

The Ombudsman charged that Locsin and Andal received "grossly exorbitant salaries" of P300,000

per year, or P900,000 over the three-year period, way beyond the P180,000 annual pay allowed by Memorandum Circular No. 40.

The pair also enjoyed P550,000 annual travel allowance, it said.

Locsin and Andal had "unexplained reimbursements" covering representation and transportation expenses, consultancy fees and various cash advances from the Philcomsat Holding Corp. (PHC) amounting P15 million and P11 million, respectively, the Ombudsman said.

"Through evident bad faith," they caused undue injury to the government, PHC, Philcomsat and POTC and public interest, it said.

The Ombudsman said a preliminary investigation of the case was conducted, and that there was sufficient ground "to engender a well-founded belief that the offense has been committed" and that the accused were probably guilty of this.

The government owns 4,727 shares in the POTC, and is entitled to 35 percent of POTC's capital stock and by extension, of POTC's wholly owned subsidiary Philcomsat. It also has interest of more than 28 percent in PHC, which is 81-percent owned by Philcomsat.

The matter was the subject of inquiry by the Senate five years ago.

During the Senate investigation of the dissipation of assets of the sequestered corporations in 2006, Sen. Juan Ponce Enrile presented documents showing that PCGG nominees Andal and Locsin received tens of thousands of pesos from the PHC between January and April 2004, among other benefits.