

THE PRESIDENTIAL COMMISSION ON GOOD GOVERNMENT

PRESS RELEASE

11 MAY 2011

RE: **EXECUTIVE ORDER NO. 42**

“PCGG: UP TO THE TASK”

“No stone should be left unturned,” PCGG Chairman Andy Bautista started, in explaining the necessity of President Aquino’s recent issuance, Executive Order No. 42. “The fact that there continue to be an overwhelming number of appointees from the Arroyo administration occupying board seats in our sequestered and surrendered corporations could have easily gone unnoticed.”

Malacañang, on Monday, issued EO 42 granting PCGG provisional authority to replace up to two nominee-directors currently holding positions in such capacity in any of the corporations sequestered by or surrendered to the Commission.

As early as 2001, in a letter addressed to *then* Pres. Arroyo, the late PCGG Chairperson Haydee B. Yorac reiterated the Commission’s concerns that there have been instances when some nominee-directors acted in clear defiance of the Commission’s policies and the clear directives of the Office of the President. It appears, however, that the Arroyo Administration did not act positively on the PCGG’s proposal.

“We welcome the President’s directive, being a necessary adjunct to our task of monitoring and preventing the dissipation of these assets under our Commission’s care,” Bautista said. “As we have observed from past practice, there is no reporting line between these nominee-directors who enjoy the perks, but assume and carry very little responsibility. We will see to it that the instructions of the President are faithfully executed. Replacing the old nominee-directors with persons who will act to protect the people’s interests is just the beginning. We need to make sure that these people are doing their jobs properly,” Chairman Bautista added.

EO 42 requires the PCGG to furnish the President, through the Executive Secretary, with a list of temporary replacements. These temporary replacements are, in turn, required to submit to the PCGG monthly reports or as often as may be required, on the affairs, developments, and transactions affecting the respective corporations.