

# THE PRESIDENTIAL COMMISSION ON GOOD GOVERNMENT

## PRESS RELEASE

RE: **“PNB LITIGATION FUND”**  
5 DECEMBER 2011

Recent news reports have resurfaced regarding the US\$40 Million fund that was set aside during the time of the late Chairperson Haydee Yorac in 2004, to cover and answer for legal fees and expenses relating to the ongoing litigation in New York and Singapore.

A close reading of these recent news reports would show that the “abuses” refer to the periods covered **after** the Yorac Commission and **before** this present PCGG came into being in October 2010. In fact, it is the new PCGG that first reported and made public (in its “100 Day Report and Plan of Action” ) the “abuses” relating to these funds. In addition, as these news reports indicate, it was **the new** PCGG’s “100 Day Report” that became the basis of the Commission on Audit’s observations with respect to these funds.

Time and again, the new PCGG has sought to clarify this matter in its prior statements, every single time this issue has resurfaced and been recycled and rehashed. These periodic clarifications were made, notwithstanding the fact that there have been no attempts to seek the PCGG’s comments on these matters, in the interest of fair reporting.

Contrary to previous reports, the new PCGG has always maintained open communication lines with the COA concerning these funds. In fact, in coordination with the COA, the PCGG has transmitted letters to the concerned public officials and persons who have undertaken travels or received disbursements from this fund, requesting them further to liquidate and/or explain the relevant circumstances relating to such disbursements. In addition, upon the prodding of the new PCGG, the COA has written the Philippine National Bank to obtain a complete list of transactions and disbursements made on this fund. This is the most comprehensive effort to completely document all expenses relating to this fund.

The result of this ongoing effort will be endorsed to the Commission on Audit and the Office of the Ombudsman, for its appropriate action.