



PRESS RELEASE

Department of National Defense – Republic of the Philippines

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VFP pushes reforms forward with new leadership



With the installation to post of its new leaders who took oath at the VFP Headquarters in Ermita, Manila yesterday, the Veterans Federation of the Philippines (VFP) is set to push forward reforms for the benefit of the Filipino Veterans Community.

USec. Reynaldo B. Mapagu, Undersecretary for Civil, Veterans and Retiree Affairs of the Department of National Defense, led the induction of new VFP executives who will assist its Acting President, former Sandiganbayan Justice and World War II Veteran Manuel R. Pamaran, in managing the Federation with transparency and accountability. Secretary of National Defense (SND) Delfin N. Lorenzana administered the oath of Justice Pamaran on May 28, 2018 at the Department of National Defense (DND).

Those who took their oath as temporary officials of VFP were LtGen Raul S Urgello AFP (Ret) as Executive Vice President, Col Leopoldo M Amar PAF (GSC) (Ret) as Vice-President for

Administration, Commo Salvador Q Esguerra AFP (Ret) as Vice-President for Operations, and Capt Gilbert M Baladhay PN (Ret), Vice-President for Finance.

Likewise designated to the top management of VFP were Col Diosdado M Domingo PA (Ret) and BGen Pedro L Sinajon Jr AFP (Ret) as General Manager and Assistant General Managers of the VFP-Industrial Complex, respectively; Col Carolina C Dreo PAF (Ret) as Board Secretary; and Ms. Carolina E. Mercado as Chief Accountant.

In his speech after the oath-taking, USec. Mapagu emphasized that the VFP is part of the One Defense Team, with a crucial role towards the fulfillment of the DND's mandate to care for veterans and their families. "As part of the organization, VFP officials, members and employees must exemplify professionalism, patriotism and good governance which are core values of the Defense organization," USec. Mapagu said. He exhorted VFP to be exemplars of love of country, selfless service, and respect to the rule of law in order to be emulated by the citizens, especially the youth.

The assumption to post of the new officers is in accordance with Department Order Numbers 184 and 193 signed by Defense Secretary Lorenzana on May 24 and 30, 2018, respectively. Said Orders declared vacant the key management positions in the VFP, terminated hold-over positions, and ordered former officers to cease and desist from further performing the functions and responsibilities of their respective former positions. The SND's directives were prompted by issues of mismanagement, irregularities, conflict of interest and corruption, as evidence by numerous management and financial audit findings.

Secretary Lorenzana's orders removed retired Army Col. Bonifacio de Gracia as Acting President of VFP for gross violations of various orders of the SND who has supervision and control over VFP as a public corporation pursuant to Republic Act No. 2640, the VFP's Charter.

Likewise, the DND will file charges against Col. de Gracia for conduct prejudicial to the interest of the veterans, acts contrary to several Department Orders and letter directives, insubordination, and gross disregard of the decision of the Supreme Court (GR No. 155027, s-2006: VFP versus Angelo Reyes) which upheld the SND's authority over VFP.

The Defense Chief also ordered De Gracia investigated in connection with the corruption complaint filed by Mr. Reynaldo Ocampo, Secretary General of the VFP Sons and Daughters Association, Inc. (VFP-SDAI), regarding the issue of "Kamag-anak Corporation" against the VFP management, alleging the hiring of a number of consultants and staff who are related to management members by blood or affinity – all without Civil Service eligibility. Those employees are said to be receiving unauthorized Representation and Transportation Allowance (RATA) and honorarium per management meetings on top of their salaries which are way above the prescribed rate per Government Salary Standardization Law.

New Management Meets Resistance

Prior to the installation of new officers, defense officials and employees were met with resistance. USec. Mapagu and USec. Ernesto G. Carolina, Administrator of the Philippine Veterans Affairs Office who were ordered by the SND to carry out his Orders, were met with resistance by VFP employees who were ordered by De Gracia to lock the gates and set-up barricades. The defense officials were able enter the premises with the assistance of representatives from the Office of the Solicitor General and members of the Philippine National Police.

De Gracia, according to security officers who were at the scene, exited at a backdoor and alighted aboard a VFP ambulance after locking himself up in the Office of the President for hours.

USec. Carolina then gathered everyone present for a meeting, including De Gracia's supporters, to explain Secretary Lorenzana's Orders. He informed that the new leadership will fulfill their duties to secure and protect the property and financial records of the government-owned and controlled corporation until their successors are duly elected pursuant to the Revised VFP Election Code and Constitution and By-Laws (CBL).



USec. Carolina also explained why the Defense Secretary nullified the VFP Election conducted by De Gracia in Cebu last December 2017. "They were directed not to hold elections until they submit an Election Code for the approval of the Secretary and implement the Constitution and By-Laws approved by the Secretary. Na-violate lahat ni De Gracia 'yon," Carolina said. He added that most VFP members were disenfranchised with the election held in December 2017. "National election should be held when the Supreme Council is in assembly. So in the December 2017 election, the Supreme Council was not in assembly. Number two, it should be held in the venue where the Supreme Council regularly meets, which is here in Metro Manila, in the National Headquarters," Carolina added.

Through transparency with the VFP's corporate affairs, ensuring veterans' active participation, and good governance, Secretary Lorenzana hopes to spearhead reforms for "a VFP that truly is representative and inclusive of the interests of all Filipino veterans". The DND shares in the vision of the VFP as a united veterans' community and an enabled partner in nation-building. ###