

SENATE

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Introduced by **SENATOR LEILA M. DE LIMA**

RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,
INTO THE COMMERCIAL CONTRACTS BETWEEN THE DEPARTMENT
OF THE INTERIOR AND LOCAL GOVERNMENT AND CHINA
INTERNATIONAL TELECOMMUNICATIONS AND CONSTRUCTION
CORP. (CITCC) SIGNED DURING THE FIRST STATE VISIT OF CHINESE
PRESIDENT XI JINPING, WITH THE END IN VIEW OF PROTECTING
NATIONAL SECURITY, GUARANTEEING THAT STATE SECRETS, AS
WELL AS THE PRIVACY OF OUR CITIZENS, ARE
SAFEGUARDED, AND ENSURING THAT THE RIGHT TO PRIVACY OF
THE PEOPLE IS UPHeld AND SECURED

1 WHEREAS, Article II, Section 7 of the Constitution states that "[t]he State shall
2 pursue an independent foreign policy. In its relations with other states the paramount
3 consideration shall be national sovereignty, territorial integrity, national interest, and
4 the right to self-determination";

5 WHEREAS, Article II, Section 11 of the Constitution states that "[t]he State
6 values the dignity of every human person and guarantees full respect for human
7 rights";

8 WHEREAS, Article 12 of the Universal Declaration of Human Rights to which
9 the Philippines is a signatory states that: "[n]o one shall be subjected to arbitrary
10 interference with his privacy, family, home or correspondence, nor to attacks upon his
11 honor and reputation. Everyone has the right to the protection of the law against such
12 interference or attacks";

1 WHEREAS, on 20 November 2018, the Philippine government signed 29 deals
2 with China during the state visit of Chinese President Xi Jinping¹;

3 WHEREAS, among the 29 deals signed is a contract between the Department
4 of the Interior and Local Government (DILG) and state-owned China International
5 Telecommunications and Construction Corp. (CITCC) for the installation of a P20-
6 billion network of security cameras in the country²;

7 WHEREAS, installation of an initial 12,000 closed-circuit television (CCTV)
8 cameras in Metro Manila and Davao City in 30 months will be implemented under the
9 project³;

10 WHEREAS, the cameras will be installed in crossings, roads, public squares,
11 business districts, science and technology parks, residential areas and stadiums,
12 among others⁴;

13 WHEREAS, the system includes a national command center with backup data
14 center to be located in Clark, Pampanga with facial and vehicle recognition software⁵;

15 WHEREAS, under the contract, Chinese multinational telecommunications
16 equipment and consumer electronics company Huawei will supply the equipment
17 requirements⁶;

18 WHEREAS, the contract with Huawei was entered into even after security
19 experts in Canada in the first quarter of 2018 have cautioned about said country's ties
20 to Chinese tech company Huawei, the latter reportedly essentially under the control of
21 China⁷;

¹ Placido, Dharel. "LIST: Philippines, China sign 29 deals in Xi Jinping visit." 20 November 2018. ABSCBN News online. Retrieved from <https://news.abs-cbn.com/news/11/20/18/list-philippines-china-sign-29-deals-in-xi-jinping-visit>.

² Romero, Paolo. "DILG, Chinese firm to install P20-billion CCTV network." Philstar Global online. Retrieved from <https://www.philstar.com/headlines/2018/12/13/1876639/dilg-chinese-firm-install-p20-billion-cctv-network>.

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ Elemia, Camille. *Senators sound alarm over China-funded DILG surveillance project*. 13 December 2018. Rappler. Retrieved from <https://www.rappler.com/nation/218831-dilg-china-telecom-affiliate-partnership-video-surveillance-system-philippines>.

⁷ The Canadian Broadcasting Corporation. "Security experts sound alarm about Canada's ties to Chinese tech company Huawei." CBC Radio online. Retrieved from <https://www.cbc.ca/radio/asithappens/as-it-happens-tuesday-full-episode-1.4584297/security-experts-sound-alarm-about-canada-s-ties-to-chinese-tech-company-huawei-1.4584301>.

1 WHEREAS, earlier this year, a report written by the Huawei Cyber Security
2 Evaluation Centre (HCSEC), the body set up in 2010 in response to concerns that the
3 use of the firm's equipment could pose a threat, and overseen by United Kingdom
4 security officials, including those from the Government Communications
5 Headquarters (GCHQ), was released to the public. The report has concluded that it
6 has "only limited assurance" that Huawei's broadband and mobile infrastructure
7 equipment poses no threat to national security⁸;

8 WHEREAS, a report has cited that Australia is also preparing to ban Huawei
9 from supplying equipment after its intelligence agencies raised concerns that Beijing
10 could force the Chinese telecommunications company to hand over sensitive data⁹;

11 WHEREAS, New Zealand's intelligence agency, citing concerns about national
12 security, has also rejected the request to use 5G equipment provided by Huawei – the
13 decision reportedly arose from the Western nations becoming increasingly wary of the
14 possible network involvement of the Chinese government¹⁰;

15 WHEREAS, in the first quarter of 2018, United States Intelligence agencies
16 warned against the use of smartphones made by Huawei on the ground that the use
17 thereof posed a security threat to customers. United States Federal Bureau of
18 Investigation (FBI) Director Chris Wray, cautioned that the use of said phones
19 produced by Huawei provides the company the capacity to maliciously modify or steal
20 information, and even the capacity to conduct undetected espionage¹¹;

21 WHEREAS, in March 2018, China and Zimbabwe, entered into a contract for
22 the use of China's CloudWalk technology for a surveillance program. In the said
23 agreement, the Chinese company Cloudwalk will also help build a national facial

⁸ BBC World News, Technology. *"UK Criticises security of Huawei Products."* 19 July 2018. BBC online. Retrieved from <https://www.bbc.com/news/technology-44891913>.

⁹ Packham, Colin. *"Australia prepares to ban Huawei from 5G project over security fears."* 11 July 2018. Reuters online. Retrieved from <https://www.reuters.com/article/us-australia-china-huawei-tech/australia-prepares-to-ban-huawei-from-5g-project-over-security-fears-idUSKBN1K1110>.

¹⁰ Greenfield, Charlotte. *"New Zealand rejects Huawei's first 5G bid citing national security risk."* 19 July 2018. Reuters online. Retrieved from <https://www.reuters.com/article/us-huawei-security-britain-exclusive/exclusive-britain-says-huawei-shortcomings-expose-new-telecom-networks-risks-idUSKBN1K1K92BX>.

¹¹ Larson, Selena. *"The FBI, CIA and NASA say American citizens shouldn't use Huawei phones."* 14 February 2018. CNN online. Retrieved from <https://money.cnn.com/2018/02/14/technology/huawei-intelligence-chiefs/index.html>.

1 database in Zimbabwe.¹² Legal loopholes have made it possible for Zimbabwe to share
2 the data of millions of its citizens with China, possibly compromising their personal
3 privacy and safety¹³;

4 WHEREAS, China's espionage activities in the U.S. continue unabated despite
5 a large number of arrests, public exposure, and most recently, U.S. trade sanctions¹⁴;

6 WHEREAS, granting China, a country fast gaining international notoriety for
7 its aggressive espionage activities, the opportunity to create a surveillance system in
8 our country should raise a red flag for our policymakers to ensure that none of our
9 national interests are compromised by such agreements, particularly our national
10 security;

11 WHEREAS, it is not a mere question of getting technological capability to
12 enforce our laws but also of what are we giving up in exchange for this technology,
13 notably giving a foreign government access to information from our country and our
14 citizens;

15 WHEREAS, public interest requires that inquiry be made as to the threats to
16 the Philippines' national security of contracts entered into with foreign companies
17 whose questionable track record raises international concern;

18 WHEREAS, the right of the people to information on matters of public concern,
19 as enshrined in Article III, Section 7 of the Constitution, demand that an investigation
20 must be made to determine the extent of these Chinese companies access to
21 information relating to classified information, national security, national defense,
22 military and diplomatic secrets, and other confidential matters of the State;

¹² Shan Jie. *China exports facial ID technology to Zimbabwe*. Global Times (12 April 2018) Retrieved from: <http://www.globaltimes.cn/content/1097747.shtml>

¹³ Romaniuk, Scott and Tobias Burgers. *How China's AI Technology Exports Are Seeding Surveillance Societies Globally*. The Diplomat (18 October 2018). Retrieved from: <https://thediplomat.com/2018/10/how-chinas-ai-technology-exports-are-seeding-surveillance-societies-globally/>

¹⁴ Eftimiades, Nicolas. *The Impact of Chinese Espionage on the United States*. The Diplomat. (4 December 2018). Retrieved from: https://thediplomat.com/2018/12/the-impact-of-chinese-espionage-on-the-united-states/?fbclid=IwAR17wWPyAB147-YPk6IjOGeh5AZpcK-XRCxqGAKhfBgviHFSyXUV0g6_gCs

1 WHEREAS, the right of the people to privacy necessitates that an inquiry be
2 made into the information sought to be collected through surveillance using
3 equipment sourced from these Chinese companies;

4 WHEREAS, any agreement that could compromise the rights of our citizens
5 and our national security must first pass through strict scrutiny to ensure that it would
6 not be violative of our Constitution;

7 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE, to direct the
8 appropriate Senate Committee to conduct an inquiry, in aid of legislation, into the
9 commercial contracts between the Department of Interior and Local Government
10 (DILG) and China International Telecommunications and Construction Corp. (CITCC)
11 signed during the first state visit of Chinese President Xi Jinping, with the end in view
12 of protecting national security, guaranteeing that state secrets, as well as the privacy
13 of our citizens, are safeguarded, and ensuring that the right to privacy of the people is
14 upheld and secured.

Adopted,


LEILA M. DE LIMA