

PRESS BRIEFING OF PRESIDENTIAL SPOKESPERSON SALVADOR PANELO
BEIJING, CHINA/AUGUST 30, 2019/11:41-12:47 PM

ALEXIS ROMERO/PHIL. STAR: Secretary, how did the President raise the arbitral ruling during the bilateral meeting with President Xi?

SEC. PANELO: How?

ALEXIS ROMERO/PHIL. STAR: Yeah.

SEC. PANELO: Well, in a friendly, assertive, unequivocal manner.

ALEXIS ROMERO/PHIL. STAR: When the Chinese President said China does not recognize the ruling. How did the President respond?

SEC. PANELO: Well, I think he expected that, because from the very start, that was their position even prior to the visit. But nevertheless as he committed himself to the Filipino people and to Mr. Xi himself, he raised that issue.

ALEXIS ROMERO/PHIL. STAR: He did not challenge the Chinese President statement that they do not recognize the ruling?

SEC. PANELO: No. But he already said that.

ALEXIS ROMERO/PHIL. STAR: There was no attempt on his part to change the Chinese president's mind?

SEC. PANELO: He already said that, our position is also the same, we are not changing ours. And they both agreed after that, that should not be the sum total – the conflict issue – should not be sum total of the relationship between the two countries. That they should move forward, but at the same time continue with the dialogue, peacefully on that issue.

ALEXIS ROMERO/PHIL. STAR: Can you describe the mood when the issue was being discussed?

SEC. PANELO: Oh, very friendly, obviously the two have mutual respect for each other, if not admiration. We understand that President Xi is reputed to be one who is against corruption and I think he can relate with President Duterte on that aspect.

JOSEPH MORONG/GMA: Sir, were you with the President during the smaller meeting?

SEC. PANELO: No, we were at the other side.

JOSEPH MORONG/GMA: So, as early as the bilateral meeting, the arbitral ruling had been raised as early as that?

SEC. PANELO: In general, not the specifically – on the general matter with respect to the problems on west Philippine Sea.

JOSEPH MORONG/GMA: But there was a smaller meeting?

SEC. PANELO: Yeah, there was a smaller meeting attended by the President, Secretary Locsin, Senator Bong Go and Executive Secretary Medialdea.

JOSEPH MORONG/GMA: Wala pa iyong military establishment natin?

SEC. PANELO: Wala, wala akong nakita.

JOSEPH MORONG/GMA: All right, sir. When the President said, prior to going to China that he is going to raise the arbitral ruling, what did he seek to accomplish? What does he want China to do when he says you know, I will insist on the arbitral ruling?

SEC. PANELO: Well, he wanted to settle the issue. But the issue is still unresolved, so they agreed that they will maintain the dialogue peacefully.

JOSEPH MORONG/GMA: The issue being sovereign rights over certain areas?

SEC. PANELO: Yes, with respect to arbitral ruling.

JOSEPH MORONG/GMA: So, can we say, sir that as far as the objective of the President is concerned, cause the ruling says nine dash-line is invalid. So basically China has nothing to latch on, right? So papaano iyong gusto niya sanang gagawin ng China in terms of maybe presence in the area or activities in the area when he says I will insist on the arbitral award.

SEC. PANELO: Well, obviously what the President wanted was for them, for the Chinese government to recognize the arbitral ruling. But since from the inception, the Chinese government did not recognize. First the international arbitral body saying that they did not even attend it, that they are against it. So, they did not recognize the ruling.

MARLON RAMOS/INQUIRER: Sir, you mentioned a while ago that the President actually expected the reaction from President Xi? Did he expect President Xi to reject outright?

SEC. PANELO: He is not surprised, because precisely that has been the position of them even two, three weeks before the Spokesman has said that, that Ambassador to the Philippines has said that. But as the President said, it will not stop him from raising the issue and he did.

MARLON RAMOS/INQUIRER: Did he make or offered new arguments?

SEC. PANELO: By the way, the President of China expressed, he said that he was not offended by the President raising that issue.

Q: off mic.

SEC. PANELO: He didn't explain; that's how the people when related there, all of them have the same version.

MARLON RAMOS/INQUIRER: Did President Duterte offer any new arguments or reasons why China should abide by the arbitral ruling?

SEC. PANELO: No, the decision of the arbitral body is clear enough that there is need for you to elaborate or anybody to elaborate on that. Chinese government does not recognize it.

Q: Sir, are you aware kung gaano kahaba iyong usapan ni Presidente at ni President Xi on the issue?

SEC. PANELO: Sabi naman ng mga nandoon hindi naman matagal.

HENRY URI/DZRH: Secretary what's going to happen next, anong mga hakbang ang susunod na gagawin ng gobyerno: Pagbabawalan na ba natin silang maglagay ng mga istruktura sa West Philippine Sea; mayroon ba tayong paghihigpit on our part na gagawin ngayong narinig na ni President Xi Jinping iyong posisyon ng Pangulo na it is final, not appealable and binding?

SEC. PANELO: What they have agreed upon is that both countries will refrain or avoid performing aggressive/provocative acts that will trigger incidents that have been done before. Both of them agreed that they should observe international law and UNCLOS for the regional peace and security.

HENRY URI/DZRH: Iyong isyu ng Exclusive Economic Zone, patuloy pa rin iyong agreement po na puwedeng makapangisda iyong mga Pinoy at ganunbdin iyong mga Chinese o hindi ba puwedeng—wala pang napag-usapan na dapat exclusive na ito sa Pilipino, sapagkat binding, final and not appealable?

SEC. PANELO: That's not being touched pa. What has been touched upon was the self-restraint imposed by the two governments on themselves – not to perform acts that could trigger any hostilities within the area.

HENRY URI/DZRH: Ano iyong mga offers naman ni President Xi Jinping, if you could possible mention, baka may mga trade off or baka mayroong mga additional assistance, loans whatsoever?

SEC. PANELO: Wala naman. What they agreed upon is continue with the dialogue peacefully to resolve that issue and to continue with the bilateral relations with respect to all aspects: trade relations; people to people exchange; cultural exchange. With respect to the Reed Bank, the President expressed appreciation to the fact that Chinese side was offering compensation or open to compensation and the fact that the Chinese side, recognized the responsibility of compensating the fisherman who almost lost their lives.

HENRY URI/DZRH: But the fishermen who did that are not exempted from any criminal liability, Secretary?

SEC. PANELO: With respect to the Chinese government, yes. With respect to us, I don't know whether we are going to pursue that.

HENRY URI/DZRH: Why?

SEC. PANELO: The fishermen should be the one pursuing that, because they are the ones who are victims of that.

HENRY URI/DZRH: Pero tutulungan ba sila?

SEC. PANELO: Of course. The government will always help.

HENRY URI/DZRH: Okay. So kung ipo-pursue nila iyong criminal aspect, tutulungan ng gobyerno iyong mga mangingisda sa Mindoro?

SEC. PANELO: Oh, definitely, yes.

MARLON/INQ.: Sir, just on the question of Joseph a while ago. Did the President raised the issue of arbitral ruling, just for the sake of raising it or did he want something to be done in the soonest possible time?

SEC. PANELO: Of course when you raise an issue which is an area of conflict, you want it known to them your position. At the same time, you want it known to them that you want this enforced. That's what should be the intention. Whether or not it will be enforced by the other side, it's another story.

MARLON RAMOS/INQ.: And now that President Xi again rejected it, ano iyong next step for the Philippines to actually enforce the ruling?

SEC. PANELO: Well, what they agreed upon is to continue with the dialogue peacefully to resolve the issue. Meanwhile, they agreed that that is not the only basis for the friendship of the two countries; that it should be anchored on the century long friendship and that the ties that bind them should be based on the benefits that will redound to the two peoples based on cooperation of the two countries.

MARLON RAMOS/INQ.: Will President Duterte refrain from again discussing it in the future? Ito na ba iyong last na ano or... na babanggitin niya ito kay President Xi?

SEC. PANELO: Once you say we're already agreed that that matter should be subject of continuing negotiation – eh ganoon na nga iyon. In other words, it does not stop, ganoon pa rin, mag-uusap pa rin sila peacefully through the mechanism of negotiation.

MARLON RAMOS/INQ.: How about the issue of POGOs?

SEC. PANELO: POGO, during the bilateral meeting, the President of China expressed appreciation of the suspension of POGO applicants but he mentioned – I clearly heard him saying - that they would appreciate more if the POGO operations completely ceased. Because—he explained, because according to them gambling is illegal in China and most of the players there are Chinese nationals and also crimes are being committed with respect to that, like money laundering - that's the concern of the President.

MARLON RAMOS/INQ.: How did President Duterte respond?

SEC. PANELO: The President did not respond to that. He did not.

JOSEPH MORONG/GMA: Sir, balik lang tayo sa arbitral ruling. If this were a mission, bringing up the arbitral ruling, would you say... given what had happened, how would you describe this: is this a success or a failure?

SEC. PANELO: As the President himself describes it, the dialogue or the bilateral meeting between the two countries went very well. For one, the President - as I earlier said - unequivocally, assertively but friendly asserted the arbitral ruling as he committed himself not only to the Chinese but more importantly to the Filipino people and he did that.

Number two, both countries agree to cooperate with each other for the purpose of giving benefits to both peoples of the two countries, as well as geared towards the maintenance of regional peace and stability; and at the same time, there were agreements entered into that will redound to the benefit of the Filipino people on many aspects – cultural, technology, education, defense.

JOSEPH MORONG/GMA: Sir, how does the President feel about the sentiment of President Xi na we're not budging, we're not recognizing the arbitral tribunal. How does—

SEC. PANELO: Well, neither are we budging, so—

JOSEPH MORONG/GMA: He doesn't mind that kind of response?

SEC. PANELO: Kumbaga, tabla. Kumbaga, wala silang magawa sa atin; sa ngayon wala rin tayong magawa.

JOSEPH MORONG/GMA: How do you describe it?

SEC. PANELO: Na alin?

JOSEPH MORONG/GMA: [OFF MIC]

SEC. PANELO: As I said earlier, apparently both of them have mutual respect for each other. As the President said—given the fact that they already stated their position that they would buck and yet the President still asserted it – hindi ba, ordinarily medyo... baka maasar ka. Pero he said I am not offended by you raising this issue; but as we have already said three years earlier when you first came here we will never alter our position on the matter.

JOSEPH MORONG/GMA: So ibig sabihin ba niyan, because of that talk, are we setting aside the arbitral award?

SEC. PANELO: Not really, because precisely both of them agree that they will continue to talk to amicably settle the issue through the mechanism of negotiations.

JOSEPH MORONG/GMA: Because nobody is budging from either side, do you think that the ruling is useless?

SEC. PANELO: Not really.

JOSEPH MORONG/GMA: Why?

SEC. PANELO: Because the ruling is permanent, whether they like it or not, until the end of time, it's there.

JOSEPH MORONG/GMA: How will it help the Philippines, considering China will not move at all?

SEC. PANELO: Considering that as both agree that is not sum total. That is not the only basis of our relationship. There are many areas where we can agree on, so let's talk about the things we share mutually and benefit from them rather than continue quarreling on this particular issue. Meanwhile, let's just talk about it peacefully while we concentrate on other things.

JOSEPH MORONG/GMA: The President has three more years – will he still raise it in the future?

SEC. PANELO: I don't think you need to raise it, because they said they will continue with the peaceful dialogue in resolving the issue, while they are concentrating on other areas of concern that would be mutually beneficial to both countries.

ACE ROMERO/PH STAR: Sec., Xinhua quoted—

SEC. PANELO: Who's Xinhua?

ACE ROMERO/PH STAR: Xinhua News Agency quoted President Xi as saying 'as long as the two sides handle the South China Sea properly, the atmosphere of bilateral ties will be sound, the foundation of the relationship will be stable, regional peace and stability will have an important guarantee.' Does the President agree with that statement?

SEC. PANELO: In fact, both agree on that, that they should handle it correctly. In other words, precisely they both agree that both countries should exercise self-restraint and to refrain from performing aggressive or provocative acts that may impair the ties—

ACE ROMERO/PH STAR: So that's the meaning of 'they handle the issue properly', iyon yung ibig sabihin noon?

SEC. PANELO: Yes.

ACE ROMERO/PH STAR: Hindi naman iyong hindi na natin ire-raise?

SEC. PANELO: No. Iyon nga ang pinag-agreehan nila eh.

ACE ROMERO/PH STAR: So when we say yung—

SEC. PANELO: Because the President particularly raised the issue on the warships coming in without us being notified, so he raised that concern.

ACE ROMERO/PH STAR: Can you specify what actions constitute 'aggressive acts that could impair' yung relationship? Ano iyong actions na sinasabi ninyo that should not be done by the two countries para hindi masira iyong relationship?

SEC. PANELO: Well, like for instance if you keep on coming in and out of our territorial waters without even letting us know...

ACE ROMERO/PH STAR: Iyon. So iyong mga unannounced—

SEC. PANELO: That's one.

ACE ROMERO/PH STAR: —entry sa Philippine waters. Ano pa Sec?

SEC. PANELO: If you perform acts of harassment against our fishermen, that another. Any negative act can be considered a provocative act that will make us react.

ACE ROMERO/PH STAR: So iyong pagharang sa mga—

SEC. PANELO: And vice versa.

ACE ROMERO/PH STAR: So iyong pagharang sa fishing boats ng Filipinos or depriving them of access sa mga fishing area, kasama iyon?

SEC. PANELO: That's part of it.

ACE ROMERO/PH STAR: They agree na wala nang dapat ganoon iyong China?

SEC. PANELO: Basta ang sabi nila we will no longer perform aggressive acts. Kaya nga self-restraint eh—

ACE ROMERO/PH STAR: We will no longer—si China nagsabi—

SEC. PANELO: Hindi naman sinabing we will no longer; parang iyon ang nagiging logical conclusion ng agreement nilang dalawa eh na that there should be self-restraint on the part of both countries.

ACE ROMERO/PH STAR: What happens if such act is committed?

SEC. PANELO: O eh then... let's see how either of the countries will react to that. But ordinarily the reaction will be, you file a diplomatic protest then, you will discuss again why there is a repeat.

ACE ROMERO/PH STAR: Hindi ba bad faith na iyon kung paulit-ulit lang?

SEC. PANELO: Precisely, kaya ka nga magrereklamo eh.

Q: I-press ko lang po iyong sa question in Ace. Kasi this time, directly in-address ni President Duterte iyong arbitral ruling. So, para sa mga kababayan natin, maiiwasan na natin iyong mga katulad na insidente sa Reed Bank o sa Recto Bank at iyong pagpasok ng mga Chinese vessel, dahil sa pag-raise ni Pangulong Duterte nung arbitral ruling, sir?

SEC. PANELO: Yes, because that is precisely the agreement between the two countries – they will exercise self-restraint.

Q: In this time.

SEC. PANELO: Yeah, because according to both of them, that is necessary for regional peace and stability and maritime safety.

Q: Pero sir, as always naman, hindi naman tayo lumalabag doon sa pag-uusap ng self-restraint, pati doon sa freedom of navigation, ever since hindi tayo lumabag.

SEC. PANELO: Sa parte natin.

Q: Pero ang China?

SEC. PANELO: Sa parte natin, hindi tayo lumalabag, hindi natin alam kung sa parte nila lumalabag tayo.

Q: Pero sa arbitral ruling sir, tayo iyong may karapatan.

SEC. PANELO: Tayo ang may karapatan, pero they are insisting also na sila ang may karapatan. Iyon nga ang problema eh, mayroon ngang conflict eh. Kaya nga naga-agree na iyong dalawa na, oh sige ilagay muna natin diyan, continue dialogue peacefully with that, dito muna tayo sa mas malaking area, mag-usap tayo ng makakatulong sa mga kababayan natin – which I think is the correct posturing of two countries. Because they cannot forever argue endlessly with something that either one of them will not budge, while 90% of certain areas of concern that can be beneficial to both countries are there waiting for them.

Q: Sir, does the President ever see the possibility of China changing their position in the next three years, because we have pursued peaceful dialogues with them?

SEC. PANELO: Nothing is impossible between friends.

Q: But given sir, that the Chinese is very firm in their position, umaasa pa rin po ba tayo na mababago iyon in the next three years.

SEC. PANELO: We can always hope for the best.

Q: Hanggang doon na lang sir?

SEC. PANELO: Sinabi na nga ng dalawang bansa, hindi iyon ang sum-total ng relasyon natin, mas marami tayong mapapakinabangan dito sa ibang aspeto ng buhay, o kaya di ba maganda nga iyon. Pero tuloy pa rin tayo, mag-usap pa rin tayo diyan sa area na iyan, hindi pa natatapos ang usapan natin. Kaya lang peacefully, iyon ang palaging sinasabi nila.

Q: So, what is the most ideal result?

SEC. PANELO: Kasi sabi nga ni Presidente, negotiation is the keyword, not confrontation – and President Xi agree.

Q: So sir, what is the most ideal result that the Philippine government wants to achieve with this peaceful dialogue in the remainder of President Duterte's term?

SEC. PANELO: Well, the ideal there is with respect to the conflict, we are still discussing peacefully how to resolve it, but with respect to more areas that both countries may benefit, nandoon tayo, nandoon ang concentration natin.

Q: But as far as the resolution of the territorial dispute is concerned, do you think na kaya iyon with peaceful negotiations?

SEC. PANELO: Bakit naman hindi, lahat naman napag-uusapan eh. You must remember that all the countries in the world resort to that.

Q: So, how does the Philippine government intend to achieve that, through peaceful dialogue?

SEC. PANELO: Eh, may 'continuing dialogue' nga eh, 'di ba mayroon tayong mechanism for negotiations, in pace naman iyon, palaging nag-uusap.

Q: So, how can this continuing mechanism, sir, ever get as to the result that we want, which is the resolution of Duterte in this..?

SEC. PANELO: Let the negotiation proceed. And let's see how it develops and evolved into a peaceful solution. What is important is we're not stopping from discussing it and trying to resolve things.

Q: So, at least may game plan ang Pilipinas.

SEC. PANELO: Oh definitely, mayroon.

Q: Sir, wala pa tayong Code of Conduct and ang target, according to your statement, matatapos o mabuo iyong Code of Conduct before...

SEC. PANELO: As early as possible, gusto ni President Xi, kung pupuwede sabi niya, within your term.

Q: Okay, so since wala pa tayong Code of Conduct, sir. Ano po iyong magiging assurance, kasi marami sa mga kababayan natin, especially doon sa mga Pilipinong mangingisda ang umaasa na magkakaroon ng magandang kahihinatnan itong pag-push ni Pangulong Duterte sa isyu?

SEC. PANELO: Eh, hindi nga ba sinabi na natin kanina, both countries nga will restrain, iyon na nga ang sagot. We'll restrain from performing acts provocative or aggressive enough to trigger hostilities, iyon nga iyong ano doon eh.

Q: So, what if kung iyong China sir, may ginawa na naman doon sa mga mangingisda natin?

SEC. PANELO: Eh di balik tayo doon sa pag-uusap.

JOSEPH MORONG/GMA: Sir, iyong restraint, puwede ba nating aggressive acts or irritants if you can say that? Does it include iyong self-restraint, the activities that we have to restrain from doing? Does it include, number one, building of structure – additional structures – in the areas?

SEC. PANELO: Hindi natin alam kung kasama iyon. Hindi ko alam kung parte iyon. Siguro that will depend on both countries kung ano ang tingin nila.

JOSEPH MORONG/GMA: Does it also include maybe.

SEC. PANELO: Kasi tayo nagbi-build din tayo, si ba?

JOSEPH MORONG/GMA: And then also does it also include maybe decreasing the presence of the Chinese in the area?

SEC. PANELO: I think so. I understand from the Western Command, there has been a considerable reduction of the presence of warships. Di ba may statement sila na dati-dati ang dami, tapos ngayon isa o dalawa na lang.

JOSEPH MORONG/GMA: So ibig sabihin sir, tabla tayo, walang galawan, wala nang idadagdag na galaw – tama?

SEC. PANELO: Parang ganoon ang lumalabas, basta huwag nang magdadagdag pa ng ika-dadagdag ng sigalot doon sa lugar na iyon.

Q: But isn't a fact that the arbitral ruling is central to whatever cooperation that Philippines and China would have in the future?

SEC. PANELO: Not necessarily, the fact is, we have been in other areas: trade relations; the people to people exchange; cultural exchange; the tourist aspect – ang dami.

Q: How about joint development in South China Sea, particularly West Philippine Sea, areas inside our Exclusive Economic Zone?

SEC. PANELO: Oo nga, pero stalemate tayo doon, there is an impasse there. Kasi hindi nga nagkakasundo doon sa portion iyon eh, kaya nagko-concentrate ngayon sa pupuwedeng papakinabangan ng dalawang bansa.

Q: Ang before the President steps down in 2022, do you think that stalemate, that impasse would somehow be resolve?

SEC. PANELO: Hopefully. You must remember that during the previous administration. Masama nga ang relasyon natin, wala tayong nakuha doon kahit na ano eh. And that reminds me, the President also repeat or repeated his appreciation for what the Chinese government did: helping us during calamities, establishing of two rehabilitation centers and also giving us in grates et amore – for free, some military equipment; marami siyang pinasalamatan.

Q: Sir, iyong loan agreements kagabi, iyong mga agreements na iyon, magkano ang involved doon in term of monetary?

SEC. PANELO: That reminds me, now that you mentioned. I remember President Xi saying about the loan interest. He said that he will...

Q: Lower?

SEC. PANELO: Not lower, but her will refer it to the appropriate body to study whether that can be done – to lower.

Q: Iyong mga agreements kaya sir magkano lahat iyong involved doon, iyong anim na agreements kagabi?

SEC. PANELO: Anim.

Q: Oo na napirmahan during the bilateral.

SEC. PANELO: Yeah, what about?

Q: Magkano iyong involved doon lahat iyong loan facilities?

SEC. PANELO: Ah hindi ko alam kung anong involved.

HENRY URI/DZRH: Secretary, if I am not mistaken, pang-limang state visit na ata ang Pangulo, pang-walong bilateral meeting na niya with President Xi ano ho. How would you describe this bilateral talks last night, a failure or victory?

SEC. PANELO: That was already asked and my response was, describing in his own words, the President said, 'it went very well.'

HENRY URI/DZRH: To be exact.

SEC. PANELO: Oh eh di if it went very well, di how can it be a failure.

HENRY URI/DZRH: But of course iyong sa arbitral ruling. You consider this—

SEC. PANELO: Uulitin na naman natin. Iyon nga ang sinasabi nga ng dalawang bansa, this is not the sum total of our relationship. Kumbaga 10% iyan, 90% muna; dito muna tayo, pero tuloy pa rin natin ang pag-uusap natin.

HENRY URI/DZRH: From a point of view of a lawyer, Chief Presidential Legal Counsel, Secretary and Spokesperson. Sa tingin po ba ninyo talagang hindi isusuko ng China itong labang ito?

SEC. PANELO: They can speak for themselves. As far as we are concerned, we are not. As the President articulated eloquently last night, he said, 'the arbitral ruling is final and not subject to appeal.'

HENRY URI/DZRH: So, ang Presidente ang hindi susuko dito?

SEC. PANELO: As far as we are concerned, hindi tayo susuko.

ACE ROMERO/PHIL. STAR: Sec, clarification. Sinabi ninyo both leaders agreed to observe UNCLOS and international law?

SEC. PANELO: Yeah.

ACE ROMERO/PHIL. STAR: On what aspect?

SEC. PANELO: Lahat, kung ano ang nakalagay sa UNCLOS dapat susundin. In fact the Spokesman prior to the visit already issued a statement that if we only daw can observe the international law on UNCLOS in so forth and so on, walang gulo.

ACE ROMERO/PHIL. STAR: Eh iyong arbitral ruling po ay base sa UNCLOS, eh hindi ho nila nire-recognize, hindi ba double talk iyon?

SEC. PANELO: Sasabihin nila sa iyo, 'eh amin iyan eh, kaya hindi namin nire-recognize.' Ano ang magagawa mo doon kung iyan ang pinagpipilitan nila.

ACE ROMERO/PHIL. STAR: Challenge ba ni President Duterte iyon, iyong contradiction na iyon?

SEC. PANELO: Hindi na pinag-usapan iyon, basta ang pinag-uusapan doon hindi tayo magkasundo diyan, pag-usapan pa rin, ituloy natin at dito naman tayo sa iba na makakatulong sa dalawang bansa. Iyon ang mahalaga doon.

ACE ROMERO/PHIL. STAR: Sec, merong kasing suggestions na since ine-raise iyong arbitral ruling, meron pa ring mga suggestions na i-involve iyong international community... that we seek international support for iyong pag-assert natin noong arbitral ruling. Is the President inclined to do that, iyong we seek international support for this arbitral ruling?

SEC. PANELO: I think the President is very smart enough. He is handling the conflict quiet effectively. Those who may want to use other methods, I guess they have to run for the presidency and be President and then apply what they want.

ACE ROMERO/PHIL. STAR: So, we stick to bilateral?

SEC. PANELO: Yes.

ACE ROMERO/PHIL. STAR: Bilateral muna tayo. Okay.

JOSEPH MORONG/GMA: Sir, we get naman, that there is a several layers to the relationship and the arbitral award is not sum all.

SEC. PANELO: Only an aspect.

JOSEPH MORONG/GMA: Correct. Okay. But if we go now to exploitation of resources—

SEC. PANELO: Oo, iyan nga pala. We have—the President of China was saying that the steering committee should now work for a substantial program on the matter. In other words, let's start joint exploration.

JOSEPH MORONG/GMA: May structure na po ba ito? Because is Secretary Cusi was also in the bilat 'no? Ibig sabihin ano ba ito—

SEC. PANELO: I think they have already created a steering committee. I don't know who the members are. Meron na eh, kasi sabi ni steering committee, inter-something—

JOSEPH MORONG/GMA: The membership for the Philippines and China or just China?

SEC. PANELO: Siyempre dalawa. Dalawa iyon.

JOSEPH MORONG/GMA: Sir, going back to my question. Okay, fine. Iyong arbitral ruling is just one of three, maybe aspects that you can discuss; but when it comes to allocation of resources.

SEC. PANELO: What do you mean allocation?

JOSEPH MORONG/GMA: Within the EEZ. Ang ibig sabihin sino iyong puwedeng makinabang sa isda doon or in the joint exploration. Oil resources, when we come to dig, papaano iyong... ano iyong magiging legal basis for the sharing?

SEC. PANELO: I think whatever they agree upon. In other words, they have to craft terms of references, there should be terms and conditions that will cover the joint exploration mutually satisfactory to both sides.

JOSEPH MORONG/GMA: And not necessarily referring to the arbitral award?

SEC. PANELO: Not necessarily what?

JOSEPH MORONG/GMA: And not necessarily referring to or making a basis of the arbitral award. Because it says EEZ is for the Philippines, but you have probably Reed Bank which is in our EEZ, meaning dapat exclusive and 100% Filipino lang na makikinabang. But you have China trying to get in. So that's where the conflict is. The arbitral award allocates the EEZ but China wants to step in. Papaano, sir iyong—

SEC. PANELO: That is why precisely kaya tayo merong dialogue eh. They can always agree.

MARLON RAMOS/INQ: Sir balik lang sa POGO. May binanggit po ba si Presidente, did he make any statement regarding the willingness of the Philippines to help China in cracking down on criminal elements?

SEC. PANELO: In the general way, both of them agree that they would be continuing to help each other in fighting, combatting crime – cybercrime, terrorism, drugs, criminality, piracy, lahat iyon. Iyon ang napagkasunduan nila kagabi – ituloy... ituloy iyong cooperation. In fact the President was saying that by reason of the help of the Chinese government, it was able to stop terrorism in Mindanao during the Marawi siege. In other words, nagtutulungan; because there are such thing as sharing of intelligence for instance. Crime prevention and crime fighting.

MARLON RAMOS/INQ: Did the President inform President Xi that POGOs – online gambling activities are legal in the Philippines?

SEC. PANELO: Oo.

MARLON RAMOS/INQ: Sinabi niya? Binang—?

SEC. PANELO: Hindi. Wala siyang binanggit pero earlier on sinabi niya, 'di ba nag-statement na ako doon—

MARLON RAMOS/INQ: Opo.

SEC. PANELO: Na when I asked the President—

MARLON RAMOS/INQ: Hindi but during—did he mentioned it during the bilateral meeting?

SEC. PANELO: Hindi, hindi nabanggit ‘yun.

ACE ROMERO/PHILIPPINE STAR: Sec., clarification: Nabanggit ba ni President Xi ‘yung... ‘yung sinabi dati ng Defense Ministry to ban all online gambling in the Philippines, iyong kanilang pakiusap?

SEC. PANELO: Hindi. Sinabi nga ni President Xi ‘di ba, he express appreciation for what we did in suspending new applicants, but he said, they will appreciate more if POGO will be eliminated or stopped.

ACE ROMERO/PHILIPPINE STAR: And the President’s response was?

SEC. PANELO: Wala - wala siyang... wala siyang binanggit—wala siyang nabanggit noon.

ACE ROMERO/PHILIPPINE STAR: Okay, ano ngayon iyong—

SEC. PANELO: Kasi ang nangyari doon mahaba ‘yung—una, winelcome eh, winelcome siya; tapos ‘yung si Presidente, ang haba ng ano, ang daming aspects eh! Kaya noong sinagot naman ni Xi, hindi... hindi na maka-response si Presidente kasi nag-ano na ‘yun... ‘Thank you very much’, nagpasalamat na, tayuan na kaming lahat.

ACE ROMERO/PHILIPPINE STAR: So, ano ngayon iyong response ng Administration sa appeal na ‘yun? ‘Yung sinabi niya na, ‘Okay, we would appreciate if you ban it altogether’, ano ‘yung stand natin? Will we ban?

SEC. PANELO: The President hasn’t said anything about it but I supposed he will have to study since there is—although there was no request, there was only an implied request.

ACE ROMERO/PHILIPPINE STAR: Yes, yes.

SEC. PANELO: The President most likely he will study.

ACE ROMERO/PHILIPPINE STAR: He will study iyong banning ng online?

SEC. PANELO: Hindi, ang pag-aaralan dun ano bang mawawala sa atin kung itigil mo ‘yung online gaming. Will it affect the budget? You must remember that revenues are coming in, so, he’ll have to consult with the Finance Department. Ano bang magiging ano niyan?

ACE ROMERO/PHILIPPINE STAR: So, you’re going to study ‘yung implication sa impact sa economy?

SEC. PANELO: Oo, siyempre ‘yun ang importante kung ano ang implikasyon.

ACE ROMERO/PHILIPPINE STAR: Pati ‘yung sa krimen—crime aspect? ‘Yung sa—

SEC. PANELO: Sa ngayon siguro what we can do as we said earlier, we can be very strict on the operation following rules and regulations and the law – ‘yun muna ang magagawa natin.

ACE ROMERO/PHILIPPINE STAR: Curious lang ako, Sec. Nabanggit ‘yung sa ano ‘di ba—‘yung sa self-restraint. Did the President mention iyong previous statement n’yo na ano... na if we fail to notify in advance or if we fail to meet ‘yung requirements na i-alert muna ‘yung government about the passage. May unfriendly response?

SEC. PANELO: Wala. Wala siyang binanggit na ganoon na may unfriendly response pero inulit niya ‘yun. Na nagiging irritant ito, dumaraan wala man lang kayong pasabi.

ACE ROMERO/PHILIPPINE STAR: Ah, inulit niya ‘yun noon—?

SEC. PANELO: Oo, inulit niya ‘yun during the bilateral; mahaba nga iyong kaniyang statement eh.

ACE ROMERO/PHILIPPINE STAR: Okay.

SEC. PANELO: I was even afraid na paano pa makaka-response ‘to sa haba. Halos more than thirty minutes siyang nagsasalita roon, ang dami niyang ano eh.

JOSEPH MORONG/GMA7: [OFF MIC] On the warship alone?

SEC. PANELO: Hindi. Ang dami eh. Ang dami—

ACE ROMERO/PHILIPPINE STAR: So, did President Xi guarantee na, okay, hindi na mauulit ‘yun.

SEC. PANELO: Hindi, ang statement niya nga palaging mag-self-restrain tayo.

ACE ROMERO/PHILIPPINE STAR: General terms?

SEC. PANELO: Oo, mga general term.

ACE ROMERO/PHILIPPINE STAR: Okay. Salamat, Sec.

HANNAH SANCHO/SONSHINE RADIO: Hi, sir. Photos—may lumabas po na mga photos last night—

SEC. PANELO: Photos?

HANNAH SANCHO/SONSHINE RADIO: Yes po, ‘President Duterte meeting actor Jackie Chan’ po – part ba ito ng schedule or biglaan po sila nag-meet?

SEC. PANELO: Hindi ko alam eh. Hindi ko nga nakilala si Jackie Chan eh. Kasi—

HANNAH SANCHO/SONSHINE RADIO: Serious, sir?

SEC. PANELO: Between us, iba ang hitsura niya, huh!

Q: [OFF MIC] And you know he looks like, who?

SEC. PANELO: Kasi nung pagpasok namin doon sa suite ni Presidente, parang nagkagulo sila nung pumasok sila sa isang kuwarto, ako naman I was busy studying out to draft the statement kaya nandoon lang ako sa isang tabi. Tapos may nakita akong mama, sabi ko, parang Amerikano ang dating. Sabi ko, sino kaya ito? hindi ko napansin eh.

So, pinabayaan ko lang. So, matagal sila roon, pagkatapos noong matapos na eh ‘di umalis na si Presidente, ako naman busy na ako nagka-craft sa aking cellphone. Nilapitan ako ni Lizette, sabi niya, “Sir, hindi ba kayo makipag-selfie kay Jackie Chan?” Sino, ‘yung artista? Oh, bakit nasaan siya? “Sir, siya nga ‘yung pinag—” Siya ba?

HANNAH SANCHO/SONSHINE RADIO: Ano ‘yun, sir naka—

SEC. PANELO: Akala ko lang may ka-meeting siya, private—

HANNAH SANCHO/SONSHINE RADIO: So, kasama sa schedule po ni Pangulo—

SEC. PANELO: Hindi ko alam kung kasama sa schedule ‘yun. Basta nakita ko pumasok siya doon sa adjoining room.

Q: [OFF MIC] So, hindi ka nagpa-selfie?

SEC. PANELO: Hindi—lahat nga kami pati si ES—

HANNAH SANCHO/SONSHINE RADIO: Pero wala kayong idea, sir, bakit na may ipinakita si Jackie Chan sa kaniya, may book siyang binigay?

SEC. PANELO: Wala, kasi wala ako sa kuwarto nandoon ako sa living room, hindi ako pumasok eh. Pumasok lang ako noong sinabing, “Sir, ayaw n’yo bang magpa-selfie kay Jackie Chan?” Kasi lahat sila, isa-isa nagpapa-selfie.

Q: [OFF MIC] So, sumama ka.

SEC. PANELO: Sabi ko, Mr. Jackie Chan, I didn't recognize you.

HANNAH SANCHO/SONSHINE RADIO: So, nakausap mo siya, sir? So, nakausap mo siya, sir?

SEC. PANELO: Chinese ang sagot eh. Hindi ko naintindihan.

HANNAH SANCHO/SONSHINE RADIO: Wait, sir. Wait lang. So, nakausap n'yo si Jackie Chan, hindi n'yo naitanong ano 'yung purpose ng meeting nila?

SEC. PANELO: Ah, hindi. Marunong um-English 'yun?

HANNAH SANCHO/SONSHINE RADIO: Oo, sir. May mga English movies—

SEC. PANELO: Hindi—wala. Basta puro lang selfie kasi lahat nagmamadali, selfie bawat isa eh.

Q: [OFF MIC] (Unclear)

SEC. PANELO: Baka naman 'courtesy call' lang 'yun. Most likely courtesy call lang.

HANNAH SANCHO/SONSHINE RADIO: Sir, yesterd—wala kayong alam, sir, kung anong pinag-usapan nila, sir?

SEC. PANELO: Wala. I was not there eh. I didn't even know na—

HANNAH SANCHO/SONSHINE RADIO: Sir, can you confirm—

SEC. PANELO: I was at the adjoining room eh.

HANNAH SANCHO/SONSHINE RADIO: Can you confirm 'yung report po, sir—

Q: [OFF MIC] (Unclear)

SEC. PANELO: Iba—kahit 'yung ano nakasalaman iba hitsura eh.

Q: [OFF MIC] (Unclear)

HANNAH SANCHO/SONSHINE RADIO: Sir, can you confirm report po sir na nag-host po daw ng lunch si Michael Yang kay President Duterte and his—?

SEC. PANELO: Hindi ko alam kung sino nag-host. Nabalitaang ko lang sa inyo, nagtatanong kayo. ewan ko, hindi ko naman alam, wala naman ako doon sa lunch.

HANNAH SANCHO/SONSHINE RADIO: So, 'yung kahapon na lunch po hindi po [unclear]?

SEC. PANELO: Hindi ko alam, I was not there. I was having lunch downstairs.

HANNAH SANCHO/SONSHINE RADIO: Last question from me, sir. Nag-comment—may sinabi po daw si Pangulong Duterte regarding po doon sa mass Hong Kong protest po. Ano pong sinabi ni Pangulo at ano po ‘yung naging reaction po ni President Xi.

SEC. PANELO: Parang tinanong—hindi ko na maano ‘yung ano... So, parang... “That we respect the rule of law.” Iyon ang sinabi ni Presidente and the President of China appreciates that statement.

HANNAH SANCHO/SONSHINE RADIO: Okay sir.

MARLON RAMOS/INQ: Sir, Secretary Locsin in a Twitter post yesterday ba ‘yun or the other day in addressing himself to the morons, he said that the Philippine Government has yet to accept the offer of apology from the Chinese fishing group and it should be the fishermen. So, officially sir, how does the Philippine Government treat the offer of apology doon sa..?

SEC. PANELO: Well, I already issued a statement, because I asked the President himself. Sabi ko, may letter of apology dito, ganito ganiyan. Okay ba sa’yo ‘yun Mr. President? “Okay na ‘yun”, ‘yun ang kaniyang ano. Siguro, first, baka hindi alam ni Secretary Locsin na okay na kay Presidente; Pangalawa, iyong Twitter niya, parang sinasabi niya, “Hindi naman ako ang fishermen ba’t naman ako ang tatanggap ng apology?” So, I think ‘yun ang context.

MARLON RAMOS/INQ: So, hindi po kayo nag-usap regarding this?

SEC. PANELO: Hindi, hindi pa.

MARLON RAMOS/INQ: Hindi pa.

SEC. PANELO: But he wanted to talk to me, though pero he left na, baka ‘yun, baka tungkol doon.

MPC: [OFF MIC] Sec. Locsin?

SEC. PANELO: Si Teddy Boy.

MARLON RAMOS/INQ: Kasi kahapon po, Ambassador Sta. Romana also mentioned that it is the Filipino fishermen who should acknowledge the apology and not the Philippine Government. Now that—

SEC. PANELO: Tayo lang naman we appreciate the fact that they apologize. Hindi... hindi natin... hindi ‘yung sinasabi mong tinanggap. Hindi naman tayo ang tatanggap doon, siyempre, ‘yung fishermen talaga. But we appreciate the fact na nag-a-apologize sila. Kasi hindi ba, ang reaction nga natin iniwan mo ang mga kasama natin doon.

Q: What happens to your earlier statement accepting the apology?

SEC. PANELO: Hindi naman accepting iyong sinabi ko, I said we are pleased to note that.

Q: You accept—

SEC. PANELO: Hindi, basahin ninyo. Basta tinanong ko si Presidente, ‘okay ba sa iyo ito?’ Sabi niya, ‘yes.’

Q: You mentioned that...

ACE ROMERO/PHIL. STAR: Sec, ito 4th paragraph, ‘In relation to this, we accept the recent apology extended by the owner of the Chinese vessel to our fishermen—’

SEC. PANELO: Ah oo. We accept the fact of the apology, because the President told me to include that in the statement and i—

ACE ROMERO/PHIL. STAR: Nakalagay kasi, ‘we will accept the recent apology.’

SEC. PANELO: Kaya nga, kasi the letter or apology was address to the fisherman. So we are accepting that fact of apology. But, if you will ask me kung okay kay Presidente, tinanong ko siya eh. ‘Mr. Presidente, ganito iyong... may letter of apology, ganyan, ganyan. Okay ba sa iyo ito?’ ‘Ah okay iyan.’ Sabi niya isama mo sa statement.

But tama rin naman si Secretary Locsin nung sinabi niya dapat talagang tumatanggap ng apology kung okay sa kanila, kung hindi sila okay eh ano ang magagawa natin.

JOSEPH MORONG/GMA: Just to clarify. Ano na po iyong position ngayon ng Palasyo regarding this. Are you accepting the apology?

SEC. PANELO: Let me quote the President: ‘The Recto Bank incident in June gained much attention from our people and internationally, the lives of 22 of our fishermen had been endangered. I note that your side has recognized and confirmed the responsibility of the Chinese fishing crew and appreciate China’s readiness to provide the necessary compensation for our fishermen who almost lost their lives at sea. This is a step and the right direction.

I reiterate our desire for the filing or application of appropriate sanctions against the Chinese crew in the interest of achieving closure manifesting good faith and demonstrating Chinese resort to, one, in event; two, prevent a repeat of the incident.’ That’s the word of the President in addressing that issue.

Q: Bucor and Senator Lacson disclosed that almost 2,000 convicts who were sentenced for committing heinous crimes were recently released due to the GCTA mechanism. How does the Palace response?

SEC. PANELO: Well, if they were qualified, then—

Q: Heinous crimes.

SEC. PANELO: Ah heinous crimes, then that cannot be done. Because the law is very clear. Republic 10592 is very clear that those charged and convicted of heinous crimes, escapees, habitual delinquents or recidivist are not covered by the law.

Q: So papano?

SEC. PANELO: Di obviously, dapat mapabalik sila.

Q: Sa?

SEC. PANELO: Sa kulungan, until they served the full term of their service.

Q: And 48 of them are drug lords, including Chinese drug lords.

SEC. PANELO: Basta, the President at inception of his career as a public official, his slogan was and is until now: What the law is, just follow it.

Q: Sir, but the law also specifically stated that the grant of GCTA cannot be revoked, it's very clear in the law. How do you now address?

SEC. PANELO: When you say, it cannot be revoked, it assumes that the grantee are qualified; if they are not qualified, how can you apply that provision.

JOSEPH MORONG/GMA: How did the President bring up the warships? What was his concern when he talked about it?

SEC. PANELO: Let me quote him din, here: 'We have time and again reaffirm the South China Sea as a sea of peace, stability and prosperity. However in the past few months our authorities have sighted various Chinese military and survey vessels entering and navigating through our waters - this is of deep concern for us. The UNCLOS recognizes the right to exercise innocent passage that is continuous and expeditious passage while refraining from actions is specifically prohibited by law.

We wish to avoid untoward incidents, misunderstanding intentions. I would like all vessels entering our domain to fully comply with the law, keeping radio communication channels

open and active and acknowledging our attempts at contacts are crucial. Otherwise, such activities run counter to our efforts at managing the South China Sea issue.'

JOSEPH MORONG/GMA: In other words, he doesn't want to see anymore of those activities, correct?

SEC. PANELO: In other words, he doesn't want that repeated again and precisely, I think that's why the President of China made a statement of 'we should observe self-restraint and avoid acts that will provoke either side.'

JOSEPH MORONG/GMA: Sir, iyon lang pong sa compensation. Legally, ang sabi n'yo po, the government willing to help the fishermen in maybe filing a criminal case; but what is going to be the violation if it is a criminal case?

SEC. PANELO: Eh di reckless imprudence resulting to damage of property.

JOSEPH MORONG/GMA: Philippine law.

SEC. PANELO: Hmm.

JOSEPH MORONG/GMA: Paano, sir iyong—kasi I think we have an interview with the fishermen yesterday - papaano mag-a-avail nung monetary compensation?

SEC. PANELO: Siguro magpa-file ng claim.

JOSEPH MORONG/GMA: Kanino po?

SEC. PANELO: Ay hindi ko alam kung ano pa... dapat may mechanism. Siguro...

JOSEPH MORONG/GMA: That's my question, sir, paano?

SEC. PANELO: They will provide... I do not—I'm not knowledgeable on the process of filing a claim with respect to this maritime incident.

JOSEPH MORONG/GMA: Maybe DFA?

SEC. PANELO: We'll ask para sigurado. Para we can help them how to do it.

JOSEPH MORONG/GMA: So, commitment sir, iyong iyong sa monetary compensation and the legal?

SEC. PANELO: Yes.

JOSEPH MORONG/GMA: Just a complete statement, sir, for the fishermen if they are listening right now.

SEC. PANELO: The fishermen if you are listening, we can help you in filing your claim and if you are interested in pursuing a criminal case, we will assist you too.

JOSEPH MORONG/GMA: Sir, sa arbitral ruling. Because of the product of the meeting, do we need to re-strategize?

SEC. PANELO: Hindi, di ba may agreement na nga silang continue the dialogue peacefully to resolve it.

JOSEPH MORONG/GMA: Sabi n'yo po kanina, there's no need for the President to raise it again in the future 'no?

SEC. PANELO: Unless na merong development doon sa peaceful dialogue, di ba. Baka magkaroon ng breakthrough.

JOSEPH MORONG/GMA: For the meantime, pahinga muna tayo sa pagre-raise noon?

SEC. PANELO: Hindi na-raise na nga natin, kaka-raise lang, alangan naman paulit-ulit kang nagre-raise.

JOSEPH MORONG/GMA: Okay, kopya, sir.

USEC. IGNACIO: Thank you, Secretary Panelo. Thank you MPC from Beijing, China.

SEC. PANELO: Thank you.

END