

SENATE

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P.S. Res. No. 82

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Introduced by Senator Grace Poe

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**RESOLUTION**

**TO DIRECT THE APPROPRIATE SENATE COMMITTEE/S TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE FINDING OF THE COMMISSION ON AUDIT THAT 14 FOREIGN-ASSISTED PROJECTS OF THE DEPARTMENT OF TRANSPORTATION WORTH 1.61 TRILLION HAVE BEEN DELAYED, WHILE 13 OF ITS PROJECTS WORTH 8.6 BILLION WERE UNFINISHED OR SUSPENDED IN 2021, TO THE DETRIMENT OF THE COMMUTING FILIPINO PUBLIC**

1 WHEREAS, on 28 December 2020, President Rodrigo R. Duterte signed the  
2 Philippines' P4.506 trillion budget for the fiscal year 2021, which marks a 10% increase  
3 from that of fiscal year 2020 and was, at the time, the country's largest budget to date  
4 until it was surpassed the following year;

5 WHEREAS, of the P4.506 trillion national budget, over P87 billion was allocated  
6 to the Department of Transportation (DOTr), catapulting it within the top 10  
7 government agencies that have the biggest budget allocation for the fiscal year 2021;

8 WHEREAS, Congress championed the budget of the DOTr in recognition of its  
9 authority not only to resolve the plethora of challenges in our transportation system  
10 and the growing woes of the commuting Filipinos, but also to implement the minimum  
11 health and safety standards in order to curb the spread of the COVID-19 pandemic,  
12 which at that time was ravaging the country;

13 WHEREAS, despite the urgent concerns related to the country's public  
14 transportation system that need to be addressed, the Commission on Audit (COA) in  
15 its 2021 Audit Report has flagged the DOTr's delay in the implementation of 14 of its  
16 foreign-assisted projects worth P1.61 trillion in 2021, which forced the government to  
17 pay P128.42 in additional fees to institutions that have lent funds for such purposes;

1           WHEREAS, the 14 projects flagged by COA are as follows: Maritime Safety  
2 Enhancement (P6.25 billion); EDSA Greenways (P8.79 billion); Cebu Bus Rapid Transit  
3 (P16.31 billion); Light Rail Transit (LRT) Line 1 South Extension (P64.92 billion); LRT  
4 Line 2 East Extension (P9.51 billion); Second phase of Maritime Safety Capability  
5 Improvement (P8.02 billion); Metro Manila Bus Rapid Transit (P5.46 billion); Metro  
6 Manila Subway (P488.48 billion); Metro Rail Transit (MRT) 3 rehabilitation (P21.97  
7 billion); New Bohol Airport (P8.91 billion); Cebu International Container Port (P9.19  
8 billion); Air Traffic Management System (P10.87 billion); North-South Commuter  
9 Railway System (P777.55 billion); and Philippine National Railways Bicol Project  
10 (P175.32 billion);

11           WHEREAS, in its report, COA has asked DOTr to address the issues encountered  
12 in the implementation of the projects in order "to prevent further extension of  
13 services/project's completion/implementation period, and incurrence of additional  
14 fees/charges in case of extension of validity period";

15           WHEREAS, COA has also flagged DOTr for its unfinished and suspended  
16 projects amounting to over P8.6 billion, which include the following: MRT 3 Capacity  
17 Expansion (P3.7 billion); Unified Grand Central Station (P2.7 billion); Land  
18 Transportation Office-Sectoral Head Office Replacement Plates (P1.1 billion); Public  
19 Utility Vehicle Modernization Program (P392 million); Buhatan Port (P17 million); and  
20 Santa Fe Port (P17 million), among many others;

21           WHEREAS, in the same report, COA has advised DOTr to "act with urgency to  
22 come up with a continuity plan and utilization plan for the noted terminated and idle  
23 projects, not only to avoid potential wastage of public funds but primarily to realize  
24 the objectives for which these projects were implemented";

25           WHEREAS, in its 2021 Audit Report, COA has also warned that the government  
26 stands to lose over P205 million in outstanding advances to contractors because of  
27 DOTr's inability to fully and timely recover the advance payments of over P15 million  
28 and P190 million from completed and terminated projects, respectively, contrary to  
29 pertinent provisions of Republic Act No. 9184 or the Government Procurement Reform  
30 Act and its Implementing Rules and Regulations;

31           WHEREAS, COA similarly mentioned the unrecouped advances for 30 projects  
32 totaling over P67 million which has remained dormant for more than 10 years to date

1 as a result of the absence of documents that support the transactions which, in turn,  
2 cast doubts on the validity of claims against the contractors;

3 WHEREAS, COA recommended DOTr to be "proactively and fully involved in  
4 monitoring and ensuring that the implementation of the project is in accordance with  
5 the provisions of the contract and the applicable laws, rules and regulations";

6 WHEREAS, there is a need not only for an extensive scrutiny but also the  
7 demand for accountability among those public officials and their respective offices who  
8 must be held liable for such mismanagement of taxpayers' money;

9 NOW THEREFORE BE IT RESOLVED, as it is hereby resolved by the Senate of  
10 the Philippines, to direct the appropriate Senate Committee/s to conduct an inquiry,  
11 in aid of legislation, on the finding of the Commission on Audit that 14 foreign-assisted  
12 projects of the Department of Transportation worth 1.61 trillion have been delayed,  
13 while 13 of its projects worth 8.6 billion were unfinished or suspended in 2021, to the  
14 detriment of the commuting Filipino public.

Adopted,

  
GRACE POE  
