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SENATE  
P. S. R. No. 1543

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Introduced by Senator Miriam Defensor Santiago

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RESOLUTION  
DIRECTING THE PROPER SENATE COMMITTEE  
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,  
ON THE COMMISSION ON AUDIT REPORT FINDING IRREGULARITIES IN THE  
IMPLEMENTATION OF A DEPARTMENT OF SCIENCE AND TECHNOLOGY  
PROGRAM FOR MICRO, SMALL, AND MEDIUM ENTERPRISES

1 WHEREAS, the Constitution provides, in Article 2, Sections 27 and 28:

2 Section 27. The State shall maintain honesty and integrity in the public  
3 service and take positive and effective measures against graft and corruption.  
4 Subject to reasonable conditions prescribed by law, the State adopts and  
5 implements a policy of full public disclosure of all its transactions involving  
6 public interest.

7 Section 28. Subject to reasonable conditions prescribed by law, the State  
8 adopts and implements a policy of full public disclosure of all its transactions  
9 involving public interest.

10 WHEREAS, the *Philippine Star* on 12 August 2015 reported that the Commission on  
11 Audit (COA) found irregularities in the implementation of a Department of Science and  
12 Technology (DOST) program for micro, small, and medium enterprises (MSME);

13 WHEREAS, the program, called the Small Enterprises Technology Upgrading Program  
14 (SETUP), aims to enable MSMEs to improve productivity and efficiency through the infusion of  
15 appropriate technologies to improve their products, services or operations, as well as human  
16 resource training;

17 WHEREAS, the COA allegedly criticized as unsound the DOST's practice of releasing  
18 funds to the proponents, instead of the supplier upon delivery of the equipment, resulting in  
19 ₱122.9 million in losses for the government;

20 WHEREAS, state auditors also claimed that inadequate and ineffective evaluation of  
21 project proposals and lax enforcement of memoranda of agreement provisions between the  
22 agency and the proponents have resulted in delinquent accounts amounting to ₱74.606 million;

1           WHEREAS, the government must improve cooperation between the DOST, the  
2 Department of Trade and Industry, and other concerned agencies, to improve the implementation  
3 of programs for MSMEs;

4           WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct  
5 the proper Senate committee to conduct an inquiry, in aid of legislation, on the Commission on  
6 Audit report finding irregularities in the implementation of a Department of Science and  
7 Technology program for micro, small, and medium enterprises.

Adopted,

  
MIRIAM DEFENSOR SANTIAGO  
RP

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