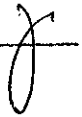


15 SEP -1 P3 :02

SENATE  
P. S. R. No. 1553

RECEIVED BY: 

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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 THAT THE QUEDAN AND RURAL CREDIT  
GUARANTEE CORPORATION CONTINUES TO INCUR LOSSES FROM ITS  
OPERATIONS AMOUNTING TO ₱11.5 BILLION IN 2014

1 WHEREAS, the Constitution, Article 11, Section 1 provides:

2 Section 1. Public office is a public trust. Public officers and employees  
3 must, at all times, be accountable to the people, serve them with utmost  
4 responsibility, integrity, loyalty, and efficiency; act with patriotism and justice,  
5 and lead modest lives;

6 WHEREAS, the Commission on Audit (COA) stated in its 2014 Audit Report that the  
7 Quedan and Rural Credit Guarantee Corporation (Quedancor) continues to incur losses from its  
8 operations amounting to ₱11.5 billion from 2006 to 2014;

9 WHEREAS, Quedancor is a non-bank financial institution mandated to accelerate the  
10 flow of investments and credit resources so as to trigger growth and development, rural  
11 productivity and enterprises;

12 WHEREAS, it is likewise mandated to generate more livelihood and income  
13 opportunities to farmers, fisherfolks and other rural entrepreneurs;

14 WHEREAS, the COA emphasized that the losses cast doubt on Quedancor's financial  
15 stability to be able to operate as a going concern;


16 WHEREAS, state auditors observed that the financial performance of Quedancor needs  
17 improvement to meets its obligations and sustain its capability to provide guarantee on loan  
18 programs;

19 WHEREAS, the COA noted that the financial charges of Quedancor indicate that due and  
20 demandable loans are hardly settled, while its bad debts show that loans receivable are hardly  
21 collected;

22 WHEREAS, Congress must implement measures that ensure effective performance of  
23 government agencies of their mandated functions;

1           WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct  
2 the proper Senate committee to conduct an inquiry, in aid of legislation, on the Commission on  
3 Audit Report that the Quedan and Rural Credit Guarantee Corporation continues to incur losses  
4 from its operations amounting to ₱11.5 billion in 2014.

Adopted,

  
MIRIAM DEFENSOR SANTIAGO  
JP

/tmdp