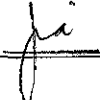


SENATE

13 JUL 10 AM 11

P. S. Res. No. 39

RECEIVED BY: 

Introduced by Senator Ralph G. Recto

A RESOLUTION

DIRECTING THE SENATE COMMITTEE ON FINANCE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STATUS OF THE PHILIPPINE PRIVATIZATION PROGRAM BY THE PRIVATIZATION COUNCIL AND THE PRIVATIZATION MANAGEMENT OFFICE, WITH THE END IN VIEW OF GENERATING GREATER REVENUES FOR THE GOVERNMENT AND STREAMLINING THE BUREAUCRACY

WHEREAS, Section 20 of Article II of the Constitution states that: "The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments";

WHEREAS, Section I, Article I of Presidential Proclamation No. 50 provides that "It shall be the policy of the State to promote privatization through an orderly, coordinated and efficient programs for the prompt disposition of the large number of non-performing assets of the government financial institutions, and certain government-owned or controlled corporations which have been found necessary or inappropriate for the government sector to maintain;"

WHEREAS, the Philippine Privatization Program as embodied in Presidential Proclamation No. 50, aims to streamline the bureaucracy, augment the government's financial resources and create efficiencies in the government corporate sector;

WHEREAS, in 6 December 2000, Executive Order No. 323 provided for the organization of the Privatization Council (PC) and the Privatization Management Office (PMO), to succeed the Committee on Privatization and the Asset Privatization Trust, respectively;

WHEREAS, the PMO effectively merged with the Board of Liquidators (BoL) in accordance with Executive Order No. 471, dated 17 November 2005 and its Implementing Guidelines, dated 6 December 2006 in order to auspiciously expedite the liquidation of assets and properties of abolished agencies;

WHEREAS, the privatization program has generated revenues of up to Two hundred thirty-five Billion Pesos (P235,000,000,000) from years 1987 to 2009, Nine hundred forty-seven Million Pesos (P947,000,000) in 2010¹ and Six hundred twenty-two Million Pesos (P622,000,000) in 2011²;

WHEREAS, the Privatization Program has dragged on for almost twenty-seven (27) years, with observed fluctuations in the amount being generated throughout the lifespan of the program;

WHEREAS, in August 2012, the Department of Budget and Management (DBM) approved the rationalization plan of the PMO to streamline PMO's operations, attract highly qualified applicants to beef up its workforce with experienced professionals, promote efficiency and enhance the quality of services to stakeholders;

¹ PMO 2010 Annual Report

² FY 2013 Department of Finance Proposed Budget Briefer, LBRMO

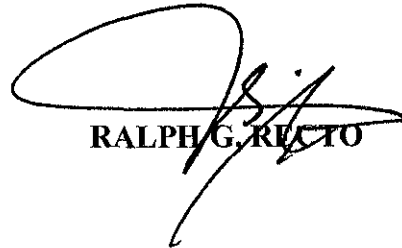
WHEREAS, there is an urgent need to look into the status of the Privatization Program of the government, particularly on the accomplishments of the program, vis-à-vis its mandates, as well as the remaining assets that need to be disposed of;

WHEREAS, there is a need for Congress to determine if future legislation is needed in order to expedite the Privatization Program;

WHEREAS, consistent with the government's effort to generate revenues, it is imperative to review the systems and procedures involved in the disposal of government assets;

NOW THEREFORE, BE IT RESOLVED, by the Philippine Senate, to direct the Committee on Finance to conduct an inquiry, in aid of legislation, on the status of the Philippine Privatization Program by the Privatization Council and the Privatization Management Office, with the end in view of generating greater revenues for the government and streamlining the bureaucracy.

Adopted,



RALPH G. RECTO