

SENATE
P. S. R. No. 1591

Introduced by Senator Miriam Defensor Santiago

RESOLUTION
DIRECTING THE PROPER SENATE COMMITTEE
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE COMMISSION ON
AUDIT REPORT THAT FOUND IRREGULARITIES IN THE LEASE CONTRACT OF THE
TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY

- 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 Sections 28. Subject to reasonable conditions prescribed by law, the State
5 adopts and implements a policy of full public disclosure of all its transactions
6 involving public interest.
7 WHEREAS, the *Manila Bulletin* on 29 August 2015 reported that the Commission on
8 Audit (COA) has revealed irregularities in the awarding of a ₱405.9 million contract for lease of
9 the office building occupied by the Tourism Infrastructure and Enterprise Zone Authority
10 (TIEZA), formerly the Philippine Tourism Authority;
11 WHEREAS, state auditors suspect that the joint venture agreement entered into by and
12 between GURU Property Development and Management Corporation and EBITDAPOSITIVE
13 Corporation, the real owner of the building, was executed to circumvent Republic Act No. 9184,
14 otherwise known as the Government Procurement Reform Act, and to reinstate the
15 Memorandum of Agreement (MOA) between GURU and TIEZA terminated on 30 April 2013;
16 WHEREAS, the COA claimed that the joint venture agreement between GURU and
17 EBITDAPOSITIVE was insufficient and does not transfer ownership of the building to GURU;
18 WHEREAS, state auditors reportedly demanded that TIEZA terminate its contract of
19 lease with the joint venture of GURU and EBITDAPOSITIVE and conduct a new bidding for the
20 lease of the tourism agency's office;
21 WHEREAS, the COA allegedly said that TIEZA's decision to rebid is an indication that
22 it knowingly violated regulations of the Government Procurement Policy Board and the COA,
23 thereby enabling GURU to again successfully secure the subject lease contract;
24 WHEREAS, the Congress, in consultation with the COA, should strengthen
25 existing laws to address loopholes in procurement agreements between government agencies and
26 private corporations;

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 found irregularities in the lease contract of the Tourism Infrastructure and
4 Enterprise Zone Authority.

Adopted,


MIRIAM DEFENSOR SANTIAGO
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