


FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session

NOV 21 2011

SENATE

P.S. Res. No. 218

RECEIVED BY: 

Introduced by Senator Loren Legarda

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ECONOMIC AFFAIRS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE DEFERMENT BY THE WORLD BANK OF A \$232-MILLION SOFT LOAN TO THE PHILIPPINES ON ALLEGATIONS OF CORRUPTION

WHEREAS, the National Road Improvement and Management Program (NRIMP) is the Government of the Philippines' main tool for modernizing the country's road management through stronger business processes and reformed institutions for financing and managing roads;

WHEREAS, the phase 1 of the NRIMP was approved by the World Bank under a 20-year loan agreement in 2000 to which the bank initially disbursed \$150 million for the first phase;

WHEREAS, the World Bank reported that during phase 1 of the NRIMP (2000 - 2007), ninety percent (90 %) of the goals of the project has been accomplished including 382 kilometers of roads had been built or upgraded across the Philippines and 975 km of existing roads had been resurfaced and maintained across the archipelago, where a dilapidated transport network hinders development;

WHEREAS, the World Bank stated that in 2003, signs of procurement problems in the first phase of the program were identified and that between 2003 and 2006, it has rejected two large road contracts in three successive rounds of bidding because of strong signs of collusion and excessive pricing;

WHEREAS, newspaper reports that the World Bank has put on hold a \$232-million loan which should finance phase 2 of the NRIMP after irregularities supposedly involving bid rigging were uncovered during the first phase of the project;

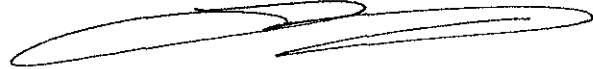
WHEREAS, the case of the NRIMP is but one of the many major infrastructure projects financed through official development assistance (ODA) which was hounded by allegations of corruption;

WHEREAS, corruption in the utilization of ODAs will restrain the effective and efficient use of said resources to finance projects that help promote growth and development in the country;

WHEREAS, it is incumbent upon Congress to determine the circumstances that led to the loan's deferment and identify legislative measures that can be put in place to safeguard the utilization of ODA against corruption;

NOW BE IT RESOLVED AS IT IS HEREBY RESOLVED, to direct the Senate Committee on Economic Affairs to conduct an inquiry, in aid of legislation, on the deferment by the World Bank of a \$232 million soft loan to the Philippines on allegations of corruption.

Adopted,



LOREN LEGARDA
Senator