

RECORD OF THE SENATE

THURSDAY, DECEMBER 21, 2000

RESUMPTION OF THE SESSION

*At 10:04 a.m., the session was resumed with the Senate President, Hon. Aquilino Q. Pimentel Jr., presiding.*

**The President.** The session is resumed. The Majority Leader is recognized.

**Senator Tatad.** Mr. President, I move for the reading of the Ninth Additional Reference of Business.

**The President.** Is there any objection? *[Silence]* There being none, the motion is approved.

The Secretary will now read the Ninth Additional Reference of Business.

NINTH ADDITIONAL REFERENCE OF BUSINESS

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

**The Acting Secretary** [Atty. Reyes].

December 19, 2000

The Honorable  
AQUILINO Q. PIMENTEL JR.  
President of the Senate  
GSIS Financial Center  
Pasay City 1308

Mr. President:

I have been directed to inform the Senate that the House of Representatives on December 19, 2000 passed House Bill No. 11995, entitled

AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND ONE, AND FOR OTHER PURPOSES,

to which it requests the concurrence of the Senate.

Very truly yours,

(Sgd.) ROBERTO P. NAZARENO  
Secretary General

**The President.** Referred to the Committee on Finance

**The Acting Secretary** [Atty. Reyes].

December 20, 2000

The Honorable  
AQUILINO Q. PIMENTEL JR.  
President of the Senate  
GSIS Financial Center  
Pasay City 1308

Mr. President:

I have been directed to inform the Senate that the House of Representatives on December 19, 2000 passed House Bill No. 12578, entitled

AN ACT CONVERTING THE MUNICIPALITY OF PANABO, PROVINCE OF DAVAO DEL NORTE, INTO A COMPONENT CITY TO BE KNOWN AS THE CITY OF PANABO,

to which it requests the concurrence of the Senate.

Very truly yours,

(Sgd.) ROBERTO P. NAZARENO  
Secretary General

**The President.** Referred to the Committee on Local Government

**The Acting Secretary** [Atty. Reyes].

December 19, 2000

The Honorable  
AQUILINO Q. PIMENTEL JR.  
President of the Senate  
GSIS Financial Center  
Pasay City 1308

Mr. President:

I have been directed to inform the Senate that the House of Representatives on December 19, 2000 passed House Bill No. 12671, entitled

AN ACT GRANTING THE PHILIPPINE COMMUNICATIONS CLEARINGHOUSE, INC. A FRANCHISE TO CONSTRUCT, ESTABLISH, INSTALL, MAINTAIN AND OPERATE WIRE

and stability by ratifying the CTBT. Through this concrete action of the Senate, the Philippines can demonstrate to the world its condemnation of nuclear weapons tests and its sincere and firm resolve to eliminate nuclear weapons from the face of the earth.

In closing, I would like to appeal anew for the support of the honorable members of this Chamber for the passage of this vital treaty. Our affirmative vote on this matter is crucial as it would be a vote in favor of a safer environment and a climate free from the threat of nuclear weapons that would be an invaluable legacy that our political leadership could bequeath to the present and future generations.

It is one very important step in achieving the United Nations' aim "to save succeeding generations from the scourge of war and now the possibility of nuclear annihilation."

Thank you, Mr. President.

**The President.** The Majority Leader is recognized.

**Senator Tatad.** Mr. President, we thank the Senate President Pro Tempore for that sponsorship speech. This is one of the landmark treaties we are being asked to accede to. But such is the support behind this measure in the Senate that there are no interpellations.

So, I move that we close the period of interpellations.

**The President.** Is there any objection? [Silence] There being none, the period of interpellations is closed.

**Senator Tatad.** Mr. President, if there are no proposed amendments to the resolution, I move that we close the period of amendments.

**The President.** Is there any objection? [Silence] There being none, the period of amendments is closed.

ADOPTION OF P. S. RES. NO. 725

**Senator Tatad.** Mr. President, I move that we adopt Proposed Senate Resolution No. 725.

**The President.** Is there any objection? [Silence] There being none, the Proposed Senate Resolution is hereby adopted.

SUSPENSION OF CONSIDERATION OF  
P. S. RES. NO. 725

**Senator Tatad.** Mr. President, I move that we suspend consideration of Proposed Senate Resolution No. 725.

**The President.** Is there any objection? [Silence] There being none, the motion is approved.

CONFERENCE COMMITTEE REPORT ON  
S. NO. 1946/H. NO. 8118  
(Philippine Quality Award Act)

**Senator Tatad.** Mr. President, I move that we now consider the Conference Committee Report on the disagreeing provisions of Senate Bill No. 1946 and House Bill No. 8118.

**The President.** Is there any objection? [Silence] There being none, the motion is approved.

**Senator Tatad.** For this purpose, I ask that Sen. Ramon B. Magsaysay Jr. be recognized.

**The President.** Sen. Ramon B. Magsaysay Jr. is recognized.

REPORT OF SENATOR MAGSAYSAY

**Senator Magsaysay.** Thank you, Mr. President.

May I present the Joint Explanation of the Conference Committee Report on the disagreeing provisions of Senate Bill No. 1946 and House Bill No. 8118.

This is a very lengthy three-page full report which was attended by a number of the members of the House panel, Mr. President. On the side of the Senate, Sen. Gregorio B. Honasan and I held our own part representing the Senate panel.

MANIFESTATION OF SENATOR MAGSAYSAY  
(Joint Explanation Be Inserted in the Record)

Since this is very long, and time is of the essence, may I request that the Joint Explanation of the Conference Committee which has been given to all of our colleagues here in the Senate be just included in our *Record*. I will not read it but that the same be made part of our *Record*.

**Senator Tatad.** May we ask the distinguished sponsor to mention one or two highlights at least of the report.

**Senator Magsaysay.** Yes, Mr. President.

One of the more important provisions of the Philippine Quality Award bill is Section 10, the Philippine Quality Award Committee, of the Senate version. The Senate version was adopted as Section 5 of the unified version, for purposes of style, and also reworded as follows:

**SEC. 5. Philippine Quality Award Committee.** -- The President of the Philippines shall appoint a Philippine Quality Award Committee, hereinafter referred to as the "Committee," consisting of the heads of the following government agencies: The Department of Trade and Industry (DTI), the Development Academy of the Philippines (DAP), the Department of Budget and Management (DBM), the National Wages and Productivity Commission (NWPC), the Technical Education and Skills Development Authority (TESDA), the Center for Industrial Competitiveness (CIC), and six (6) representatives from the private sector who shall come from the national quality movement/organization, the association of quality practitioners, the association of management practitioners, employers or industries; the association of schools for higher education or technological institution; the labor sector and the technical professionals.

The second paragraph of Section 5, states:

The Secretary of Trade and Industry shall serve as Chairperson of the Committee with the President of the Development Academy of the Philippines and the head of the national movement for quality and productivity shall serve as the vice-chairpersons for the public and private sectors, respectively.

Then finally:

The Chairman of the Civil Service Commission (CSC) shall be invited to participate as member of the PQA Committee. This Committee shall meet as often as may be necessary to review and improve the award system.

That is Section 5. Then we have another salient provision here, Mr. President. I think this was taken up by Sen. Miriam Defensor Santiago which we both approved in the House and Senate versions. Section 6(b) of the Senate version and Section 6(c) of the House version which are the same were adopted as Section 8 (*Recognition Levels*) of the reconciled version with the subheadings reworded as follows:

So these are the *Recognition Levels*, Mr. President:

9. *Recognition for Mastery in Quality Management*
10. *Recognition for Proficiency in Quality Management* and finally
11. *Recognition for Commitment in Quality Management*

Thank you, Mr. President.

Senator Tatad. Thank you, Mr. President.

APPROVAL OF CONFERENCE COMMITTEE REPORT  
ON S. NO. 1946/H. NO. 8118

I now move for the approval of the report.

**The President.** Is there any objection? [*Silence*] There being none, the motion is approved.

*The following is the whole text of the Conference Committee Report:*

JOINT EXPLANATION OF THE CONFERENCE  
COMMITTEE ON THE DISAGREEING PROVISIONS OF  
SENATE BILL NO. 1946 AND HOUSE BILL NO. 8118

The Conference Committee on the disagreeing provisions of Senate Bill No. 1946 and House Bill No. 8118, after having met and fully discussed the subject matter, hereby report to their respective Houses the following:

1. Both the Senate and the House versions were adopted as working drafts since their provisions were almost the same;
2. Section 1 (*Title*) and Section 2 (*Declaration of Policy*) of both versions were adopted in the reconciled version since they are the same;
3. Section 3 (*Purpose*) of the Senate version was adopted as Section 3 of the reconciled version;
4. Section 4 (*Establishment of the Philippine Quality Award System*) of both versions were also adopted because they are also identical;
5. Section 10 (*PQA Committee*) of the Senate version was adopted as Section 5 of the unified version for purposes of style and also reworded as follows:

"SEC. 5. *Philippine Quality Award Committee.*  
- The President of the Philippines shall appoint a Philippine Quality Award Committee, hereinafter referred to as the "Committee", consisting of the heads of the following government agencies: the Department of Trade and Industry (DTI), the Development Academy of the Philippines (DAP), the Department of Budget and Management (DBM), the National

Wages and Productivity Commission (NWPC), the Technical Education and Skills Development Authority (TESDA), the Center for Industrial Competitiveness (CIC), and six (6) representatives from the private sector who shall come from the national quality movement/organization; the association of quality practitioners; the association of management practitioners, employers or industries; the association of schools for higher education or technological institution; the labor sector and the technical professionals.

The Secretary of Trade and Industry shall serve as Chairperson of the Committee with the President of the Development Academy of the Philippines and the head of the national movement for quality and productivity shall serve as the vice-chairpersons for the public and private sectors, respectively.

The Chairman of the Civil Service Commission (CSC) shall be invited to participate as member of the PQA Committee. This Committee shall meet as often as may be necessary to review and improve the award system.

6. Section 5 (*Making and Presentation of the Award*) of the House version was adopted as Section 6 of the reconciled version and reworded as follows;

"Sec. 6. *Making and Presentation of Award.*  
- The President of the Philippines, on the basis of recommendations received from the award manager, shall periodically grant the award to organizations which in the judgment of the award manager have substantially benefited the economic or social well-being of the Philippines through improvements in the quality of their goods or services resulting from the effective practice of quality management, and which as a consequence are deserving of special recognition."

The conferment of the award shall be made by the President personally in accordance with such ceremonies as may be prescribed by the rules and regulations to be promulgated hereinafter.

A company or an organization to which an award is granted, and which agrees to help

other Philippine organizations improve their quality management may publicize its receipt of such award and use the award in its promotional activities.

7. The first paragraph of Section 6 of both versions were adopted as Section 7 of the reconciled version to read as follows:

"SEC. 7. *The Philippine Quality Award for Performance Excellence.* - The Philippine Quality Award shall be conferred annually to qualified organizations in the private and public sectors which have demonstrated the highest level of performance excellence. The organization should have demonstrated management excellence by the purposefulness with which it continues to improve and build upon outstanding results and excellent systems. It should serve as a national and global model."

8. Section 6(b), (1, 2, 3) of the Senate version and Section 6(c), (1, 2, 3) which are the same were adopted as Section 8 (*Recognition Levels*) of the reconciled version with the sub-headings reworded as follows:

9. *Recognition for Mastery in Quality Management*

10. *Recognition for Proficiency in Quality Management*

11. *Recognition for Commitment in Quality Management*

12. Section 7 (*Eligibility Categories for the Grant of the Award*) of both the Senate and House versions were adopted as Section 9 of the reconciled version;

13. Section 8 of the Senate version was adopted as Section 10 (*Criteria for Qualifications*) of the reconciled version and has been reworded as follows:

"SEC. 10. *Criteria for Qualification.* - An organization may qualify for an award under this Section only if it:

(a) prepares an application and submits this to the Award Administrators;

(b) permits a rigorous evaluation of the means in which its business and

other operations have contributed to improvements in the quality of goods, services and overall organizational performance; and

(c) meets such requirements and specifications, as the Committee may deem appropriate.

In applying the provisions of subparagraph (c) with respect to any organization, the Committee shall rely upon an intensive evaluation by a competent pool of assessors which shall review the evidence provided by the organization and, through a site visit, verify the accuracy of the quality improvements claimed. The examinations should encompass all aspects of the organization's current practices on quality management, as well as the organization's provisions for quality management in its future goals. The award shall be given only to organizations which have made outstanding improvements in the quality of their goods or services or both and which have demonstrated effective quality management through the training and involvement of all levels of personnel on quality improvement.

14. Section 9 of both the Senate and House versions were adopted as Section 11 of the reconciled version;

15. Section 11 of both versions were adopted as Section 12 (*Information and Technology Transfer Program*) of the reconciled version;

16. Section 12 of both versions was adopted as Section 13 of the reconciled version and reworded as follows:

SEC. 13. *Funding*. - The amount necessary for the implementation of this Act shall be included in the budget of the DTI in the annual General Appropriations Act.

The Committee may recognize and appoint or create a foundation to manage an endowment fund for the PQA system which shall be assisted by the Committee in soliciting grants, subsidies, donations or contributions, request for gifts, in cash or in kind, from corporations, trusts, foundations, associations and other sources from any private office, corporation or entity in the Philippines or abroad: *Provided*, That the cash receipts and proceeds from the sale of donated commodities shall be deemed automatically appropriated for purposes specified by the donor.

17. Section 13 (*Fees and Charges*) of the Senate version was adopted as Section 14 of the reconciled version with the deletion of the number 7 and thereby changing the same to 9, and the deletion of the word PQA before the word Committee;

18. Section 15 (*Report*), Section 16 (*Implementing Rules and Regulations*) and Section 17 (*Repealing Clause*) of the reconciled version were taken from Sections 14, 15 and 16 respectively of the Senate and House versions;

19. Section 18 (*Effectivity*) of the reconciled version has been reworded as follows:

SEC. 18. *Effectivity*. - This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

20. The conferees agreed to adopt the title of both the Senate and House versions as the title of the reconciled version.

In case of conflict between the statements/ amendments stated in this Joint Explanation and that of the provisions of the consolidated bill in the accompanying Conference Committee Report, the provisions of the latter shall prevail.

(Sgd.) HON. RAMON B. MAGSAYSAY JR.  
*Chairman, Senate Panel*

(Sgd.) HON. JESLIA. LAPUS  
*Chairman, House Panel*

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CONFERENCE COMMITTEE REPORT

The Conference Committee on the disagreeing provisions of House Bill No. 8118, entitled

AN ACT ESTABLISHING THE PHILIPPINE QUALITY AWARD IN ORDER TO ENCOURAGE ORGANIZATIONS IN BOTH THE PRIVATE AND PUBLIC SECTORS TO ATTAIN EXCELLENCE IN QUALITY IN THE PRODUCTION AND/OR DELIVERY OF THEIR GOODS AND SERVICES

and Senate Bill No. 1946, entitled

AN ACT ESTABLISHING THE PHILIPPINE QUALITY AWARD IN ORDER TO ENCOURAGE

ORGANIZATIONS IN BOTH THE PRIVATE AND PUBLIC SECTORS TO ATTAIN EXCELLENCE IN QUALITY IN THE PRODUCTION AND/OR DELIVERY OF THEIR GOODS AND SERVICES,

having met, after full and free conference, has agreed to recommend and do hereby recommend to their respective Houses that House Bill No. 8118, in consolidation with Senate Bill No. 1946, be approved in accordance with the attached copy of the bill as reconciled and approved by the conferees:

*CONFEREES ON THE PART OF THE  
SENATE OF THE PHILIPPINES*

(Sgd.) HON. RAMON B. MAGSAYSAY JR.

(Sgd.) HON. GREGORIO B. HONASAN

(Sgd.) HON. SERGIOR. OSMEÑA III

(Sgd.) HON. JUAN M. FLAVIER

*CONFEREES ON THE PART OF THE  
HOUSE OF REPRESENTATIVES*

(Sgd.) HON. JESLIA. LAPUS

HON. JOEY SARTESALCEDA

(Sgd.) HON. HARRY C. ANGPING

HON. JOSEPH "ACE" H. DURANO

HON. MARCELINO C. LIBANAN

HON. EMILY R. LOPEZ

HON. PEDROM. PANCHO

HON. MA. VICTORIAL. LOCSIN

(Sgd.) HON. RAMON M. REYES

(Sgd.) HON. ANGELITO M. SARMIENTO

(Sgd.) HON. ROGELIO M. SARMIENTO

(Sgd.) HON. NESTOR C. PONCE JR.

(Sgd.) HON. PROSPERO A. PICHAY JR.

(Sgd.) HON. MARCIAL C. PUNZALAN JR.

AN ACT ESTABLISHING THE PHILIPPINE QUALITY AWARD IN ORDER TO ENCOURAGE ORGANIZATIONS IN BOTH THE PRIVATE AND PUBLIC SECTORS TO ATTAIN EXCELLENCE IN QUALITY IN THE PRODUCTION AND/OR DELIVERY OF THEIR GOODS AND SERVICES

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. *Title.* - This Act shall be known and cited as the "Philippine Quality Award Act."

SEC. 2. *Declaration of Policy.* - It is hereby declared to be the policy of the State to promote industrialization and full employment through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets. Towards this end, the State shall encourage all sectors of the economy to aim for optimum productivity and improved quality and shall recognize their contribution to raising the quality of life for all, especially the underprivileged. Thus, the State shall endeavor to:

(a) Help stimulate organizations to improve quality and productivity for the pride of recognition while obtaining a competitive edge through improved performance or business results;

(b) Recognize the achievements of those organizations which improve the quality of their processes, goods and services and provide examples to others;

(c) Establish guidelines and criteria that can be used by industrial, commercial, governmental, and other organizations in evaluating their own quality improvement efforts; and

(d) Provide specific guidance for other organizations in the Philippines that wish to learn how to manage quality by making available relevant information on how winning organizations were able to change their cultures and achieve eminence.

SEC. 3. *Purpose.* - The two-fold purposes of this Act are as follows:

(a) To provide for the establishment and conduct of a national quality improvement system under which awards are given to selected organizations that practice effective quality

management and as a result make significant improvements in the quality of their goods and services and organizational performance; and

(b) To generate and obtain useful information about successful strategies, programs and practices for improving quality of goods and services which can be disseminated to other organizations.

SEC. 4. *Establishment of the Philippine Quality Award System.* - There is hereby established the Philippine Quality Award, which shall be evidenced by a trophy bearing the Presidential Seal, PQA logo, and the inscriptions "Philippine Quality Award - Quest for Performance Excellence". The trophy shall be of such design and materials and bear such additional inscriptions as the Philippine Quality Award Committee may prescribe.

SEC. 5. *Philippine Quality Award Committee.* - The President of the Philippines shall appoint a Philippine Quality Award Committee, hereinafter referred to as the "Committee", consisting of the heads of the following government agencies: the Department of Trade and Industry (DTI), the Development Academy of the Philippines (DAP), the Department of Budget and Management (DBM), the National Wages and Productivity Commission (NWPC), the Technical Education and Skills Development Authority (TESDA), the Center for Industrial Competitiveness (CIC), and six (6) representatives from the private sector who shall come from the national quality movement/organization; the association on quality practitioners; the association of management practitioners, employers or industries; the association of schools for higher education or technological institution; the labor sector and the technical professionals.

The Secretary of Trade and Industry shall serve as Chairperson of the Committee with the President of the Development Academy of the Philippines and the head of the national movement for quality and productivity shall serve as the vice-chairpersons for the public and private sectors, respectively.

The Chairman of the Civil Service Commission (CSC) shall be invited to participate as member of the PQA Committee. This Committee shall meet as often as may be necessary to review and improve the award system.

SEC. 6. *Making and Presentation of Award.* - The President of the Philippines, on the basis of recommendations received from the Award Manager,

shall periodically grant the award to organizations which in the judgment of the Award Manager have substantially benefited the economic or social well-being of the Philippines through improvements in the quality of their goods or services resulting from the effective practice of quality management, and which as a consequence are deserving of special recognition.

The conferment of the award shall be made by the President personally in accordance with such ceremonies as may be prescribed by the rules and regulations to be promulgated hereinafter.

A company or an organization to which an award is granted, and which agrees to help other Philippine organizations improve their quality management, may publicize its receipt of such award and use the award in its promotional activities.

SEC. 7. *The Philippine Quality Award for Performance Excellence.* - The Philippine Quality Award shall be conferred annually to qualified organizations in the private and public sectors which have demonstrated the highest level of performance excellence. The organization should have demonstrated management excellence by the purposefulness with which it continues to improve and build upon outstanding results and excellent systems. It should serve as a national and global model.

SEC. 8. *Recognition Levels.* - Three (3) levels of recognition shall likewise be conferred annually to organizations in the private and public sectors that applied for but failed to qualify for the Philippine Quality Award while achieving some degree of superior performance, namely:

1) *Recognition for Mastery in Quality Management*

The organization should have demonstrated, through its practices and achievements, superior results clearly linked to robust management systems. It should exhibit practices, which other organizations can learn from and should serve as role model for other organizations in the Philippines.

2) *Recognition for Proficiency in Quality Management*

The organization should have demonstrated, through implementation of quality and productivity management principles, significant progress in building

sound and notable processes. It should have a documented and solid approach to system-level quality and productivity management and has been implementing quality and productivity improvement plans and procedures.

3) *Recognition for Commitment to Quality Management*

The organization should have demonstrated its serious commitment to improvement in order to achieve quality excellence. It should have planted the seeds of quality and productivity and is working towards reaping long term benefits of its efforts.

SEC. 9. *Eligibility Categories for the Grant of the Award.* - Awards shall be made to qualifying organizations in each of the following categories:

- (a) Small and Medium Scale Enterprises as defined under the Magna Carta for Small and Medium Scale Enterprises;
- (b) Manufacturing companies or their subsidiaries;
- (c) Companies which primarily provide services;
- (d) Agricultural Producers;
- (e) Offices, agencies, bureaus of the National Government, and any of its subdivisions, including government-owned and controlled corporations and local government units.

The Committee may at any time expand, subdivide, or otherwise modify the list of categories above enumerated and may establish separate awards for other organizations upon a determination that the objectives of this Act would be better served thereby; except that any such expansion, subdivision, modification, or establishment shall not be effective unless and until thirty (30) days after the Committee has published a detailed description thereof.

The Philippine Quality Award for Performance Excellence shall be given to all applicant organizations that garnered the qualifying conditions per year. No award shall be granted within any of the four levels if there are no qualifying organizations in that level. An organization granted the Philippine Quality Award for Performance Excellence shall be ineligible to receive

another award in the same level for a period of three years. However, previous winners of any of the Recognition Levels: Mastery/Proficiency/Commitment, shall be eligible to apply for another award.

SEC. 10. *Criteria for Qualification.* - An organization may qualify for an award under this Section only if it:

- (a) prepares an application and submits this to the Award Administrators;
- (b) permits a rigorous evaluation of the means in which its business and other operations have contributed to improvements in the quality of goods, services and overall organizational performance; and
- (c) meets such requirements and specifications, as the Committee may deem appropriate.

In applying the provisions of subparagraph (c) with respect to any organization, the Committee shall rely upon an intensive evaluation by a competent pool of assessors which shall review the evidence provided by the organization and, through a site visit, verify the accuracy of the quality improvements claimed. The examinations should encompass all aspects of the organization's current practices on quality management, as well as the organization's provisions for quality management in its future goals. The award shall be given only to organizations which have made outstanding improvements in the quality of their goods and services or both which have demonstrated effective quality management through the training and involvement of all levels of personnel on quality improvement.

SEC. 11. *Award Manager and Award Administrators.* - The Secretary of the Department of Trade and Industry (DTI) shall be the Award Manager with the Center for Industrial Competitiveness as its implementing agency. The President of the Philippines shall appoint two (2) administrators representing the public and private sectors from the list of nominees prepared by the DTI and the national organizations on quality management. They shall serve for a term of three (3) years.

SEC. 12. *Information and Technology Transfer Program.* - The Committee shall ensure that all award applicants receive the results of evaluation of their application as well as detailed explanations of all suggestions for improvements. The Committee shall



disseminate information about the awards and the successful quality improvement strategies of the award-winning organization/s.

**SEC. 13. Funding.** - The funds necessary for the implementation of this Act shall be included in the budget of the DTI in the annual General Appropriations Act.

The Committee may recognize and appoint or create a foundation to manage an endowment fund for the PQA system which shall be assisted by the Committee in soliciting grants, subsidies, donations or contributions, request for gifts, in cash or in kind, from corporations, trusts, foundations, associations and other sources from any private office, corporation or entity in the Philippines or abroad: *Provided*, That the cash receipts and proceeds from the sale of donated commodities shall be deemed automatically appropriated for purposes specified by the donor.

**SEC. 14. Fees and Charges.** - The Committee may impose fees and other charges upon the organizations applying for the award in amounts sufficient to cover the costs of examinations under Section 9 hereof: *Provided*, That said fees and other charges shall accrue to the Committee to subsidize its operational expenses.

**SEC. 15. Report.** - The Chairman shall prepare and submit to the President and the Congress each year, a report on the award activities and the progress of the implementation of this Act.

**SEC. 16. Implementing Rules and Regulations.** - The Committee shall promulgate the necessary rules and regulations for the effective implementation of this Act.

**SEC. 17. Repealing Clause.** - All laws, executive orders, rules and regulations inconsistent with or contrary to the provisions of this Act are hereby repealed, amended, or modified accordingly.

**SEC. 18. Effectivity.** - This Act shall take effect

fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,

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**Senator Magsaysay.** Thank you, Mr. President.

**The President.** The Majority Leader is recognized.

**Senator Tatad.** Mr. President, there being no further business, I move to adjourn the session until three o'clock on Monday afternoon, 15 January 2001.

**The President.** Is there any objection? [*Silence*] There being none, the session is adjourned.

*It was 10:45 a.m.*

*At this juncture, however, Senator Tatad amended his motion in view of the Impeachment Trial scheduled at two o'clock on Monday afternoon, January 15, 2001.*

**Senator Tatad.** May I correct my motion which was just approved. The motion to adjourn was that "until three o'clock, Monday, of the 15th of January." We overlooked the fact that we would still be having the Impeachment Trial.

#### ADJOURNMENT OF SESSION

So, may I correct that motion. I move that we adjourn the session until 10 o'clock on Monday morning, January 15, 2001.

**The President.** There is a motion to set the reconvening of the session of the Senate at 10 o'clock on Monday morning, January 15. Is that correct?

**Senator Tatad.** Yes, Mr. President.

**The President.** Is there any objection? [*Silence*] There being none, the motion is approved.

*It was 10:50 a.m.*