

Senate to Probe Alleged Mismanagement of Food Terminal, Inc. - MabuhayRadio

Written by Senator Pimentel's Press Office

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Minority Leader Aquilino “Nene” Q. Pimentel, Jr. (PDP-Laban) has asked the Philippine Senate committee on government corporations and public enterprises to conduct an investigation, in aid of legislation, into the alleged mismanagement of the Food Terminal Inc., a subsidiary of the National Food Authority under the Department of Agriculture.

Senator Pimentel said there is a need to look into the financial condition and to open the book of accounts of the FTI in the light of reports that it has gone bankrupt due to alleged mismanagement and massive graft.

“It is necessary to look into these serious allegations against the management of FTI and to immediately undertake corrective measures to prevent the problem from getting out of hand and to protect the interests of the government and the taxpayers,” he said.

Mr. Pimentel said that the COA should be requested by the Senate committee to conduct a performance-audit report on the FTI to verify its real financial condition.

The inquiry was sought amid the renewed administration plan to privatize the 120-hectare FTI agro-industrial complex in Taguig City supposedly to cut losses and to generate additional revenues for the government.

The value of the huge FTI complex, in a prime location in Metro Manila, is estimated at P15 billion.

Originally intended to be a facility for trading and storage of agricultural products and for food processing, the FTI has remained a strategic business hub with more than 300 small-and-medium-scale companies operating through lease contracts.

Mr. Pimentel noted that the FTI supposedly has the biggest accounts in the bank deposits of the National Food Authority.

The FTI was created through a presidential decree issued by then President Ferdinand Marcos on March 27, 1974. Its forerunner was the Greater Manila Terminal Food Market established in 1968.

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On March 1, 2004, President Gloria Macapagal-Arroyo issued Proclamation 626, designating parcels of land within the FTI complex with an aggregate area of 243,961 square meters as a Special Economic Zone.

Senator Pimentel suggested that the Commission on Audit be required by the Senate committee on government corporations to submit audit and accounting reports covering the operations of FTI over the last three fiscal years. If necessary, he said the COA should be requested by the committee to conduct a performance-audit report on the FTI to verify the real financial condition of the state firm. # # #

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