

**CONSTRUCTION INDUSTRY ARBITRATION COMMISSION**

4/F Jupiter I Building, 56 Jupiter Street, Bel-Air Village, Makati City  
Telephone No. 897-0853 / Telefax: 897-9313



**RESOLUTION NO. 11 – 2005**

**APPROVING THE CIAC MEDIATION RULES**

**WHEREAS**, the Construction Industry Arbitration Commission (CIAC), encouraging the use of alternative modes of dispute resolution (ADR) has adopted a simplified rules of mediation and conciliation on May 12, 1988 as well as the schedule of fees for mediation;

**WHEREAS**, on December 15, 1998 the Rules of Conciliation was promulgated by CIAC through Resolution 09-1998, which was amended on August 12, 1002 by Resolution 08-2002;

**WHEREAS**, over the years, certain developments have occurred in the local construction industry necessitating a revision of the present Conciliation Rules, notable among which is the Resolution passed by the Southern Philippine Construction Core Group (SPCCG) in 2001 advocating the adoption of mediation as a way of resolving construction conflicts in the Philippines, which Resolution had been endorsed by the Department of Trade and Industry to CIAC for its appropriate action, and the passage of Republic Act No. 9285, otherwise known as the Alternative Dispute Resolution Act of 2004 which provided the legal framework for the development and growth of ADR in the country;

**WHEREAS**, cognizant of these developments, the CIAC has endorsed to the Philippines Institute of Construction Arbitrators, Inc. (PICA) the formulation of a new set of rules for mediation and a schedule of fees therefor which are attuned to these emerging trends;

**WHEREAS**, responding thereto, the PICA created a Special Committee for this purpose, which deliberated thereon for a span of two years from 2004 to 2005 using the mediation Rules of Malaysia, Singapore and Hong Kong as models therefor;

**WHEREAS**, the Committee has finally completed the final draft of the Mediation Rules and the proposed Table of Mediation Fees, attached as Annexes A and B, respectively, hereof and shall form part of this Resolution, and has recommended the same to CIAC for approval and adoption;

**WHEREAS**, the CIAC, during its Special Meeting held on November 19, 2005 has thoroughly reviewed the proposed Mediation Rules and the Table of Mediation Fees and finds the same to be in accord with the framework it has provided thereon;

**WHEREAS**, Section 2(i) of P.D. 1746, the law establishing the Construction Industry Authority of the Philippines (CIAP), among others, empowers the CIAP *"To establish procedures, guidelines and criteria for fair and expeditious adjudication and settlement of claims and disputes in contract implementation"*;

**WHEREAS**, Section 9.10 of the Implementing Rules and Regulations (IRR) of P.D. 1746, the CIAP acting as a policy making body, through its implementing agencies, shall,

among others, adopt "... different alternative modes of dispute resolution in the implementation of public and private construction contracts;

**WHEREAS**, Section 16 of the CIAP IRR, specifically confers upon the CIAC the authority to to "[E]stablish rules of procedures to provide a fair and expeditious settlement of construction disputes through a non-judicial process which ensures harmonious and friendly relationships between or among the parties"...

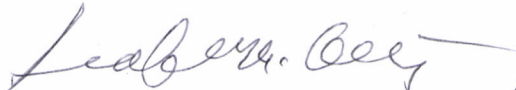
**NOW THEREFORE**, we the undersigned Commissioners by virtue of the powers vested in us by law do hereby resolve as it is hereby resolved to APPROVE the proposed MEDIATION RULES and TABLE OF MEDIATION FEES which shall govern all mediation proceedings conducted under the auspices of CIAC upon its affectivity.

**BE IT RESOLVED FURTHER** that the old Conciliation Rules of CIAC, its amendments thereto and all policies issued in connection therewith or inconsistent with the Mediation Rules as well as the old mediation fees are hereby deemed repealed.

**UNANIMOUSLY APPROVED.**

Done in the City of Makati, Philippines, this 19th day of November 2005.

**THE COMMISSION**

  
**SEDFREY A. ORDONEZ**  
Chairman

  
**ISAAC S. DAVID**  
Member

  
**SAMSON C. LAZO**  
Member