

Republic of the Philippines  
Department of Trade and Industry  
Construction Industry Authority of the Philippines  
**CONSTRUCTION INDUSTRY ARBITRATION COMMISSION**  
2/F Executive Building Center, 369 Sen. Gil J. Puyat Ave. cor. Makati Ave., Makati City  
Telephone No. 897-0853 / 897-9313  
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## RESOLUTION NO. 06 - 2017

### Amending Rule 1 (Policy and Objectives), Rule 2 (Jurisdiction), and Rule 6 (Communications/Notices) of the CIAC Revised Rules of Procedure Governing Construction Arbitration

**WHEREAS**, pursuant to its powers under Sections 6 and 21 of Executive Order No. 1008 or the Construction Industry Arbitration Law "to enunciate policies and prescribe rules and procedures for construction arbitration" and "to formulate necessary rules and procedures for construction arbitration", respectively, the Construction Industry Arbitration Commission ("CIAC") has embarked on a continuing review of the CIAC Rules of Procedure Governing Construction Arbitration (CIAC Rules) with the end in view of making its provisions conform to the Construction Industry Arbitration Law (E.O. No. 1008);

**WHEREAS**, after the first set of amendments to the CIAC Rules were approved in 2016, the Commission focused its review on the proposals of the Philippine Institute of Construction Arbitrators and Mediators, Inc. (PICAM) concerning Rule 1 (Policy and Objectives), Rule 2 (Jurisdiction), Rule 3 (Request for Arbitration/Complaint), and Rule 6 (Submission and Communication Notices);

**WHEREAS**, in the course of its review of the proposed amendments to the abovementioned CIAC Rules submitted by PICAM, the underlying principles applied by the Commission are: 1) if the intent/objective of the proposal is the same as the original provision, the original provision will be retained; and 2) if the matter/s subject of the proposed amendments is/are already adequately covered by existing provisions of the CIAC Rules, the original provisions shall, likewise, be retained;

**WHEREAS**, in an executive session held on 21 June 2017, the Commission agreed to adopt the following substantial amendments to the CIAC Rules:

- a.) Deletion of the word "*construction*" in Section 1.1 and Section 2.1 of the CIAC Rules, to make the said provisions conform with the language of Section 4 of E.O. 1008 which notably does not employ the word "construction" in defining the jurisdiction of CIAC but rather states that CIAC "shall have original and exclusive jurisdiction over disputes arising from, or connected with contracts entered into by parties involved in construction in the Philippines";
- b.) For the same reason stated in item a, deletion of the phrase "*construction dispute*" in Section 2.2 of Rule 2 and replacing the same with the phrase "*the disputes referred to in Section 2.1 of Rule 2*"; and

- c.) Retention of Sections 6.1, 6.2, and 6.2.1 of Rule 6 subject to the replacement of the phrase "*if they are delivered against receipt or forwarded by registered mail to the address or last known address of the party/ies for whom the same are intended as notified by the party/ies in question or by the other party/ies as appropriate*" in the 1<sup>st</sup> paragraph of Section 6.2 with the phrase "*if they are delivered personally by an authorized representative of CIAC by private courier, by registered mail to the address(es) or last known address(es) of the party(ies) for whom the same are intended appearing in the record, and/or by email sent to the email address(es) of the party(ies) on record, at the option of the Secretariat/arbitrator(s).*"

**NOW, THEREFORE, THE COMMISSION**, by virtue of the powers vested in it by law and after due deliberations in its 195<sup>th</sup> Regular Meeting on 29 June 2017, and in its 196<sup>th</sup> Regular Meeting, **RESOLVES** as it is hereby **RESOLVED**, to amend the following pertinent sections of Rules 1, 2 and 6 of the CIAC Rules, as follows:

1. Deletion of the word "*construction*" in Section 1.1 of Rule 1 and Section 2.1 of Rule 2, to read as follows:

*"Section 1.1 Statement of policy and objectives – It is the policy and objective of these Rules to provide a fair and expeditious resolution of **disputes** as an alternative to judicial proceedings, which may restore the disrupted harmonious and friendly relationships between or among the parties."*;

*"Section 2.1 Jurisdiction – The CIAC shall have original and exclusive jurisdiction over **disputes**, which arose from, or is connected with contracts entered into by parties involved in construction in the Philippines whether the dispute arose before or after the completion of the contract, or after the abandonment or breach thereof. These disputes may involve government or private contracts."*;

2. Deletion of the phrase "*construction dispute*" in Section 2.2 of Rule 2 and replacing the same with the phrase "*the disputes referred to in Section 2.1 of Rule 2*" to read as follows:

*"Section 2.2 Coverage – **The disputes referred to in Section 2.1 of Rule 2** shall include those between or among parties to, or who are otherwise bound by, an arbitration agreement, directly or by reference, whether such parties are project owner, contractor, subcontractor, fabricator, project manager, design professional, consultant, quality surveyor, bondsman or issuer of an insurance policy in a construction project."*;

3. Replacement of the phrase "*if they are delivered against receipt or forwarded by registered mail to the address or last known address of the party/ies for whom the same are intended as notified by the party/ies in question or by the other party/ies as appropriate*" with the phrase "*if they are delivered personally by an authorized representative of CIAC by private courier, by registered mail*

to the address(es) or last known address(es) of the party(ies) for whom the same are intended appearing in the record, and/or by email sent to the email address(es) of the party(ies) on record, at the option of the Secretariat/arbitrator(s)", in the first paragraph of Section 6.2 of Rule 6, to read as follows:


**"Section 6.2 Notices – Notifications or communications from the Secretariat and/or the Arbitrator(s) shall be validly made if they are delivered personally by an authorized representative of CIAC, by private courier, by registered mail to the address(es) or last known address(es) of the party(ies) for whom the same are intended appearing in the record, and/or by email sent to the email addresses of the party(ies) on record, at the option of the Secretariat/arbitrator(s)."**

The foregoing amendments shall take effect fifteen (15) days from receipt by the National Administrative Register, U.P. Law Center, pursuant to Memorandum Circular No. 11 from the Office of the President.

**UNANIMOUSLY APPROVED.**

Done in the City of Makati this 31<sup>st</sup> day of July 2017.

**THE COMMISSION:**

  
**MANUEL M. COSICO**  
Chairman

  
**ANTONIO A. ABOLA**  
Member

  
**EMILIO LOLITO J. TUMBOCON**  
Member

