



CIAP BOARD RESOLUTION NO. 11
Series of 2017

**APPROVING THE GUIDELINES FOR LICENSING OF Quadruple A or “AAAA”
CATEGORY CONTRACTORS PURSUANT TO PHILIPPINE CONTRACTORS
ACCREDITATION BOARD (PCAB) RESOLUTION NO. 79, S 2017**

WHEREAS, the Construction Industry Authority of the Philippines (CIAP), under Section 2 (a) of PD 1746 is tasked to promote, accelerate and regulate the growth and development of the construction industry in conformity with national goals;

WHEREAS, the same law provides that CIAP shall exercise jurisdiction over its implementing arms to include the Philippine Contractors Accreditation Board (PCAB) which has the powers to implement the provisions of R.A. 4566 (Contractor's License Law), as amended by PD1746;

WHEREAS, Section 5 of RA 4566, provides that the PCAB may, with the approval of the President of the Philippines, issue such rules and regulations as may be deemed necessary to carry out the provisions of RA 4566.

WHEREAS, Section 5.10 of the Implementing Rules and Regulations (IRR) of RA 4566, provides that the PCAB is empowered to add to, delete from, amend, revise or otherwise update the requirements and procedures for categorization as provided therein, whenever deemed necessary by the Board to render categorization relevant and responsive to actual prevailing conditions in the industry.

WHEREAS, PCAB, cognizant of the present demand in the industry to be globally competitive and to be at par with the foreign competitors in terms of capitalization, proposed amendments to the IRR of RA 4566 on the requirements for a license to be relevant and responsive to the actual prevailing industry conditions;

WHEREAS, on 29 May 2015, the CIAP Board thru an AD REFERRENDUM passed Resolution No. 08, s. 2015 “Endorsing the Amendments to Certain Provisions of the Implementing Rules and Regulations of R.A. 4566 (The Contractor's License Law) for Approval of the President of the Philippines Pursuant to the Philippine Contractors Accreditation Board Resolution No.151, Series of 2015”;

WHEREAS, in a memorandum dated 13 November 2015 addressed to DTI Secretary Gregory L. Domingo, Executive Secretary Paquito N. Ochoa, Jr. informed CIAP that the President has approved the amendments to the IRR of R.A. 4566, subject to compliance with the pertinent laws and issuances, including those relating to the practice by a foreign individual of his profession in the Philippines;

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WHEREAS, on 15 January 2016, the approved amendments to the IRR of RA 4566 was filed with the U.P. Law Center –Office of the National Administrative Register (ONAR) and became effective fifteen (15) days from the date of filing, that is, January 30, 2016;

WHEREAS, in the PCAB Regular Meeting held on 19 February 2016, the Board agreed to draft the guidelines of the said amendments to the IRR of RA 4566 and submit the same to the CIAP Board for approval.

WHEREAS, after several discussions on the proposed guidelines, PCAB in its Regular Meeting held on 27 March 2017, finalized the guidelines for licensing of quadruple A category contractors under PCAB Resolution No. 79, s. 2017 and presented the same to the CIAP Board in its 74th Regular Meeting held on 27 March 2017;

WHEREAS, the CIAP Board poses no objection to the Guidelines presented therein under PCAB Resolution No. 79, s. 2017.

NOW, THEREFORE, for and in consideration of the foregoing premises and after due deliberations, the CIAP in its 74th Regular Meeting held on 27 March 2017, **RESOLVES** as it is hereby **RESOLVED**, to approve the guidelines for licensing of Quadruple A (AAAA) Category contractors pursuant to PCAB Resolution No. 79, s. 2017, hereto attached as "Annex A" and made an integral part of hereof.

Unanimously approved.
27 March 2017

FOR THE CIAP BOARD

ATTY. RUTH B. CASTELO
Undersecretary for CIAP
(Representing DTI Secretary and
CIAP Chairman Ramon M. Lopez)

Attested by:

MA. ESTRELLA C. GODIA
Acting Board Secretary

Republic of the Philippines)
City of Makati)ss.

Subscribed and sworn to before me, this _____ day of _____, 2017, affiant Atty. Ruth B. Castelo of the Construction Industry Authority of the Philippines exhibiting his DTI ID No. 06-248 issued on _____.

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JUL 05 2017

ATTY. VIRGILIO B. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M-88
UNTIL DEC. 31, 2018
NOTARY PUBLIC
ROLL OF ATTY. NO. 48348
MCLE COMPLIANCE NO. IV-0016333-4/10/13
I.B.P.O.R No. 706762, LIFETIME MEMBER JAN 29, 2007
PTR No. 590-90-82 JAN.3, 2017
EXECUTIVE BLDG. CENTER
MAKATI AVE. COR., JUPITER ST. MAKATI CITY



Guidelines for the Licensing of Category Quadruple A Contractors (Board Resolution No. 079, Series of 2017)

Introduction

The Quadruple A category license is a new category that will allow for the issuance of a regular license (with annotation) to contractors with more than 40% foreign equity participation.

Scope of Registration

A newly organized domestic corporation (up to 100% foreign-owned) whose purpose is construction is eligible to apply for the category. Likewise, a licensed contractor who has an equity/networth at least PHP 1 Billion may apply for upgrading to Quadruple A.

There will be two types of Quadruple A Licenses:

1. Quadruple A Platinum - locally owned licensed contractors with at least PHP 1 Billion equity
2. Quadruple A Gold - foreign-owned domestic corporation with at least PHP 1 Billion equity

Authorized Managing Officer (AMO)

The AMO may be a foreigner provided that the foreign AMO complies with the PCAB qualification standards of a Filipino AMO. The AMO should be at least 35 years old.

The AMO should complete the AMO seminar, COSH and pass the AMO examination and interview by the Board.

Financial Qualification

The Financial Qualification shall be evidenced by Audited Financial Statements with at least PHP 1 Billion equity. For newly organized foreign owned subsidiaries, the equity of PHP 1 Billion in cash shall be evidenced by inward remittance through the Banko Sentral ng Pilipinas.

Technical Qualification

The Technical Qualification shall be that of the AAA category.

Limitation of the License

Quadruple A Gold contractors may undertake private projects under the following contract cost:

- For vertical projects - minimum contract cost of PHP 5 Billion
- For horizontal projects - minimum contract cost of PHP 3 Billion

Quadruple A Platinum contractors may undertake government and private projects of any contract cost.

The Quadruple A category shall be limited to general contractors. However, Quadruple A contractors may engage licensed subcontractor/specialty contractors to work on portions of its projects.

Renewal

Quadruple A Gold contractors should maintain the Financial and Technical Qualifications for Quadruple A category. If a Quadruple A contractor does not maintain its ₱ 1 Billion equity, its license will be invalidated.

Quadruple A Platinum contractors who fail to meet the Financial and Technical Qualifications shall be downgraded to the highest category they will qualify for."

Unanimously Approved.

27 March 2017, Makati City


DR. PERICLES P. DAKAY

Chairman


FAROUK M. MACARAMBON, SR.
Member


FILOMENO H. CASTILLO, JR.
Member

Attested by:


ALEJANDRIA G. GOMEZ
Acting Executive Director


SERGIE T. RETOME
Board Secretary