



**CIAP BOARD RESOLUTION NO. 14
SERIES OF 2017**

DIRECTING ALL LICENSED CONTRACTORS OF THE PHILIPPINE CONTRACTORS ACCREDITATION BOARD (PCAB) TO ENGAGE ONLY THE SERVICES OF LICENSED SUB-CONTRACTORS AND SPECIALTY CONTRACTORS IN ANY GIVEN PROJECT WHETHER IT BE PRIVATE OR GOVERNMENT AS MANDATED BY R.A. 4566 AND ITS IMPLEMENTING RULES AND REGULATIONS

WHEREAS, under the Presidential Decree No. 1746, the Construction Industry Authority of the Philippines thru the Philippine Contractors Accreditation Board (PCAB), one of its implementing arms is mandated to issue, suspend and revoke licenses to construction contractors under R.A. 4566 (Contractor's License Law);

WHEREAS, under the R.A. 4566 and its Implementing Rules and Regulations, the following provisions provide that:

SECTION 37. Individual License.

It is unlawful for any person who is a responsible managing partner, officer or employee of a licensed partnership, corporation, firm, association or other organization to individually engage in the constructing business of individually acting in the capacity of a contractor within this jurisdiction without having a license in good standing to so engage or act.

SECTION 38. Joint licenses.

It is unlawful for any two or more licensees, each of whom has been issued a license to engage separately in the capacity of a contractor, to jointly submit a bid or otherwise act in the capacity of a contractor without first having secured an additional license for acting in the capacity of such a joint venture or combination in accordance with the provisions of this Act as provided for an individual, partnership or corporation.

WHEREAS, the same law provides that architects and engineers preparing the plans and specifications for a construction work are instructed to require all bidders to first secure a license before participating in the bidding, thus:

SECTION 36. License required in biddings.

All architects and engineers preparing plans and specifications for work to be contracted in the Philippines shall include in their invitation to bidders and in their specifications a copy of this Act, or such portions thereof as are deemed necessary to convey to the invited bidder; whether he is a resident of the Philippines or not, the information that it will be necessary for him to have a license before his bid is considered.

WHEREAS, in violations of the above laws, PCAB shall take appropriate action on parties concerned under the following provisions:

SECTION 28. Causes for disciplinary action.

The following shall constitute causes for disciplinary action:

xxx

(d) Aiding or abetting an unlicensed person to evade the provisions of this Act,

xxx

WHEREAS, however, there are reports of growing numbers of contractors, subcontractors and specialty contractors undertaking construction without a valid PCAB license which is a violation of the aforementioned law;

WHEREAS, the CIAP Board believes that implementation of the above quoted laws is a critical measure in the Government's continuing efforts to safeguard public safety and a means to curb the growing number of unlicensed contractors;

WHEREAS, the CIAP Board also believes that to professionalize the contracting sector of the industry, it is imperative for principal contractors to engage only the services of licensed sub-contractors and specialty contractors in any given projects whether it be private or government.

NOW, THEREFORE, in consideration of the foregoing and to ensure the effective implementation of the said provisions, the Construction Industry Authority of the Philippines, in its CIAP 74th Regular Meeting held on 27 March 2017, **RESOLVES**, as it is **HEREBY RESOLVED**, to direct ALL licensed contractors of the Philippine Contractors Accreditation Board (PCAB) to engage only the services of licensed sub-contractors and specialty contractors in any given projects whether it be private or government.

It is **FURTHER RESOLVED** that principal contractors found to engage the services of UNLICENSED sub-contractors and specialty consultants shall suffer the penalty of suspension of their own accreditation for a period of one year from the date of discovery of such prohibited act.

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.

JUL 05 2017

Subscribed and sworn to before me, this _____ day of _____ affiant Atty. Ruth B. Castelo of the Construction Industry Authority of the Philippines exhibiting his DTI ID No. 05-248 issued on _____.

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NOTARY PUBLIC
ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
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UNTIL DEC. 31, 2018
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
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