

CIAP BOARD RESOLUTION NO. 15
Series of 2017

**DIRECTING THE DIFFERENT GOVERNMENT IMPLEMENTING AGENCIES TO
RECOGNIZE THE VERIFICATION PROCESS OF THE PHILIPPINE CONTRACTORS
ACCREDITATION BOARD APPLIED IN THE ISSUANCE OF
PCAB LICENSE AS BASIS FOR PRE-QUALIFICATION OF ITS BIDDERS**

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, among the powers of CIAP is to enforce relevant and reasonable rules and requirements, as well as implement practicable and efficient procedures for prequalification of public projects;

WHEREAS, the same law provides that CIAP shall exercise jurisdiction over its implementing arms to include 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, under Sec. 23 of RA 4566, PCAB is tasked to issue or revoke contractor's licenses after examination of qualifications and verification of documents of the applicants as may be required;


WHEREAS, in the processing of the application for contractor's license, PCAB requires both the local and foreign applicants to submit documents (original, and/or certified true copy for local contractors or original and/or authenticated by the Philippine Embassy or Consulate concerned as regards foreign contractors) to prove the firms' legal representation, technical and financial capabilities as well as its track record;

WHEREAS, these documents are being subjected to either pre-audit or pre-verification for new applicant and with post-audit or post verification for renewal applicants;

WHEREAS, during the 1st and 2nd Inter-agency Dialogues between government and industry stakeholders held on February 16 and April 4, 2017, respectively, issues were raised on local contractors being subjected to physical verification of assets and documents in order to pre-qualify to bid by government implementing agencies. This is despite the fact that PCAB had already verified the authenticity of its submitted documents such as their financial statements and track records. Likewise, there were sentiments that the implementing agencies exempt the foreign contractors from this verification process;

WHEREAS, in several CIAP Meetings, the Board suggested that foreign contractors should also be subjected to extreme inspection of their construction plants and equipment owned in the Philippines. This is one of the safeguards that the Philippine government can exercise to ascertain that foreign contractors will not just renege on their commitment to complete the projects awarded to them.

41



WHEREAS, during the CIAP 74th Regular Board Meeting held on 27 March 2017, discussions ensued on unequal treatment taken by the government implementing agencies in the verification of documents submitted (to include financial, technical and track records) and assets declared by a foreign contractor vis-à-vis a local contractor;

WHEREAS, the CIAP Board cognizant of the demand to level the playing field and to apply equal treatment in verification processes on both local and foreign contractors in order to prequalify to any construction projects, proposed that the verification process undertaken by PCAB be recognized by all government implementing agencies;

WHEREAS, the CIAP Board believes that PCAB as the primary regulatory body involved in the licensing of contractors has been applying stringent verification process to ensure that only qualified contractors will be issued a license reflecting the contractor's category and classification.

NOW, THEREFORE, for and in consideration of the foregoing premises, the Construction Industry Authority of the Philippines (CIAP), in its 74th Regular Meeting held on 27 March 2017, **RESOLVES** as it is hereby **RESOLVED**, directing government implementing agencies to recognize the Philippine Contractors Accreditation Board verification process applied in the issuance of the contractor's license. The Board **FURTHER RESOLVED** to require PCAB to stringently verify the documents submitted on technical, financial and track records and inspect the declared property assets by the foreign contractors.

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 _____.

Doc. No. 24
Page No. 24
Book No. 54
Series of 2017

ATTY. VIRGILIO R. BATALLA
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