

SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

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SENATE

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Senate Bill No. 2014

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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**EXPLANATORY NOTE**

The Constitution, Article XII, Section 12 provides:

“The State shall promote the preferential use of Filipino labor, domestic materials and locally produced goods, and adopt measures that help make them competitive”.

The Government must promote and encourage the use of Philippine made products, materials and supplies in every contract for the construction, alteration or repair of any public building or public work.

This bill seeks to achieve such goal by blacklisting contractors, subcontractors, materialmen and suppliers who fail to comply with such requirements.

Therefore, urgent passage of this bill is highly recommended.

  
JINGGOY EJERCITO ESTRADA  
Senator

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Senate Bill No. 2014

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**AN ACT  
REQUIRING THE USE OF PHILIPPINE MADE MATERIALS IN CONTRACTS  
FOR PUBLIC WORKS AND PROVIDING FOR THE BLACKLISTING OF  
CONTRACTORS VIOLATING SUCH REQUIREMENT**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

**SECTION 1. Short Title.** *This Act may be cited as "Preference for Philippine Materials in Public Contracts Act".*

**SEC. 2. Declaration of Policy.** - It is the policy of the State to promote the use of Philippine made products by requiring the use of Philippine made materials in contracts for the construction, alteration or repair of any public works.

**SEC. 3. Definition of Terms.** - As used in this Act, the terms "contractor" and "subcontractor" include any person performing any architectural, engineering, or other services directly related to the preparation for or performance of the construction, alteration or repair of any public works in the Republic of the Philippines.

**SEC. 4. Requirement for the Philippine Materials.** - Every contract for the construction, alteration or repair of any public building or public work in the Republic of the Philippines growing out of an appropriation heretofore made or hereafter to be made shall contain a provision that in the performance of the work the contractor, subcontractors, materialmen or suppliers, shall use only such unmanufactured articles, materials and supplies as have been produced in the Republic of the Philippines, and only such manufactured articles, materials, and supplies as have been manufactured in the Republic of the Philippines substantially all from articles, materials or supplies mined, produced or manufactured, as the case may be, in the Republic of the Philippines: *Provided, however,* That if the head of the Government agency making the contract shall find that in respect to some particular articles, materials, or supplies it is impracticable to make such requirement or that it would unreasonably increase the cost, an exception shall be noted in the specification as to that particular article, material or supply and a public record made of the findings which justified the exception.

**SEC. 5. *Blacklisting.*** - If the head of the government agency which has made any contract containing the provision required by Section 4 of this Act finds that in the performance of such contract there has been a failure to comply with such provisions, he shall make public his findings, including therein the name of the contractor obligated under such contract, and no other contract for the construction, alteration or repair of any public building or public work in the Republic of the Philippines or elsewhere shall be awarded to such contractor, subcontractors, materialmen or supplies with which such contractor is associated or affiliated, within a period of three years after such finding is made public.

**SEC. 6. *Separability Clause.*** - If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

**SEC. 7. *Repealing Clause.*** - Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent with, the provisions of this Act is hereby repealed, modified or amended accordingly.

**SEC. 8. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

*Approved,*