

THIRTEENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
First Regular Session

'04 JUN 30 P10:24

SENATE

S. No. 764

RECEIVED BY: *Aw*

INTRODUCED BY HON. MANUEL B. VILLAR, JR.

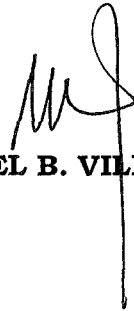
EXPLANATORY NOTE

The general public has at many times fallen victim to the negligence of some contractors whose projects are substandard.

This bill provides for a five year warranty for government infrastructure contracts to remedy the problem of inferior quality projects. Under this measure, a warranty period of five years, starting from the time of construction until its final acceptance by the government.

It shall hold the contractor liable for any defects or damages which may occur within the warranty period, except those caused by force majeure. This shall ensure that government infrastructure projects are undertaken according to the required specifications and engineering aspects, so that the project shall be durable and will last a long time.

In view of the foregoing, immediate passage of this bill is earnestly sought.



MANUEL B. VILLAR, JR.

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PROVIDING FOR A FIVE (5) YEAR WARRANTY PERIOD FOR GOVERNMENT
INFRASTRUCTURE CONTRACTS, AMENDING FOR THE PURPOSE
PRESIDENTIAL DECREE NO. 1534, "PRESCRIBING POLICIES, GUIDELINES,
RULES AND REGULATIONS FOR GOVERNMENT INFRASTRUCTURE CONTRACTS
PROVIDING PENALTIES FOR VIOLATIONS THEREOF AN FOR
OTHER PURPOSES

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

SECTION 1. Section 7 of Presidential Decree No. 1594 is hereby amended as follow:

"SEC. 7. Responsibility of the Contractor. - The contractor shall assume full responsibility for the contract work FROM THE TIME PROJECT CONSTRUCTION COMMENCED until FIVE (5) YEARS FROM its final acceptance by the government and shall be held responsible for any damage or destruction of work except those occasioned by force majeure, WITHOUT PREJUDICE TO OTHER PROVISIONS OF EXISTING LAWS.

Except likewise for force majeure, the contractor shall be fully responsible for the safety, protection, security, and convenience of his personnel, third parties, and the public at large, as well as the works, equipment, installation and the like to be affected by his construction work."

SECTION 2. The contractor shall undertake the repair works, at his own expense, any defect or damage to the infrastructure projects on account of the use of materials of inferior quality within sixty (60) days upon demand by the Secretary of the Department of Public Works and Highways. In case of failure or refusal to comply with the directive, the government shall undertake such repair works and shall be entitled to reimbursement of expenses therein upon demand.

SECTION 3. Any contractor who fails to comply with the preceding section shall suffer the penalty of a fine of not less than One Hundred Thousand Pesos (P100,000.00) and/or imprisonment of not less than two (2) years or both at the discretion of the court; Provided, further that he shall also suffer perpetual disqualification from participating in any public bidding in addition to the cancellation of his license as a contractor.

SECTION 4. Any provisions of law, decree, order or rules and regulations inconsistent with the provisions of this Act are hereby deemed repealed or modified accordingly.

SECTION 5. This Act shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

Approved,