

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

NOV 27 1940

SENATE
S. B. No. **1507**

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Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 12, 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."

For Government must promise 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, and materialmen and suppliers who fail to comply with such requirement.

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

SECRET
DEPT. OF THE SECRETARY

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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 shall be known as "The Preference for Philippine Materials in Public Contracts Act."

SECTION 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 building or public work.

SECTION 3. *Definition of Terms.* - As used in this Act:

(1) The terms "contractor" and "subcontractor" include any person performing architectural, engineering and other services directly related to the preparation for or performance of the construction, alteration, or repair of any public building or public work in the Republic of the Philippines.

SECTION 4. *Requirements for the Use of 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 thereafter 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 or produced 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 of 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.

SECTION 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, 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 associated or affiliated, within a period of three (3) years after such finding is made public.

SECTION 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.

SECTION 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 provision of this Act is hereby repealed, modified, or amended accordingly.

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

Approved.