

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

SENATE  
OFFICE OF THE SECRETARY

10 JUL 21 AIO 16

SENATE  
S. No. 1697

RECEIVED BY *RS*

Introduced by Senator Miriam Defensor Santiago

#### EXPLANATORY NOTE

The Constitution, Article 12, Section 12 provides:

SEC. 12. The State shall promote the preferential use of Filipino labor, domestic materials, and locally produced goods, and adopt measures that help make them competitive.”

To implement this provision government should endeavor to promote 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

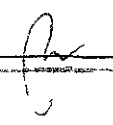
\* This bill was originally filed during the Thirteenth Congress, First Regular Session.

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CLERK OF THE HOUSE  
OFFICE OF THE SECRETARY

10 JUL 21 10:16

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1 AN ACT  
2 REQUIRING THE USE OF PHILIPPINE MADE MATERIALS IN CONTRACTS FOR  
3 PUBLIC WORKS AND PROVIDING FOR THE BLACKLISTING OF CONTRACTORS  
4 VIOLATING SUCH REQUIREMENT  
5

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

8 SECTION 1. *Short Title.* - This Act shall be known as "The Preference for Philippine  
9 Materials in Public Contracts Act."

10 SECTION 2. *Declaration of Policy.* - It is the policy of the State to promote the use of  
11 Philippine made products by requiring the use of Philippine made materials in contracts for the  
12 construction, alteration, or repair of any public building or public work.

13 SECTION 3. *Definition of Terms.* - For the purpose of this Act, the terms "contractor"  
14 and "subcontractor" include any person performing architectural, engineering and other services  
15 directly related to the preparation for or performance of the construction, alteration, or repair or  
16 any public building or public work in the Republic of the Philippines.

17 SECTION 4. *Requirements for the Use of Philippine Materials.* - Every contract for the  
18 construction, alteration, or repair of any public building or public work in the Republic of the  
19 Philippines growing out of an appropriation heretofore made or thereafter be made shall  
20 contain a provision that in the performance of the work the contractor, subcontractors,  
21 materialmen or suppliers, shall use only such unmanufactured articles, materials and supplies as  
22 have been or produced in the Republic of the Philippines, substantially all from articles,  
23 materials, or supplies mined, produced, or manufactured, as the case may be, in the Republic of  
24 the Philippines. *Provided however,* that if the head of the Government agency making the  
25 contract shall find that in respect to some particular articles, materials, or supplies it is

1 impracticable to make such requirement of that it would unreasonably increase the cost, an  
2 exception shall be noted in the specification as to that particular article, material, or supply, and a  
3 public record made of the findings which justified the exception.

4         SECTION 5. *Blacklisting.* - If the head of the government agency which has made any  
5 contract containing the provision required by Section 4 of this Act finds that in the performance  
6 of such contract there has been a failure to comply with such provisions, he shall make public his  
7 findings, including therein the name of the contractor obligated under such contract, for the  
8 construction, alteration, or repair of any public building or public work in the Republic of the  
9 Philippines or elsewhere shall be awarded to such associated or affiliated, within a period of  
10 three (3) years after such finding is made public.

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

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

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

19         Approved,