



## HIGHLIGHTS OF 2015 ACCOMPLISHMENTS OF THE CONSTRUCTION INDUSTRY AUTHORITY OF THE PHILIPPINES AND ITS IMPLEMENTING BOARDS

### Industry Policy Development

- The CIAP continued to formulate and/or implement policies, programs and measures to support the development of the industry which are necessary to be able to come up with an overall strategy for the industry's sustainable growth. Among the policy initiatives passed to address major/ critical issues are:
  1. CBR No.1, s. 2015, "Approving the Qualifications and Coverage for the Quadruple A Category as a Proposed Amendment to the Implementing Rules and Regulations of the Philippine Contractors Accreditation Board (PCAB)";
  2. CBR No. 2, s. 2015, "Confirming the PCAB Revised Fee Structure on Filing of all Resolution No. 439, series of 2014";
  3. CBR No. 4, s. 2015, "Study a Mechanism for a One Registry of professionals and workers for the construction industry and the acceleration of its Implementation";
  4. CBR No.8, s. 2015, "Endorsing amendments to certain provisions of the Implementing Rules and Regulations of R.A. 4566 (The Contractor's License Law) for Approval of the President of the Philippines Pursuant to the Philippine Contractors Accreditation Board Resolution No. 151, Series of 2015";
  5. CBR No. 9, s. 2015 "CMDF to implement a Skills and Competency Registry for Human Resources in the Construction Industry";
  6. CBR No. 10, s. 2015, "Supporting the Request for the Department of Trade and Industry to Act on the Administrative Case filed by the PCAB with the DTI against Hoclum Co. pursuant to PCAB Resolution No. 139, s. 2015 and for DTI to issue an order to such effect";
  7. CBR No. 11, s. 2015, "Approving the Schedule of Commitments in the Construction under for the 8th Package of Commitments in the ASEAN-JAPAN Comprehensive Partnership (AJCEP)";
  8. CBR No. 12, s. 2015, "Approving the Adoption of ASEAN Plus Philippine Indicative Initial Offers in Construction Services for the European Free Trade Agreement (EFTA) Member States";
  9. CBR 13.s.2015, "Approving the Revised Strategic Map 2016 of the Construction Industry Authority of the Philippines & Performance Governance Scorecard for 2015";
  10. CBR 14.s. 2015, "CMDF to Implement the Regional Trial Court Order Issued 9 Oct. 2009 on the Expropriation Case Filed Against Helena Benitez.
- Maintenance of CIAP Windows in the DTI Regional Offices
  - CIAP maintained its 7 service windows in collaboration with the DTI Regional Office, in the following Regions; Region XI (Davao City), Region VII (Cebu City), Region I (La Union), Region V (Legaspi City), Region X (Cagayan de Oro City), Region III (Pampanga) and Cordillera Region (Baguio City).
  - These windows are currently being maintained and improved to ease & reduce the cost of doing business.

### Contractors Licensing and Registration

- In order to promote the safety and protect the interest of the general public from risks of dealing with unqualified and incompetent contractors, the CIAP through PCAB regulates the construction sector through contractor licensing & registration. PCAB also investigates and imposes sanctions against erring contractors.
- As of December 31, 2015, the PCAB approved 10,526 applications for all types: new licenses, renewal, license amendments & upgrading, special licenses covering CFY 2014-2015 and CFY

2015-2016). The bulk of approvals consisted of 66.6% of renewals, 11.7% of new entrants, 6.5% of license amendments and 15.2% special license. Likewise, PCAB was able to register 3,168 contractors that are allowed to undertake government projects.

- Moreover, contractors found guilty of violating the licensing law were subjected to disciplinary actions in the form of revocation or suspension of their licenses and blacklisting of Authorized Managing Officer (AMO) or proprietor. For December 31, 2015, 4 contractors' licenses were suspended; 4 licensing cases dismissed, and 1 revoked license, 1 resolved; 4 cases were also referred to DTI – OLA, and; 23 new cases were litigated.

### **Overseas Construction Promotion and Market Development**

- The construction industry is making its name not only within the country but in the international market as well. Construction materials suppliers/manufacturers are innovating towards the needs of the global consumer. Foreign firms opt for Filipino architects, engineers and construction workers for their unparalleled skills and knowledge. Philippine Overseas Construction Board (POCB) Issued 18 registration certificates to overseas contractors and 1 project authorization.
- POCB, in collaboration with the private sector led by the Philippine Constructors Association, Inc. (PCA), conducted construction missions to Laos & Vietnam on 15-16 September 2015, Hanoi Vietnam 17-18 September 2015 and to Hochi Minh, Vietnam 19 Sept. 2015. The construction missions aimed to explore business and investment opportunities in construction, engineering consulting, oil and gas, and other sectors, in these countries.
- POCB participated in 2015 Worldbex trade exhibit and the Philconstruct 2015 thru the assistance of CIAC/PICAM. This event promoted the capabilities of Filipino contractors and the various projects undertaken by them in the international contracting field. It also prepared and disseminated to contractors issue of POCB 7 country profiles.
- Held the 4<sup>th</sup> Philippine Overseas Construction Symposium on 22 October 2015 with the theme, "Exploring opportunities in non-traditional markets".

### **Domestic Construction Development**

#### Construction Performance Evaluation System (CPES)

- In order to help ensure efficiency, quality and safety in government construction projects, CIAP through the Philippine Domestic Construction Board (PDCB) implements the Constructors Performance Evaluation System (CPES). The CPES is a uniform rating system of evaluating the performance of contractors based on a set of criteria which include Workmanship, Materials, Time, Facilities, Environmental, Safety and Health, and Resources Deployment.
- The CIAP through the PDCB promoted the implementation of CPES in government infrastructure/tendering agencies. It provides technical assistance services for the establishment of CPES Implementing Units to implementing agencies It also accredits Constructors Performance Evaluators (CPEs) who may be topped to evaluate performance of government infrastructure projects.
- In 2015, 161 applications for new and renewing CPEs accreditation were processed, bringing the total number of accredited CPEs to **1,061** from **37** government agencies.
- PDCB has partnered with construction industry associations/professionals, particularly the Philippine Institute of Civil Engineers (PICE) and the Philippine Constructors Association (PCA) in its promotional activities on the CPES.
- Conducted CPES Accreditation Seminar for the Provincial Government offices of Agusan del Norte, Surigao del Norte, National Power Corporation (NAPOCOR) – Masbate & Q.C., Philippine Ports Authority (PPA), Bases Conversion Development Authority (BCDA), Pasig River Rehabilitation Commission (PRRC) and University of the Philippines (U.P.);
- Conducted the 3<sup>rd</sup> National Convention of ACC-CPES Evaluators of the Philippines on 10 Dec. 2015, where government engineers were awarded Best Performer CPES Evaluators.

### **Construction Contract Dispute Resolution**

- The CIAP through the Construction Industry Arbitration Commission (CIAC) makes available a venue to resolve claims and disputes arising from contracts entered into by parties involved in construction in the Philippines. Construction disputes falling within the CIAC's jurisdiction include those who are bound by an arbitration agreement directly or by reference. Such

parties may be a project owner, contractor, subcontractor, fabricator, project manager, design professional, consultant, quantity surveyor, bondsman or insurer of an insurance policy in a construction project.

- For 2015, 21 arbitration cases awarded on the merits with a total sum in dispute (SID) of PhP 1.37 Billion were resolved within 6 months from TOR signing/approved time extensions. In addition, three cases involving a total SID of Php 248.26 Million were settled and awards based on compromise agreement were rendered.

### **Capacity Building for human resources in the Construction Industry**

- This is being undertaken by the CIAP's training arm, the Construction Manpower Development Foundation (CMDF). It involves the conduct of construction manpower training & human resources development program for the construction industry. Such required the collaborative efforts of the industry, government and related construction organizations/associations.
- In 2015, training programs were conducted with 3,857 participants broken down as follows:

Management Course	-	425
One Day Orientation Safety	-	78
Const. Safety for Site Safety Officer	-	1,221
Academe Course (thru linkages)	-	1,695
Skills Training	-	163
Scaffolding Inspector Certification Program		5
- CMDF also facilitated 13 Authorized Managing Officer (AMO) seminars of 1,721 participants, bringing total training participants to 5,308.