



## **HIGHLIGHTS OF 2017 ACCOMPLISHMENTS** **OF THE CONSTRUCTION INDUSTRY AUTHORITY OF THE PHILIPPINES** **& 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 come up with an overall strategy for the industry's sustainable growth. For 2017, it passed 21 Board Resolutions/policies to address critical industry issues/concerns, the following are the major policy initiatives:
  - “Reinstatement of CIAP as permanent member to the Board of Consultant of the National Building Code of the Philippines (NBCP or PD1096)” [**CBR #2 s. 2017**]
  - “Approving the conceptual framework & mechanics of the Construction Industry One Registry System (CIORS) and its implementation” [**CBR #3 s. 2017**]
  - “Requesting the Department of Labor & Employment (DOLE) to institute measure to ensure the effective & strict implementation of Art. 40 of the Labor Code & DOLE DO #146-15 on Revised Rules for the issuance of Employment Permits to Foreign Nationals” [**CBR #7 s. 2017**]
  - “Reinforcing the construction industry workforce through the revitalization of the Construction Manpower Development Foundation (CMDF) Manpower Development programs” [**CBR #8 s. 2017**]
  - “For the Philippine Domestic Construction Board (PDCB) to institutionalize the enforcement of CPES program to cover all government and private projects” [**CBR #9 s. 2017**]
  - “Approving the implementation of the PCAB Resolution #079 S. 2016 increasing the License and Registration fees for CFY 2017-2018” [**CBR #10 s. 2017**]
  - “Approving the Guidelines for Licensing of AAAA Category of Contractors pursuant to PCAB Res. No. s. 2017” [**CBR #11 s. 2017**]
  - “Requiring all implementing government agencies to recognize the accreditation, categorization and classification of contractors made by the Philippine Contractors Accreditation Board (PCAB)” [**CBR #12 s. 2017**]
  - “Reiterating to DPWH the Strict Implementation of Section 304, No. 5 Item F & G of the Revised IRR of the National Building Code of the Philippines (PD 1096) and the National Building Code Development Office (NBCDO) Memo Circular No. 4 s. 2007” [**CBR #13 & 13-A s. 2017**]
  - “Directing Licensed Contractors to Engage only the services of Licensed Sub-contractors & Specialty contractors in any given Project whether private or government” [**CBR #14 s. 2017**]
  - “Directing the Different Government Implementing Agencies to recognize the Verification process of PCAB applied in the Issuance of PCAB license as Basis for Pre-qualification of its Bidders” [**CBR #15 s. 2017**]
  - “Endorsing Nominees for Appointment by the President to the Positions in the Construction Industry Authority of the Philippines (CIAP) Implementing Boards – PCAB & POCB” [**CBR #17 s. 2017**]; PDCB and Private Sector representative [**CBR #18 s. 2017**]; and Appointment by the DTI Secretary position for CMDF Chairman and members [**CBR #19 & 20 s. 2017**]
  - “Approving and granting Clearance for the signing of the Memorandum of Agreement (MOA) between CIAP and the Landbank of the Philippines (LBP) on the Electronic Payment Service of LBP on the Contractors Licensing & Registration System (CLIRS)” [**CBR #21 & 25 s. 2017**]
  - “Approving the Philippine Indicative Offers to the Regional Comprehensive Economic Partnership (RCEP) – Construction Services Sector” [**CBR #22 s. 2017**]

- “Requesting the Department of Labor & Employment (DOLE) and the Construction Manpower Development Foundation (CMDF) to provide schemes on elevating the working conditions of the construction industry workforce” [ **CBR #23 s. 2017**]
  
- “Requesting the Secretary of DOLE for a directive to the National Labor Relations Commission (NLRC) to extend the assistance of NLRC Sheriffs in the implementation of Writs of Execution issued by the Construction Industry Arbitration Commission (CIAC)” [ **CBR #24 s. 2017**]
  
- Held series of Dialogues with industry stakeholders, (February 16, April 04 and July 21) to discuss and identify measures to address industry issues such as: the notion of limited number of Triple A contractors that can implement the government’s big ticket infrastructure projects, tax clearance as part of bidding requirements, DPWH issuance of Civil Works Registry, hotline for contractor complaints, and simplified procurement process in infrastructure building, among others.
  
- Forged a Memorandum of Agreement (MOA) with the Development Bank of the Philippines (DBP) to provide the framework for partnership arrangement in providing financial support to eligible contractors under a Special Financing Program determined by DBP.
  
- Organized the 2<sup>nd</sup> Philippine Construction Congress and the highlights were:
  - Industry stakeholders signed a Memorandum of Commitment in support of the Golden Age of Infrastructure;
  - Individuals and entities who are now considered institutions in the Philippine Construction Industry and have made major contributions for its further growth and development were recognized.
  
- Improved Ease and Reduce Cost of doing business through the establishment of more CIAP Windows in the DTI regional offices
  - Launched the CIAP Window in Region 8 on 20 March and CARAGA on October 2017, respectively
  - CIAP windows are being maintained in the following DTI Regional offices: 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).

## **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.
- For CFY 2017-2018, the PCAB approved 15,094 applications for all types: new licenses, renewal, license amendments & upgrading, special licenses) and 1,770 applications for Registration to undertake government infrastructure projects.

## **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.
- POCB promoted Filipino Contracting capabilities through participation in trade fairs as follows:
  - WORLDBEX 2017 held on March 15-19;
  - PHILFEX 2017 held on March 9-11;
  - Infrastructure and Congress Expo (ICEP) held on May 03-05; and
  - PHILCONSTRUCT Visayas held on June 08-10

- Registered 9 overseas contractors and issued 5 project authorizations
- Conducted ASEAN+6 Construction Forum held on 25 October 2017, aimed to achieve sustainable infrastructure through seamless comprehensive connectivity and integration among ASEAN +6 nations.

## **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 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.
- Assisted 11 agencies in the establishment of their respective CPES Implementing Units. CPES Accreditation seminars were conducted for PICE/NIA, Clark Development Corporation, PICE-Albay-Legazpi City, PICE-Davao City, Department of Health (DOH), Philippine Institute of Civil Engineers (PICE), Dept. of Agriculture (DA); Department of Interiors & Local Government (DILG) nationwide, Province of Guimaras, and various LGUs of NCR.

## **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 the period January to December 2017, there were 59 cases resolved and settled. Of these, 54 arbitration cases with a Total Sum in Dispute (SID) of Php 6.605 Billion were resolved within 6 months from TOR signing/approved time extension. In addition, 3 cases with a total SID of Php 34.173 Million were settled and awarded based on compromised agreement rendered. Three (3) cases with a total SID of Php 13.7 Million were dismissed.
- Average turn-around time: 4.07 months from TOR signing

## **CAPACITY BUILDING**

- 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.
- From January to December 2017, there are a total of 4,833 training participants broken down as follows: Academe – 1,661; Managerial and Supervisory – 422; Safety – 2,512; Skills Training – 114; Training Cum Production – 124;
- CMDf facilitated 15 Authorized Managing Officer (AMO) seminars of 2,156 participants.
- Conducted the first Philippine Construction Human Resource Forum on July 19, 2017 to institutionalize the standardization of career paths, eligibility requirements, compensation packages, and other relevant criteria for the construction workforce through interagency cooperation and dialogue with the private sector.
- Awarded 33 Trainers' Certification Program (TCP) and 51 Foremanship Trainers' Certification (FTCP) Program.
- Transition of CMDf QMS from ISO 9001-2008 version to ISO 9001-2015 version.

**MOVING FORWARD**

- Transition of PCAB licensing/registration QMS from ISO 9001:2008 version to ISO 9001:2015 & Expansion to include Planning, Program Coordination and Monitoring and other Administrative Finance and Management Support;
- Implement on-line payment using Landbank facilities;
- Continuous dialogue with the industry stakeholders to discuss and address issues in the implementation of the Golden Age of Infrastructure