

[PRESIDENTIAL DECREE NO. 1746, November 28, 1980]

CREATING THE CONSTRUCTION INDUSTRY AUTHORITY OF THE PHILIPPINES (CIAP)

WHEREAS, the construction industry constitutes an important segment of the industrial sector and contributes significantly to the gross national product of the Philippines;

WHEREAS, construction is now a major industry, accounting for more than five hundred thousand workers and providing livelihood to more than three million Filipinos;

WHEREAS, the construction industry has begun to venture into international markets, generating foreign exchange and providing greater employment to Filipino workers;

WHEREAS, the orderly growth and development of the construction industry and the upgrading of the capability of construction contractors are in consonance with national interest and will benefit both public and private sector;

WHEREAS, the continued growth and development of the construction industry requires an increasing number of skilled construction workers; and

WHEREAS, such growth and development have been hampered by the lack of cohesive government policies and the absence of a central agency to deal with the problems of the industry and to coordinate with other government agencies on matters affecting the industry.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree the creation of the Construction Industry Authority of the Philippines (CIAP) designed to promote, accelerate and regulate the growth and development of the construction industry as follows:

SECTION 1. Composition. —There is hereby established a Construction Industry Authority of the Philippines which shall be composed of the Minister of Industry as Chairman, the Chairmen of the different agencies under this Decree namely: the Philippine Contractors Accreditation Board, the Philippine Overseas Construction Board, the Philippine Domestic Construction Board, the Construction Manpower Development Foundation, the President of the Philippine Contractors Association, and one representative of the private construction sector to be appointed by the President, as members. The chairman shall designate a Vice-Chairman from among the members.

SEC. 2. Powers and Objectives. —The Construction Industry Authority of the Philippines shall promote, accelerate and regulate the growth and development of the construction industry in conformity with national goals.

Specifically, the Authority shall have the following powers and objectives:

- a. To evolve an overall strategy and exercise centralized authority for the optimum development of the construction industry;

- b. To monitor and study the operations of the construction industry both here and abroad, to identify its needs, problems and opportunities and to recommend and/or implement policies, legislations, programs and measures to support the development of the industry;
- c. To rationalize investments in the construction industry in accordance with national investment priorities and development needs;
- d. To establish criteria for the classification and categorization of contractors which accurately reflect their contracting capacity and performance capability;
- e. To enforce relevant and reasonable rules and requirements, as well as implement practicable and efficient procedures for pre-qualification of public projects;
- f. To recommend and encourage the adoption of equitable and realistic contract conditions for construction;
- g. To seek the adoption of credit and other financing policies necessary for sustaining the continued and orderly development of the construction industry and for supporting Filipino contractors particularly those involved in overseas construction;
- h. To identify and recommend other incentives necessary to support overseas construction;
- i. To establish procedures, guidelines and criteria for fair and expeditious adjudication and settlement of claims and disputes in contract implementation;
- j. To promote construction manpower training to supplement the manpower training efforts of the private sector, through the centralization of programming and coordination of activities of all government agencies;
- k. To establish a funding mechanism with the private sector to promote and develop the construction industry;
- l. To perform such other functions necessary to achieve its objectives.

SEC. 3. *Organization.* —The Authority shall be attached to the Ministry of Industry for policy and program coordination. It shall exercise authority with respect to the government agencies that conduct business with or exercise regulatory powers over the construction industry. It shall exercise jurisdiction and supervision over the following agencies which shall act as its implementing arms.

- a. The Philippine Contractors Accreditation Board;
- b. The Philippine Overseas Construction Board;
- c. The Philippine Domestic Construction Board;
- d. The Construction Manpower Development Foundation.

SEC. 4. *The Philippine Contractors Accreditation Board.*—There is hereby created a Philippine Contractors Accreditation Board under the jurisdiction and supervision of the Authority. The Philippine Contractors Licensing Board is hereby abolished and all its funds and records are hereby transferred to the Philippine Contractors Accreditation Board.

- a. *Composition.* —The Board shall be composed of a Chairman and two (2) members to be appointed by the President upon recommendation of the Authority. The present Board of the Philippine Contractors Licensing Board shall continue to hold office as the Board of the Philippine Contractors Accreditation Board until their respective successors have been duly appointed.
- b. *Functions.* —The Philippine Contractors Accreditation Board shall perform the present functions of the Philippine Contractors Licensing Board until such time as its other functions, powers and duties are issued by the Authority.