

[CIAC RESOLUTION NO. 01-2005, March 02, 2005]

AMENDMENTS TO CIAC RESOLUTION NO. 06-2004 (POLICY GUIDELINES GOVERNING THE ACCEPTANCE/PROCESSING OF CASES FILED BY OR AGAINST CONTRACTORS NOT LICENSED BY THE PHILIPPINE CONTRACTORS ACCREDITATION BOARD)

WHEREAS, the Construction Industry Arbitration Commission (CIAC) promulgated Resolution No. 06-2004 on 25 June 2004, to reconcile the laws governing the CIAC and the Philippine Contractors Accreditation Board (PCAB), with respect to the treatment of construction cases filed with the CIAC where one of the parties is not a licensed contractor as defined by Republic Act No. 4566 or the Contractor's Licensing Law and its Implementing Rules and Regulations (IRR);

WHEREAS, Resolution No. 06-2004 aims to curb the illegal practice by these unlicensed contractors from engaging in any construction activities without first securing the requisite and appropriate contractor's license from PCAB;

WHEREAS, the Resolution provides, among others, that if the claimant-contractor or the respondent contractor, as the case maybe, has no valid contractor's license at the time of filing the case, and has neither such valid license during the execution of the contract nor has a pending application therefor with the PCAB, the claimant shall not be allowed to file a case, assert his claims and pray for affirmative relief if he is the claimant-contractor, or in the case of the respondent, he shall be allowed to file his answer for purposes of defending himself but is precluded from interposing counterclaims or praying for affirmative relief at the CIAC;

WHEREAS, while said provision strengthened the Contractor's Licensing Law, it tends to defeat the purpose and spirit of E.O. 1008 or the Construction Industry Arbitration Law, which is to provide a fair and speedy resolution of construction disputes lodged with the CIAC; moreover, there is no provision under E.O. 1008 which requires a contractor be licensed by PCAB before it could avail of the facilities of CIAC;

WHEREAS, there is a need to amend the foregoing provision of Resolution No. 06-2004 so as not to prejudice the rights of these unlicensed contractors from availing the facilities of the CIAC;

WHEREAS, Sections 6 and 21 of Executive Order No. 1008 empowers the CIAC to enunciate policies and prescribe rules and procedures for construction arbitration and to formulate necessary rules and procedures for construction arbitration;

NOW, THEREFORE, THE CONSTRUCTION INDUSTRY ARBITRATION COMMISSION, by virtue of the powers vested in it by law, do hereby RESOLVED, as it hereby RESOLVED, to introduce the following amendatory provision to CIAC Resolution No. 06-2004, to wit: