

[CIAC RESOLUTION NO. 5-99, July 15, 1999]

**AMENDING CIAC RESOLUTION NO. 7-98 TO EXPAND THE
COVERAGE OF ARBITRATION DEVELOPMENT FUND**

WHEREAS, pursuant to its function "to formulate and adopt an arbitration program for the construction industry" the Commission passed Resolution 2-96 on 28 May 1996, creating the Arbitration Development Fund (ADF) from which the required capital outlay and expenses of CIAC could be sourced, relative to the development of affordable Alternative Dispute Resolution (ADR) schemes geared towards the early resolution of cases with small claims:

WHEREAS, for the program under CIAC Resolution No. 2-96 to be effective, CIAC Resolution No. 7-98 was passed to expand the coverage of subsidy to small claims and pegged the ceiling thereof to P100,000 and below;

WHEREAS, despite the expansion of the coverage of subsidy to small claims, there has never been any qualified applicant thereunder;

WHEREAS, based on the study of recent cases filed with the Commission, there is a need to increase the ceiling of small claims to P500,000 and below, to qualify for subsidy under the ADF.

NOW, THEREFORE, WE, THE UNDERSIGNED CIAC COMMISSIONERS, by virtue of the powers vested in us by law, do hereby RESOLVE as it hereby RESOLVED, to amend CIAC Resolution 7-98 as follows:

"BE IT RESOLVED, FURTHER, that such special fees assessed, collected and deposited in the Arbitration Development Fund shall be treated as trust receipts to be used for the following purposes necessary for the development and promotion of arbitration:

1. x x x

2. x x x

3. x x x

4. x x x

5. To pay for the services of a sole arbitrator and/or mediator appointed by CIAC to resolve/settle small claims below P500,000.00 at a fixed rate of 2% of the claim but not less than P5,000.00 per arbitrator/mediator/ per case and to pay for other incidental and administrative expenses".

UNANIMOUSLY APPROVED.