

**APPROVING THE REQUEST OF THE DEPARTMENT OF PUBLIC WORKS AND  
HIGHWAYS ON THE USE OF CUSTOMIZED BIDDING DOCUMENTS FOR THE  
PHILIPPINE INTERNATIONAL EXHIBITION CENTER PROJECT**

**WHEREAS**, Republic Act (RA) No. 12009, otherwise known as the “New Government Procurement Act”, took effect on 13 August 2024;

**WHEREAS**, Section 6 of RA No. 12009 provides for the standardization of procurement process and forms, thus: to systematize the procurement process, avoid confusion, and ensure transparency, the procurement process, including the forms to be used, shall be standardized insofar as practicable. For this purpose, the Government Procurement Policy Board (GPPB) shall pursue the development of generic procurement manuals and standard bidding forms, the use of which shall be mandatory upon all Procuring Entities (PEs). However, whenever necessary, to suit the particular needs of the PE, modifications may be made particularly for major and specialized procurement, subject to the approval of the GPPB;

**WHEREAS**, Section 91 of RA No. 12009 mandates the GPPB to set strategic direction and make policy decisions regarding all matters affecting public procurement;

**WHEREAS**, Section 113 of RA No. 12009 provides that prior to the effectivity of the Implementing Rules and Regulations (IRR) of the Act, the provisions of RA No. 9184 and its IRR shall remain in force and effect in order to ensure the continued implementation of programs, activities, and projects;

**WHEREAS**, Section 6 of RA No. 9184 provides that in order to systematize the procurement process, avoid confusion and ensure transparency, the procurement process including the forms to be used shall be standardized insofar as practicable. For this purpose, the GPPB shall pursue the development of generic procurement manuals and standard bidding forms, and the use of which once issued shall be mandatory upon all PEs;

**WHEREAS**, Section 6.2 of the 2016 revised IRR of RA No. 9184 mandates the PEs to use the Philippine Bidding Documents (PBD), among others, issued by the GPPB. However, whenever necessary, to suit the particular needs of the PE, modifications may be made, particularly for major and specialized procurement, subject to the approval of the GPPB;

**WHEREAS**, Section 17.2 of the 2016 revised IRR of RA No. 9184 requires that the specifications and other terms in the Bidding Documents shall reflect the necessary specifications required to meet the needs of the PE in clear and unambiguous terms; and provides further that in mixed procurements, the PE shall specify in the Bidding Documents the requirements, criteria and other conditions of the bidding procedures and of the ensuing contract as applicable to each component of the project. In the preparation of Bidding Documents, the PE shall ensure compliance with existing laws, rules and regulations, especially those concerning licenses and permits required for the project, in accordance with Section 34.2 of the IRR;

**WHEREAS**, Section 13 of Annex “G”<sup>1</sup> of the 2016 revised IRR of RA No. 9184, recognizes that applicable provisions of Annex “E”<sup>2</sup> of the same IRR supplement contract

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<sup>1</sup> Guidelines for the Procurement and Implementation of Contracts for Design and Build Infrastructure Projects.

<sup>2</sup> Contract Implementation Guidelines for the Procurement of Infrastructure Projects.

implementation in projects using Design and Build (D&B) Scheme, which specifically address (i) Extension of Time; (ii) Variation Orders; and (iii) Advance Payment;

**WHEREAS**, on 12 December 2024, the GPPB-Technical Support Office (TSO) received a request of the Department of Public Works and Highways (DPWH) seeking the approval of the GPPB on the use of customized bidding documents for the Philippine International Exhibition Center (PIEC) Project. This request aims to address procurement process failures and implementation issues by incorporating specific provisions from the *Fédération Internationale des Ingénieurs-Conseils* (FIDIC) Plant and Design-Build Contract (Yellow Book), and the 2-step bidding procedure under Annex “G” of the 2016 revised IRR, given that the D&B scheme would entail a mixed procurement. In particular, the DPWH proposed changes to the PBD, customizing certain clauses in the Instruction to Bidders (ITB), General Conditions of Contract (GCC), and Special Conditions of Contract (SCC);

**WHEREAS**, as a background, the DPWH represented that the PIEC Project is a flagship infrastructure initiative located in Pasay Harbor City, envisioned to serve as a premier venue for international exhibitions and conventions, which will promote trade and economic development in the region. The Project is divided into two (2) packages, particularly: (i) Package 1, with a budget of ₱ 17 Billion, covering design and detailed engineering, foundation, structural, and architectural works from 2024 to 2025, and consulting services for construction supervision for the two (2) packages; and (ii) Package 2, with a budget of ₱ 10 Billion, focusing on civil works, including structural and architectural works from 2026 to 2027;

**WHEREAS**, coordination meetings between the GPPB-TSO and DPWH were subsequently held on various dates<sup>3</sup> to discuss the proposed changes to the PBDs for the PIEC Project. These meetings culminated in the DPWH's resubmission on 6 January 2025 of the revised bidding documents, which listed specific PBD clauses for review and approval of the Board;

**WHEREAS**, during the first GPPB meeting on 31 January 2025, the GPPB-TSO presented the fourteen (14) proposed items for consideration, which comprised one (1) overarching proposal on the adoption of clauses from the 5<sup>th</sup> edition PBD to provide clarity and ensure alignment with existing rules, and thirteen (13) specific clauses in the customized PBD; the detailed matrix of which is attached as **Annex “A”**;

**WHEREAS**, regarding the proposed adoption of clauses from the 5<sup>th</sup> edition PBD, the GPPB-TSO noted that these clauses were not specifically identified in the submitted proposal. The GPPB deems it imperative to require DPWH to submit the itemized list of these PBD 5<sup>th</sup> edition clauses to ensure its alignment with RA No. 9184 and RA No. 12009. Moreover, the Board directed the GPPB-TSO to validate if these provisions conform with the existing 2016 revised IRR of RA No. 9184;

**WHEREAS**, among the thirteen (13) clauses in the proposed customized PBD, the GPPB-TSO highlighted the following specific clauses that require further discussion and policy direction of the Board to ensure compliance with RA No. 9184 and its IRR:

1. Source of Funding (ITB 2.0 - Funding Information)

The DPWH specified that the project's funding source is the Corporate Operating Budget through the Certificate of Budget Inclusion issued by the Philippine Reclamation Authority (PRECA). However, the GPPB clarified that it cannot look into the validity or circumstances of the funding, as this responsibility is within the purview of the PE. The GPPB-TSO then proposed to confirm with the DPWH that the identified funding source

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<sup>3</sup> 26 December 2024 and 21 January 2025.

has been received and is valid, to be supported by a Memorandum of Agreement (MOA) between the DPWH and PRECA. The Board agreed that the DPWH should issue a certification to this effect, together with the submission of the MOA, if available, and/or certification that the DPWH has already received a valid source of funding for its Project.

2. Bidding Subjected to FIDIC (ITB 3.0 - Bidding Requirements)

The DPWH proposed FIDIC provisions to be the secondary source for the bidding requirements of the PIEC Project. The incorporation of FIDIC provisions is allowed as long as they align with RA No. 9184 and its IRR. However, FIDIC provisions do not have the force of law and must remain consistent with Philippine procurement laws.

3. Availability of Designers (GCC 8.2 - Contractor's Obligation)

Under Section 62.2 of the IRR of RA No. 9184, designers and designer subcontractors are liable for structural defects, but make no mention of an extended warranty that covers multiple phases of a construction project. The DPWH proposed requiring designers and design subcontractors to remain accountable for the duration of Package 1 and 2 of the PIEC project. Pursuant to this, the GPPB-TSO requested policy direction from the Board, as it necessitates continuous accountability for design until project completion.

4. Entity Authorized for Site Sharing Activities (GCC 8.21 - Contractor's Obligation – Cooperation and Site Sharing)

The proposed DPWH provision mandates site-sharing with other contractors, public authorities, and utilities. The GPPB-TSO inquired from the DPWH if there is a specific officer or entity responsible for authorizing access and managing scheduling conflicts to ensure smooth coordination and avoid project delays. The DPWH responded that this responsibility should rest with the PE itself, as it holds overall management and oversight of the project site and related activities.

5. Performance and Advance Payment Securities (SCC GCC 11.1 - Performance Security and GCC 41 - Advance Payment Security)

The proposed revisions cover performance security and advance payment security, wherein the DPWH suggests limiting these securities to bank guarantees or standby letters of credit. However, RA No. 9184 explicitly grants bidders the option to choose from multiple forms of security, including surety bonds. Given this, policy direction is required to determine whether the DPWH can impose such a restriction. The GPPB-TSO recommended that DPWH provide sufficient justification, such as data or evidence demonstrating that these forms of security are the most advantageous to the government.

6. Contractor-Initiated Changes (GCC 15.1 - Contractor's Risk and Warranty Security - Correction of Design Errors)

The proposed provision requires contractors to initiate, implement, and shoulder the cost of any design changes necessary during the project. This raises the need for policy direction to clearly define the scope, extent, and conditions under which such changes may be allowed. It is necessary to ensure that these changes align with RA No. 9184 and its IRR, safeguarding the interests of the PE and preventing potential contract abuse. Additionally, the GPPB-TSO emphasized the importance of clarifying the approval process

for contractor-initiated changes to maintain transparency and accountability in project implementation. Contractors will be required to provide and shoulder the cost of any design changes. This clause requires policy direction to define the extent and conditions for such changes and ensure compliance with RA No. 9184. The DPWH responded that it would no longer add this FIDIC provision and instead use Section 13.4 of Annex "G" of the revised IRR of RA No. 9184.

7. Advance Payment and Repayment Deductions (GCC 41.3 - Advance Payment - Repayment Deductions)

The proposed provision specifies that the repayment of the advance payment will commence once progress payments exceed 20% of the contract amount. The deductions will be applied at an amortization rate of 20% per progress payment until the advance payment is fully repaid before reaching 90% completion of the project. This approach aligns with the provisions of RA No. 9184, but the GPPB-TSO recommends ensuring that the amortization mechanism is clearly stated and easy to apply to avoid misinterpretation and potential disputes. It is also crucial to confirm that this schedule complies with applicable government accounting and financial management rules. The DPWH confirmed adoption of the language on this matter, as proposed by the GPPB-TSO.

8. Progress Payment (GCC 42.4.e - Progress Payment – Withholding Amounts for Uncorrected Defects)

The provision allows the PE to withhold payment for uncorrected defects in the contractor's work. This is consistent with Section 62.2 of the IRR of RA No. 9184, which permits retention or withholding of amounts to ensure that identified defects are rectified. On a different note, the GPPB-TSO underscored the importance of clearly defining what constitutes a "significant defect" to justify withholding and ensuring that proper documentation supports such actions to avoid disputes during contract implementation.

9. Suspension of Work due to Delayed Payments (GCC 46.2.f - Suspension of Work)

The DPWH proposed extending the period for suspension of work due to delayed payments from 45 to 56 days. However, the DPWH informed that this provision should revert to the 45-day period required by Annex "G" of the 2016 IRR of RA No. 9184.

**WHEREAS**, after deliberation and consideration, the Board approved in principle the use of the proposed customized bidding documents for the PIEC Project, subject to the submission of the following information, documents, and/or data:

- a) Data and documents showing the difficulty in recoupment of other forms of performance security or advance payment security, to be submitted on 3 February 2025;
- b) List of PBD 5<sup>th</sup> edition clauses proposed to be adopted in the subject customized bidding documents, to be submitted on 3 February 2025; and
- c) Certification indicating (i) the alignment of the proposed provisions to RA No. 9184 and its IRR and (ii) the DPWH confirming the valid source of funding for their project, specifically originating from the Corporate Operating Budget of PRECA.

**WHEREAS**, subject to the submission by the DPWH of the list of PBD 5<sup>th</sup> edition clauses used in the proposed customized bidding documents, the DPWH has affirmed that all clauses found in its customized bidding documents are consistent with RA No. 9184;

**WHEREAS**, in compliance with the directive of the Board, the DPWH submitted its committed information, documents, and/or data, as follows:

- a) Matrix of its proposed changes reflecting the revised clauses that incorporated the inputs from the Board, copy of which is attached as **Annex “B”**;
- b) Complete Customized Bidding Documents indicating in particular which clauses were lifted from the PBD 5<sup>th</sup> edition. This has been confirmed by GPPB-TSO to be aligned with RA No. 9184;
- c) Certification that the customized bidding documents for this project are compliant with RA No. 9184 and its IRR;
- d) Memorandum of Agreement between DPWH and PRECA evidencing the source of funding for the PIEC project;
- e) Certificate of Budget Inclusion for the PIEC project; and
- f) Financial reports indicating total amount of unrecouped advance payments.

**NOW, THEREFORE**, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested on **US** by law and other executive issuances, hereby **RESOLVE** to confirm, adopt, and approve, as **WE** hereby confirm, adopt, and approve the request of DPWH for the use of the proposed customized bidding documents for the PIEC Project, with the approved clauses indicated in **Annex “B”**, subject to the following:

1. **REQUIRE** the DPWH to submit the following data, certifications, and information as follows:
  - a) Data and documents showing the difficulty in recoupment of other forms of performance security and advance payment security, to be submitted on 3 February 2025;
  - b) List of PBD 5<sup>th</sup> edition clauses proposed to be adopted in the subject customized bidding documents, to be submitted on 3 February 2025; and
  - c) Certification indicating (i) the alignment of the proposed provisions to RA No. 9184 and its IRR and (ii) the DPWH confirming the valid source of funding for the Project, specifically originating from the Corporate Operating Budget of PRECA.
2. **CONFIRM** that the Board’s approval on the DPWH’s use of the customized bidding documents is confined to the above discussions and does not extend to include the circumstances of funding the PIEC Project.

This Resolution shall take effect immediately.

**APPROVED** this 31<sup>st</sup> day of January 2025 at Quezon City, Philippines.

**SGD**

*GPPB, Chairperson*

**DEPARTMENT OF BUDGET AND MANAGEMENT**

**SGD**

**NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY**

**DEPARTMENT OF PUBLIC WORKS AND  
HIGHWAYS**

**SGD**

**DEPARTMENT OF NATIONAL  
DEFENSE**

**SGD**

**DEPARTMENT OF EDUCATION**

**DEPARTMENT OF INTERIOR AND LOCAL  
GOVERNMENT**

**DEPARTMENT OF TRANSPORTATION**

**SGD**

**PROCUREMENT SERVICE - DBM**

**PRIVATE SECTOR REPRESENTATIVE**

**Matrix of the Proposed Revised and/or Added Clauses of DPWH with DPWH  
Justifications and Remarks from GPPB-TSO**

<b>Part of Bidding Documents</b>	<b>Revised or Added Clause</b>	<b>Legal Reference</b>	<b>DPWH Justifications</b>	<b>GPPB-TSO Comments</b>
ITB and GCC	Added provision from the Standard Bidding Documents 5 <sup>th</sup> Edition and the 2016 revised IRR of RA No. 9184	Standard Bidding Documents 5 <sup>th</sup> Edition and the 2016 revised IRR of RA No. 9184	Some provisions were incorporated in anticipation of the participation of foreign bidders who are not knowledgeable or familiar with the existing procurement law and GPPB issuance, which are deemed important in the preparation of their competitive bids.	<p>The DPWH did not identify specific clauses derived from the Standard Bidding Document 5th edition and the 2016 revised IRR of RA No. 9184.</p> <p>As a general rule, GPPB Resolution No. 15-2020 which approved the 6th edition of the PBD, mandates its applicability in the procurement of all Infrastructure Projects.</p> <p>To assist the GPPB and its TSO in reviewing clauses from the 5th edition PBD, it is necessary for the DPWH to submit those provisions that were not identified in their initial submission.</p> <p>Notwithstanding, certain clauses may still be adopted from 5th edition PBD, as long as they are aligned with RA No. 9184 and its 2016 revised IRR. This is pursuant to Section 17.2 of the 2016</p>

				revised IRR of RA No. 9184 which requires the Procuring Entity to ensure that its Bidding Documents comply with existing laws, rules and regulations.
ITB 2. Funding Information	The source of funding is: GOCC, the Corporate Operating Budget through the Certificate of Budget Inclusion No._____.	Certificate of Budget Inclusion provided by the Philippine Reclamation Authority	In order to provide appropriate and accurate details of the funding source for the project.	This is for the DPWH's confirmation if this is the only fund source for the Project.  If confirmed, this clause is acceptable.
ITB 3. Bidding Requirements	Revised:  The Bidding for the Project shall be governed by all the provisions of RA No. 9184 and its 2016 revised IRR, including its Generic Procurement Manual and associated policies, rules, and regulations as the primary source thereof, <b><u>and the herein incorporated provisions of the Federation Internationale des Ingénieurs - Conseils (FIDIC) Plant and Design-Build Contract (Yellow Book)</u></b> , while the herein clauses shall serve as the secondary source thereof. <b><u>The provisions of R.A. No. 12009 that are advantageous to the government may</u></b>	FIDIC Yellow Book and RA No. 12009	The FIDIC Yellow Book is incorporated since it provides provisions relative to the implementation of Design and Build Contracts, which are more exhaustive and more aligned with international standards compared to the current PBD. Further, RA No. 12009 is added for its practicality and efficiency.	Pursuant to Section 113 of RA No. 12009 in relation to Section 4 of RA No. 9184, RA No. 9184 and its IRR shall apply to and govern all procurement of any branch, agency, department, bureau, office, or instrumentality of the Government of the Philippines, including government-owned and/or -controlled Corporations (GOCCs), government financial institutions (GFIs), state universities and colleges (SUCs), and local government units (LGUs).  Accordingly, RA No. 9184 and its IRR remains to be the governing law



	<u>also be applied for this Contract.</u>			<p>for government procurement. However, it is pointed out that FIDIC provisions do not have the force of law and cannot be treated as part of the prevailing legal framework for government procurement.</p> <p>Nonetheless, provisions of FIDIC may be adopted in government procurement if the conditions or requirements are consistent with RA No. 9184 and its IRR.</p> <p>For the application of RA No. 12009, the GPPB-TSO supports its inclusion given that the law has already taken effect. However, this applies only to provisions that are self-executory, i.e., their implementation does not require further rules and regulations.</p>
GCC 8. Contractor's Obligation	Added 8.2 The Contractor shall undertake that the designers and design Subcontractors shall be available to attend discussions with the Procuring Entity at all reasonable times, until the issue of the	FIDIC Yellow book GCC 5.1 General Design Obligation	To ensure continuous availability of designers for consultations, clarifications, and issue resolution, promoting effective collaboration and timely	<p>This aligns with the principle of accountability reflected in RA No. 9184 and its 2016 revised IRR.</p> <p>To reinforce accountability and ensure clarity, the GPPB-TSO</p>

	Certificate of Completion.		<p>adjustments throughout the project (e.g. correction of design issues, proper monitoring, support for variation and changes), thus avoiding delays and disputes.</p> <p>This also supports quality assurance and accountability, thus protecting the Procuring Entity's interests.</p>	<p>suggests to revise the proposed language to state that the designers and design subcontractors shall remain accountable for the design throughout the construction for the completion of the PIEC structure or building. This ensures continuity, adherence to the original design, and responsibility across all phases of the project.</p>
	<p>Added 8.21 The Contractor shall cooperate and share the Site, and to any place where work in connection with this Contract is being carried out or is intended to be carried out, with other contractors, public authorities, utilities, and the Procuring Entity between the dates given in the schedule of other contractors particularly when they shall require access to the Site. The Contractor shall also provide facilities and services for them during this period. The Procuring Entity may modify the schedule of other contractors, and shall notify the Contractor of any such modification thereto.</p>	FIDIC Yellow Book GCC 4.6 Co-operation	<p>Including the provision in the GCC ensures coordination and site access for multiple contractors, public authorities, utilities, and the Procuring Entity, facilitating seamless project execution without delays or disputes. This is also useful in anticipation of the simultaneous execution of Package 1 and Package 2 of the Project.</p> <p>It promotes efficient resource sharing, minimizes conflicts, and provides flexibility to adjust schedules, aligning with</p>	<p>This is noted as it aligns with the principle of accountability and proportionality enshrined in Section 3 of RA No. 12009 and Annex "G" of the 2016 revised IRR of RA No. 9184.</p> <p>For clarity, the DPWH is requested to revise the proposed language to include conditions for modifications and specify who shall have the authority to approve access to the Site or work area.</p>

			FIDIC best practices to manage complex, multi-contractor environments while safeguarding project timelines and responsibilities.	
GCC 11. Performance Security	Added in GCC 11.5 The Contractor shall post an additional Performance Security following the amount and form specific in ITB Clause 23 to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements, as the case may be. <b><u>Provided, that the Contractor shall notify the issuer of any amendments to the Contract.</u></b> The Contractor shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.	None	In order for the issuer of the Performance Security to have the updated details of the contract. This is to ensure transparency and alignment between the contract terms and the performance security issued. This requirement safeguards the procuring entity by keeping the issuer informed of any changes, enabling timely updates to the security coverage and validity, and preventing lapses or inadequacies in financial protection due to contract modifications.	<p>This is a newly proposed clause for the GCC.</p> <p>The GPPB-TSO seeks clarification on what is the specific purpose of adding this sentence, “Provided, that the Contractor shall notify the issuer of any amendments to the Contract.” This requirement appears redundant, as its substance is already provided under existing laws and other applicable rules on variation orders, particularly Annex “E” of the 2016 revised IRR of RA No. 9184, which states that any variation order shall be at the request of the contractor. If this is not the intent of putting here, the GPPB-TSO suggests to delete the proviso.</p> <p>Based on the initial evaluation of the GPPB-TSO, the proposal appears to allow</p>

				<p>modifications in the performance security requirement.</p> <p>Thus, this proposal may be considered if an additional clause is included in the bidding documents which expressly indicates that the bidder shall ensure that the original performance security should admit amendments thereon, such as identified extensions and expansions in the scope of work.</p>
	<p>Added in SCC GCC11.1:</p> <p>The Performance Security shall be in the form of a Bank Guarantee or Standby Letter of Credit</p>	None	<p>To prevent the previous experiences of DWH where COA has issued AOMs regarding the inability of the DPWH to forfeit/call in its favor the Performance Security in the form of Surety Bond. In other cases, it may be forfeited/called, but the process is lengthy and requires litigation or evidence of default to trigger payment.</p> <p>Moreover, allowing only a bank guarantee ensures higher financial security and reliability, as it is backed by a</p>	<p>As a general rule, it can be noted that this proposal contradicts Section 39.1 of RA No. 9184, which grants the winning bidder the option to choose the form of performance security, rather than the Procuring Entity. This is guided by the principle of competitiveness where more bidders which meet eligibility requirements can participate by considering various forms of performance security.</p> <p>For reference, Section 39.1 reads: <i>Sec. 39.1 To guarantee the</i></p>

			<p>reputable financial institution. Unlike surety bonds, bank guarantees provide immediate liquidity and minimize risks of insolvency. This has been more relevant due to the project's complexity and substantial amount, which necessitates the procuring entity's enhanced risk management.</p>	<p><i>faithful performance by the winning bidder of its obligations under the contract in accordance with the Bidding Documents, it shall post a performance security prior to the signing of the contract.</i></p> <p>However, with the effectivity of RA No. 12009 last 13 August 2024 and considering the specific needs of the DPWH, the GPPB-TSO requests policy direction from the Board on whether to allow the Procuring Entity to choose the form of the performance security, guided by the principle of proportionality.</p>
GCC 15. Contractor's Risk and Warranty Security	<p>Added 15.1 Any errors, omissions, inconsistencies, inadequacies or failures in the design submitted and works undertaken by the contractor that do not comply with the requirements shall be corrected at the contractor's cost, subject to the provisions under GCC Clause 39. If the Contractor wishes to modify any design or document that has been previously submitted, reviewed and approved, the</p>	FIDIC Yellow Book GCC 5.8 Design Error	<p>To ensure accountability and quality control in the implementation of the project. It protects the procuring entity by requiring the contractor to bear the costs of correcting design errors or deficiencies, thereby minimizing project delays and additional expenses. It also establishes a clear protocol for</p>	<p>This is acceptable since the proposed language aligns with Section 62 of the 2016 revised IRR of RA No. 9184 and Section 90 of RA No. 12009 on Warranties.</p> <p>It bears noting that modifications through Variation Orders are allowed upon the request of the Contractor, but only up to a certain extent as provided by RA No. 9184 and its IRR.</p>

	Contractor shall notify the procuring entity within a reasonable period of time and shall shoulder the cost of such changes.		design modifications.	<p>However, the GPPB-TSO would like to clarify what constitutes contractor-initiated changes (e.g., parameters), aside from what have been allowed by the said law. This is necessary to define the extent and limitations of modification that contractors may propose. Further, such changes should be approved by the Procuring Entity and not just to notify it.</p> <p>Moreover, such changes must be reflected in the bidding documents for transparency and accountability purposes.</p> <p>On another note, the GPPB-TSO seeks policy direction from the Board on allowing the Contractor to bear the cost of such changes, if allowed.</p> <p>It must be noted that neither RA No. 9184 nor RA No. 12009 allow contractors to shoulder expenses for changes in the scope of work. What the law emphasizes are the following:</p>
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				<ol style="list-style-type: none"> <li>1. Changes in design and construction requirements shall be limited to those that have not been anticipated in the contract.</li> <li>2. Any changes must go through the proper approval process, which involve the HoPE, and following the guidelines for Variation Orders.</li> <li>3. The procurement process aims to ensure transparency, competitiveness, and accountability, which would be compromised if contractors could unilaterally make and pay for changes.</li> </ol>
GCC 29. Suspension of Loan, Credit, Grant, or Appropriation	<p>Revised (from the original forty-five (45) calendar days):</p> <p>In the event that the Funding Source suspends the Loan, Credit, Grant, or Appropriation to the Procuring Entity, from which part</p>	FIDIC Yellow Book GCC 14.67 Payment	This duration is more advantageous to the government and realistic, as it considers actual practices.	<p>The payment requirements are governed by accounting and auditing rules.</p> <p>The DPWH is requested to confirm that the proposal is aligned with accounting and auditing rules.</p>

	<p>of the payments to the Contractor are being made:</p> <p>a. The Procuring Entity is obligated to notify the Contractor of such suspension within seven (7) days of having received the suspension notice.</p> <p>b. If the Contractor has not received sums due it for work already done within fifty-six (56) calendar days from the time the Contractor's claim for payment has been certified by the Procuring Entity's Representative, the Contractor may immediately issue a suspension of work notice in accordance with GCC Clause 46.</p>			
GCC 41. Advance Payment	<p>Revised 41.1:</p> <p>The Procuring Entity shall, upon a written request of the Contractor which shall be submitted as a Contract document, make an Advance Payment to the Contractor in an amount not to exceed fifteen percent (15%) of the total Contract Price, <b><u>to be made in two installments, as follows:</u></b></p>	None	<p>The Department is suggesting a more conservative approach in terms of scheduling advanced payment in order to protect the interest of the government due to past experiences encountered while dealing with contractors.</p>	<p>This is allowed under Section 13.7 of Annex "G" in relation to Section 4.1 of Annex "E" and the 2016 revised IRR of RA No. 9184. However, the DPWH shall ensure that this is aligned with the principle of competitiveness which should balance between the interests of the Procuring Entity and the bidder(s).</p>



	<p>a. <u>The first installment, which will be used in the Design component under the Contract, shall be in an amount not exceeding one percent (1.0%) of the total Contract cost and shall require the written request of the Contractor and submission of the instrument prescribed in GCC Clause 41.2.</u></p> <p>b. <u>The second installment, which will be used in the Construction component under the Contract, shall be in an amount not exceeding fourteen percent (14.0%) of the total Contract Cost and shall require the certification and acceptance by the Procuring Entity of the accomplishm</u></p>		<p>In one instance, the Department advanced payments in favor of contractors, however, when the contract was terminated prior to contract implementation, DWH sustained damages when the contractor refused to recoup the payments that were advanced.</p> <p>Clearly, the recommended payment scheme is more advantageous to the government considering the substantial amount of contract cost involved in the project. Consequently, the same would pose less challenge for the government in claiming payments from the contractors.</p>	<p>The approach should not be overly risk-adverse, as this could discourage bidder participation and limit competition.</p> <p>It is also noted that this shall be subject to accounting and budgeting rules, thus, the DPWH is required to ensure compliance with the same.</p>
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	<u>ent of the DAED as indicated in the SCC, and the written request of the Contractor and submission of the instrument prescribed in GCC Clause 41.2.</u>			
	<p>Added in SCC GCC 41.2:</p> <p>The Advance Payment Security shall be in the form of a Bank Guarantee or Standby Letter of Credit</p>		<p>To prevent the previous experiences of DPWH where COA has issued AOMs regarding unrecouped advance payment and the inability of the DPWH to forfeit/call in its favor the Advance Payment Security in the form of Surety Bond. In other cases, it may be forfeited/called, but the process is lengthy and requires litigation or evidence of default to trigger payment.</p> <p>Moreover, allowing only a bank guarantee ensures higher financial security and reliability, as it is backed by a reputable financial institution. Unlike surety bonds, bank guarantees</p>	<p>Based on Sec. 4.2 of Annex "E" of the 2016 revised IRR of RA No. 9184 and in line with the principle of competitiveness, one instance where the advance payment may be released is upon the submission and acceptance by the procuring entity of a surety bond callable upon demand, issued by a surety or insurance company, aside from those stated in the proposed language of the DPWH.</p> <p>Given this, the GPPB-TSO deems it necessary for the DPWH to provide other justifications for the proposal, apart from the convenience and/or prior experience of the Procuring Entity. This evaluation is pursuant to Section</p>

			<p>provide immediate liquidity and minimize risks of insolvency. This has been more relevant due to the project's substantial amount, which necessitates the procuring entity's enhanced risk management.</p>	<p>17.2 of the 2016 revised IRR of RA No. 9184 which provides that in the preparation of Bidding Documents, the Procuring Entity shall ensure compliance with existing laws, rules and regulations.</p> <p>Depending on the additional justification given by the DPWH, the GPPB-TSO seeks policy direction from the Board if the justification is found to be meritorious.</p>
	<p>Added in SCC GCC 41.3:</p> <p>Deductions shall commence in the progress payments in which the total of all certified progress payments (excluding the advance payment and deductions and release of retention money) exceeds twenty percent (20%) of the portion of the Contract Amount less Provisional Sums; and deductions shall be made at the amortization rate of twenty percent (20%) of the amount of each progress payment (excluding the advance payment and deductions and release of retention money), provided that the advance payment</p>		<p>The 20% amortization rate for deductions from progress payments is strategically set to ensure that the advance payment is fully recouped before 90% (or 75% accomplishment, to be exact) of the contract amount is certified. This approach will safeguard the procuring entity's interests and minimize financial risk.</p>	<p>The GPPB-TSO seeks clarification on what this clause means, as it appears convoluted, since it pertains to several conditions, exclusions and calculations that make it difficult to grasp at first reading.</p> <p>For example, the clause repeatedly references exclusions—such as advance payments, deductions, and retention money—without clearly organizing their impact on the overall calculation. The structure forces the reader to track multiple</p>

	<p>shall be completely repaid prior to the time when ninety percent (90%) of the Accepted Contract Amount less Provisional Sums has been certified for payment.</p>		<p>numerical thresholds (20% and 90%), while also considering which payments count towards these limits and which do not.</p> <p>Additionally, the phrase "deductions shall commence in the progress payments in which the total of all certified progress payments... exceeds twenty percent" is an indirect way of stating that deductions begin once a specific threshold is reached.</p> <p>At the outset, GCC clause 41.3 states:</p> <p><i>The Advance Payment shall be repaid by the Contractor by deducting, from periodic progress payments to be made to the Contractor, a percentage equal to the percentage of the total Contract Price used for the Advance Payment, as specified in the SCC.</i></p> <p>What is understood from the present language of the proposed SCC is that this pertains to the specific details</p>
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				<p>regarding the repayment terms for the advance payment granted to the contractor.</p> <p>Thus, the GPPB proposes the following language for clarity:</p> <p><u>First paragraph to set the overarching requirement:</u></p> <p>Deductions for repaying the advance payment shall commence, upon confirmation of the total certified progress payments—excluding the advance payment, deductions, and released retention money—exceeds twenty percent (20%) of the Contract Amount, less the Provisional Sums.</p> <p>[GPPB-TSO clarification:  <b>Question No. 1:</b>  <i>Has the Provisional Sum been defined in the customized bidding documents? The GPPB-TSO, also proposes to add wordings to qualify the Provisional Sums if not yet defined in prior clauses</i></p> <p><b>Question No. 2:</b>  <i>Does the</i></p>
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				<p><i>Provisional Sum to pertain to unforeseen expenses, additional work or specialized services that may be required during project implementation? If yes, the DPWH should provide clear language on this, since this is subject to Section 61 of RA No 9184 and its 2016 revised IRR regarding fixed prices]</i></p> <p><u>Second paragraph to detail the payment terms:</u></p> <p>Once commenced, subsequent deductions shall be applied at the amortization rate of twenty percent (20%) of each progress payment. The advance payment must be fully repaid before ninety percent (90%) of the Accepted Contract Amount has been certified for payment.</p> <p>Simply put, when a contractor receives advance payment for the Project, the DPWH will recover the advance payment amount gradually by deducting 20%</p>
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				from each progress payment (the payments made as the work progresses). The objective of which is to ensure that the full advance payment is covered before the project reaches 75% completion.
42. Progress Payment	<p>Added in 42.4.e.:</p> <p>42.4 The Procuring Entity shall deduct the following from the certified gross amounts to be paid to the contractor as progress payment:</p> <p>a. Cumulative value of the work previously certified and paid for.</p> <p>b. Portion of the advance payment to be recouped for the month.</p> <p>c. Retention money in accordance with the condition of the contract.</p> <p>d. Amount to cover third-party liabilities.</p> <p><b><u>e. Amount to cover uncorrected discovered defects in the Works:</u></b></p> <p><b><u>1) If anything supplied or work done by the Contractor is not in accordance with the Contract, the estimated cost of rectification or</u></b></p>	FIDIC Yellow Book GCC 14.6.2 Withholding (amounts in) an Interim Payment Certificate	The provisions provide details about defects in the works to eliminate ambiguity, protect the procuring entity by ensuring payments reflect only compliant and completed work, minimizing financial risks from defects, incomplete obligations, or errors. These also impose contractor accountability and timely rectifications of defects.	<p>This is consistent with Section 62.2 of the 2016 revised IRR of RA No. 9184 which provides for warranties against any damage or destruction of the works including structural defects and failures.</p> <p>However, the DPWH shall ensure that this proposal is aligned with the 2016 IRR, RA No. 9184, and RA No. 12009.</p> <p>Further, the DPWH is requested to expound on what is considered as "significant" as mentioned in item 3 of its proposed language.</p>

	<p><u>replacement may be withheld until rectification or replacement has been completed;</u></p> <p><u>2) If the Contractor was or is failing to perform any work, service or obligation in accordance with the Contract, the value of this work or obligation may be withheld until the work or obligation has been performed. In this event, the Procuring Entity's Representative shall promptly give Notice to the Contractor describing the failure and with detailed supporting particulars of the value withheld; and/or</u></p> <p><u>3) If the Engineer finds any significant error or discrepancy in the Statement or supporting documents, the amount of the progress payment may take account of the extent to which this error or discrepancy has prevented or prejudiced proper investigation of the amounts in the Statement until such error or discrepancy is corrected in a subsequent Statement.</u></p>			
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GCC 46. Suspension of Work	<p>Revised 46.2.f:</p> <p>46.2 The Contractor or its duly authorized representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice from the Contractor to the district engineer/regional director/consultant or equivalent official, as the case may be, on any of the following grounds:</p> <p>a. There exist right-of-way problems which prevent the Contractor from performing work in accordance with the approved construction schedule.</p> <p>b. Requisite construction plans which must be owner-furnished are not issued to the contractor precluding any work called for by such plans.</p> <p>c. Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PIP) station which has responsibility over the</p>	None	This duration is more advantageous to the government and realistic, as it considers actual practices.	<p>Pursuant to Annex "E" of the 2016 revised IRR, the contractor or its duly authorized representative shall have the right to suspend work operation should there be delay in the payment of contractor's claim for progress billing beyond forty- five (45) calendar days from the time the contractor's claim has been certified to by the procuring entity's authorized representative that the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the contractor.</p> <p>Consequently, the DPWH is required to provide other justifications for the proposed change in period apart from the convenience and/or prior experience of the Procuring Entity.</p>
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	<p>affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.</p> <p>d. Failure to acquire the necessary permits, including environmental clearances, which prohibits the Contractor from performing the affected works.</p> <p>e. There is failure on the part of the Procuring Entity to deliver government-furnished materials and equipment as stipulated in the contract.</p> <p>f. Delay in the payment of Contractor's claim for progress billing beyond <b><u>fifty-six (56) calendar days</u></b> from the time the Contractor's claim has been certified to by the Procuring Entity's authorized representative and the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.</p>			
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## Matrix of Revised Clauses Incorporating the Inputs of the Board

Philippine Bidding Documents Numbers	DPWH Proposed Clauses	GPPB Approved Clauses
ITB 2. Funding Information	[NEW]  The source of funding is: GOCC, the Corporate Operating Budget through the Certificate of Budget Inclusion No._____.	[ADOPTED]  The source of funding is: GOCC, the Corporate Operating Budget through the Certificate of Budget Inclusion No._____.
ITB 3. Bidding Requirements	[REVISED]  The Bidding for the Project shall be governed by all the provisions of RA No. 9184 and its 2016 revised IRR, including its Generic Procurement Manual and associated policies, rules, and regulations as the primary source thereof, <b><u>and the herein incorporated provisions of the Federation Internationale des Ingénieurs - Conseils (FIDIC) Plant and Design-Build Contract (Yellow Book)</u></b> , while the herein clauses shall serve as the secondary source thereof. <b><u>The provisions of R.A. No. 12009 that are advantageous to the government may also be applied for this Contract.</u></b>	[DELETED]  The Bidding for the Project shall be governed by all the provisions of RA No. 9184 and its 2016 revised IRR, including its Generic Procurement Manual and associated policies, rules, and regulations as the primary source thereof, <del>and the herein incorporated provisions of the Federation Internationale des Ingénieurs - Conseils (FIDIC) Plant and Design-Build Contract (Yellow Book)</del> , while the herein clauses shall serve as the secondary source thereof. <del>The provisions of R.A. No. 12009 that are advantageous to the government may also be applied for this Contract.</del>
GCC 8. Contractor's Obligation	[NEW]  8.2 The Contractor shall undertake that the designers and design Subcontractors shall be available to attend discussions with the Procuring Entity at all reasonable times, until the issue of the Certificate of Completion.	[ADOPTED WITH MODIFICATIONS]  8.2 The Contractor shall undertake <b><u>that its designers and design subcontractors, if applicable,</u></b> shall be available to attend discussions with the Procuring Entity at all reasonable times <b><u>and shall remain accountable for the design throughout the construction phase until the completion of the PIEC Project Package 1 and Package 2.</u></b>
GCC 8. Contractor's Obligation	[NEW]	[REVISED]

	<p>8.21 The Contractor shall cooperate and share the Site, and to any place where work in connection with this Contract is being carried out or is intended to be carried out, with other contractors, public authorities, utilities, and the Procuring Entity between the dates given in the schedule of other contractors particularly when they shall require access to the Site. The Contractor shall also provide facilities and services for them during this period. The Procuring Entity may modify the schedule of other contractors, and shall notify the Contractor of any such modification thereto.</p>	<p>8.21 The Contractor shall cooperate and share the Site, and to any place where work in connection with this Contract is being carried out or is intended to be carried out, with other contractors, public authorities, utilities, and the Procuring Entity between the dates given in the schedule of other contractors particularly when they shall require access to the Site. The Contractor shall also provide facilities and services for them during this period. <del>The Procuring Entity may modify the schedule of other contractors, and shall notify the Contractor of any such modification thereto.</del> <u>The Procuring Entity shall approve access to the Site or work area.</u></p>
GCC 11. Performance Security	<p>[REVISED]</p> <p>GCC 11.5 The Contractor shall post an additional Performance Security following the amount and form specific in ITB Clause 23 to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements, as the case may be. <u>Provided, that the Contractor shall notify the issuer of any amendments to the Contract.</u> The Contractor shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.</p>	<p>[DELETED]</p> <p>GCC 11.5 The Contractor shall post an additional Performance Security following the amount and form specific in ITB Clause 23 to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements, as the case may be. <del>Provided, that the Contractor shall notify the issuer of any amendments to the Contract.</del> The Contractor shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.</p>
GCC 11. Performance Security	<p>[NEW]</p> <p>The Performance Security shall be in the form of a Bank Guarantee or Standby Letter of Credit.</p>	<p>[ADOPTED]</p> <p>The Performance Security shall be in the form of a Bank Guarantee or Standby Letter of Credit.</p>
GCC 15. Contractor's Risk and Warranty Security	<p>[NEW]</p> <p>15.1 Any errors, omissions, inconsistencies, inadequacies or failures in the design submitted and works undertaken by the contractor that do not comply with the requirements shall be corrected at the contractor's cost, subject to the</p>	<p>[ADOPTED WITH MODIFICATIONS]</p> <p>Any errors, omissions, inconsistencies, inadequacies or failures in the design submitted and works undertaken by the contractor that do not comply with the requirements shall be corrected at</p>

	provisions under GCC Clause 39. If the Contractor wishes to modify any design or document that has been previously submitted, reviewed and approved, the Contractor shall notify the procuring entity within a reasonable period of time and shall shoulder the cost of such changes.	the contractor's cost, subject to the provisions under GCC Clause 39. If the Contractor wishes to modify any design or document that has been previously submitted, reviewed and approved, the Contractor shall notify the procuring entity within a reasonable period of time, <b><u>subject to the same review and approval process</u></b> , and shall shoulder the cost of such changes.
GCC 29. Suspension of Loan, Credit, Grant, or Appropriation	<p>[REVISED]</p> <p>In the event that the Funding Source suspends the Loan, Credit, Grant, or Appropriation to the Procuring Entity, from which part of the payments to the Contractor are being made:</p> <p>a. The Procuring Entity is obligated to notify the Contractor of such suspension within seven (7) days of having received the suspension notice.</p> <p>b. If the Contractor has not received sums due it for work already done within <b><u>fifty-six (56) calendar days</u></b> from the time the Contractor's claim for payment has been certified by the Procuring Entity's Representative, the Contractor may immediately issue a suspension of work notice in accordance with GCC Clause 46.</p>	<p>[DELETED]</p> <p>In the event that the Funding Source suspends the Loan, Credit, Grant, or Appropriation to the Procuring Entity, from which part of the payments to the Contractor are being made:</p> <p>a. The Procuring Entity is obligated to notify the Contractor of such suspension within seven (7) days of having received the suspension notice.</p> <p>b. If the Contractor has not received sums due it for work already done within <b><u>fifty-six (56) calendar days</u></b> <del>calendar days</del> <b><u>forty-five (45) calendar days</u></b> from the time the Contractor's claim for payment has been certified by the Procuring Entity's Representative, the Contractor may immediately issue a suspension of work notice in accordance with GCC Clause 46.</p>
GCC 41. Advance Payment	<p>[REVISED]</p> <p>The Procuring Entity shall, upon a written request of the Contractor which shall be submitted as a Contract document, make an Advance Payment to the Contractor in an amount not to exceed fifteen percent (15%) of the total Contract Price, <b><u>to be made in two installments, as follows:</u></b></p> <p>a. <b><u>The first installment, which will be used in the Design component under the Contract, shall be in an</u></b></p>	<p>[ADOPTED WITH MODIFICATIONS]</p> <p>The Procuring Entity shall, upon a written request of the Contractor which shall be submitted as a Contract document, make an Advance Payment to the Contractor in an amount not to exceed fifteen percent (15%) of the total Contract Price, to be made in two installments, as follows:</p> <p>a. The first installment <b><u>shall be in an amount not to exceed fifteen percent (15%) of the available funds based on the issued</u></b></p>

	<p><u>amount not exceeding one percent (1.0%) of the total Contract cost and shall require the written request of the Contractor and submission of the instrument prescribed in GCC Clause 41.2.</u></p> <p>b. <u>The second installment, which will be used in the Construction component under the Contract, shall be in an amount not exceeding fourteen percent (14.0%) of the total Contract Cost and shall require the certification and acceptance by the Procuring Entity of the accomplishment of the DAED as indicated in the SCC, and the written request of the Contractor and submission of the instrument prescribed in GCC Clause 41.2.</u></p>	<p><u>Certificate of Budget Inclusion (CBI).</u></p> <p>b. The second installment <u>shall be in an amount not to exceed fifteen percent (15%) of the remaining funds that will become available based on the issued CBI.</u></p>
GCC 41. Advance Payment	<p>[NEW]</p> <p>The Advance Payment Security shall be in the form of a Bank Guarantee or Standby Letter of Credit.</p>	<p>[ADOPTED]</p> <p>The Advance Payment Security shall be in the form of a Bank Guarantee or Standby Letter of Credit</p>
GCC 41. Advance Payment	<p>[NEW]</p> <p>SCC GCC 41.3:</p> <p>Deductions shall commence in the progress payments in which the total of all certified progress payments (excluding the advance payment and deductions and release of retention money) exceeds twenty percent (20%) of the portion of the Contract Amount less Provisional Sums; and deductions shall be made at the amortization rate of twenty percent (20%) of the amount of each progress payment (excluding the advance payment and deductions and release of retention money), provided that the advance payment shall be completely repaid prior to the time when ninety percent (90%)</p>	<p>[REVISED]</p> <p>SCC GCC 41.3:</p> <p><b>Deductions for repaying the advance payment shall commence, upon confirmation of the total certified progress payments—excluding the advance payment, deductions, and released retention money—exceeds twenty percent (20%) of the Contract Amount, less the Provisional Sums.</b></p> <p><b>Once commenced, subsequent deductions shall be applied at the amortization rate of twenty percent (20%) of each progress payment. The advance payment must be fully repaid before ninety percent (90%) of the Accepted</b></p>

	of the Accepted Contract Amount less Provisional Sums has been certified for payment.	<p><b>Contract Amount has been certified for payment.</b></p> <p>Simply put, when a contractor receives advance payment for the Project, the DPWH will recover the advance payment amount gradually by deducting 20% from each progress payment (the payments made as the work progresses). The objective of which is to ensure that the full advance payment is covered before the project reaches 75% completion.</p>
GCC Progress Payment	<p>42. [REVISED]</p> <p>42.4 The Procuring Entity shall deduct the following from the certified gross amounts to be paid to the contractor as progress payment:</p> <ul style="list-style-type: none"> <li>a. Cumulative value of the work previously certified and paid for.</li> <li>b. Portion of the advance payment to be recouped for the month.</li> <li>c. Retention money in accordance with the condition of the contract.</li> <li>d. Amount to cover third-party liabilities.</li> </ul> <p><b><u>e. Amount to cover uncorrected discovered defects in the Works</u></b></p> <ul style="list-style-type: none"> <li>1) <b><u>If anything supplied or work done by the Contractor is not in accordance with the Contract, the estimated cost of rectification or replacement may be withheld until rectification or replacement has been completed;</u></b></li> <li>2) <b><u>If the Contractor was or is failing to perform any work, service or obligation in accordance with the Contract, the</u></b></li> </ul>	<p>[ADOPTED]</p> <p>42.4 The Procuring Entity shall deduct the following from the certified gross amounts to be paid to the contractor as progress payment:</p> <ul style="list-style-type: none"> <li>a. Cumulative value of the work previously certified and paid for.</li> <li>b. Portion of the advance payment to be recouped for the month.</li> <li>c. Retention money in accordance with the condition of the contract.</li> <li>d. Amount to cover third-party liabilities.</li> </ul> <p><b><u>e. Amount to cover uncorrected discovered defects in the Works</u></b></p> <ul style="list-style-type: none"> <li>1) <b><u>If anything supplied or work done by the Contractor is not in accordance with the Contract, the estimated cost of rectification or replacement may be withheld until rectification or replacement has been completed;</u></b></li> <li>2) <b><u>If the Contractor was or is failing to perform any work, service or obligation in accordance with the Contract, the value of this</u></b></li> </ul>

	<p><u>value of this work or obligation may be withheld until the work or obligation has been performed. In this event, the Procuring Entity's Representative shall promptly give Notice to the Contractor describing the failure and with detailed supporting particulars of the value withheld; and/or</u></p> <p>3) <u>If the Engineer finds any significant error or discrepancy in the Statement or supporting documents, the amount of the progress payment may take account of the extent to which this error or discrepancy has prevented or prejudiced proper investigation of the amounts in the Statement until such error or discrepancy is corrected in a subsequent Statement.</u></p>	<p><u>work or obligation may be withheld until the work or obligation has been performed. In this event, the Procuring Entity's Representative shall promptly give Notice to the Contractor describing the failure and with detailed supporting particulars of the value withheld; and/or</u></p> <p>3) <u>If the Engineer finds any significant error or discrepancy in the Statement or supporting documents, the amount of the progress payment may take account of the extent to which this error or discrepancy has prevented or prejudiced proper investigation of the amounts in the Statement until such error or discrepancy is corrected in a subsequent Statement.</u></p>
GCC 46. Suspension of Work	<p>[REVISED]</p> <p>46.2 The Contractor or its duly authorized representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice from the Contractor to the district engineer/regional director/consultant or equivalent official, as the case may be, on any of the following grounds:</p> <p>a. There exist right-of-way problems which prevent the Contractor from performing work in accordance with the approved construction schedule.</p>	<p>[DELETED]</p> <p>46.2 The Contractor or its duly authorized representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice from the Contractor to the district engineer/regional director/consultant or equivalent official, as the case may be, on any of the following grounds:</p> <p>a. There exist right-of-way problems which prevent the Contractor from performing work in accordance with the approved construction schedule.</p> <p>b. Requisite construction plans which must be owner-furnished are not</p>



	<p>b. Requisite construction plans which must be owner-furnished are not issued to the contractor precluding any work called for by such plans.</p> <p>c. Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PIP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.</p> <p>d. Failure to acquire the necessary permits, including environmental clearances, which prohibits the Contractor from performing the affected works.</p> <p>e. There is failure on the part of the Procuring Entity to deliver government-furnished materials and equipment as stipulated in the contract.</p> <p>f. Delay in the payment of Contractor's claim for progress billing beyond <b><u>fifty-six (56) calendar days</u></b> from the time the Contractor's claim has been certified to by the Procuring Entity's authorized representative and the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.</p>	<p>issued to the contractor precluding any work called for by such plans.</p> <p>c. Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PIP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.</p> <p>d. Failure to acquire the necessary permits, including environmental clearances, which prohibits the Contractor from performing the affected works.</p> <p>e. There is failure on the part of the Procuring Entity to deliver government-furnished materials and equipment as stipulated in the contract.</p> <p>f. Delay in the payment of Contractor's claim for progress billing beyond <del><b><u>fifty-six (56) calendar days</u></b></del> <b><u>forty-five (45) calendar days</u></b> from the time the Contractor's claim has been certified to by the Procuring Entity's authorized representative and the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.</p>
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