



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Bonifacio Drive, Port Area, Manila

OTF 13 March  
9-11-87

September 4, 1987

DEPARTMENT ORDER )  
NO. 27 )  
Series of 1987 )

SUBJECT: Adoption of Standard  
Arbitration Clause in  
Government Infrastructure  
Contract

For purposes of uniformity and to ensure speedy, orderly and satisfactory settlement of disputes between the contracting parties to an infrastructure contract, it is hereby ordered that henceforth, all contracts entered into by the Department of Public Works and Highways, including all agencies attached to it, shall include the following provision:

"SETTLEMENT OF DISPUTES - If any dispute or difference of any kind whatsoever arises between the Employer or the Engineer and the Contractor in connection with or arising out of the contract, or carrying out of the works, it shall first be referred to, and settled by, the Engineer. However, if the decision of the Engineer is not satisfactory either to the Employer or the Contractor, such dispute may be submitted to, and settled by, the Construction Industry Arbitration Commission (CIAC) created by Executive Order No. 1008."

This Order shall take effect immediately.

  
VICENTE R. JAYME  
Secretary

9-11-87