Republic of the Philippines Ministry of Public Highways OFFICE OF THE MINISTER Manila

April 18, 1979

MINISTRY ORDER NO. 165 Series of 1979

> Subject: Disqualification of contractors who have had previous contracts terminated and requiring that only Credit Lines issued by reputable banks be submitted for prequalification purposes

The need to safeguard the interest of the government and public welfare from business opportunists makes it necessary to prevent contractors with records of poor performance from participating further in the implementation of infrastructures projects of the Ministry of Public Highways.

On the other hand, contracts for the implementation of projects of the highways ministry should be awarded to contractors of good standing with banks to be assured that the construction of projects will not be disrupted by the **insufficient** financial resources of the contractor.

It is ordered, therefor, that henceforth, any contractor who has had contracts with any government agency or government-owned corporation, wholly or partially, terminated due to the contractor's fault or negligence shall be disqualified from bidding, or entering into negotiated contract, for any project of the Ministry of Public Highways

- a. for a period of five (5) years, effective from the date of his latest contract termination, if his terminated contract/contracts amount to not more than 10 million:
- tracts amount to not more than \$10 million; b. for a period of ten (10) years, effective from the date of his latest contract termination, if his terminated contract/contracts amount to more than \$10 million but not more than \$20 million;
- not more than \$\nothing20\$ million;
  absolutely, effective from the date of his latest contract termination, if his terminated contract/contracts amounts to more than \$\nothing20\$ million.

It is ordered, likewise, that only Credit Lines issued by reputable banks shall be accepted for prequalification purposes.

BALTAZAR AQUINO Minister