



REPUBLIC OF THE PHILIPPINES
MINISTRY OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE MINISTER
MANILA

20 December 1983

MINISTRY ORDER)

NO. 17-A

Series of 1983)

SUBJECT: Amendment to Ministry Order No. 17,
series of 1983, re partial payment
of materials delivered at project
site

In order to ease the financial burden of contractors brought about by the increase in the cost of construction materials as a result of the recent devaluation of the peso, Ministry Order No. 17, dated 10 March 1983, is hereby amended to include the following materials:

- Asphalt
- Class I and II Rocks
- Pre-stressed/Pre-cast Concrete Members
- Concrete and Steel Sheet Piles

as eligible for partial payment of seventy percent (70%) of the invoiced cost or seventy percent (70%) of the cost of materials in the bid item, whichever is lower, upon their delivery at the project site, as certified by the Resident Engineer, subject to the following terms and conditions:

1. That the materials to be purchased shall be limited to those immediately needed as determined by the approved work plan, and the quantities thereof shall be in accordance with the approved PERT-CPM. Each purchase shall not exceed the requirement of the project for three (3) months;
2. That the contractor shall remain principally responsible for the safekeeping of these materials and shall be solely responsible for any loss, damage or injury to them for whatever cause;
3. That in case of loss, damage or injury, the contractor shall, within reasonable time from receipt of notice, replace such materials at his own cost; otherwise, no further partial payments of materials purchased shall be allowed;
4. That if the aggregate cost of materials partially paid amounts to more than P100,000.00, the contractor shall secure an all-risk insurance coverage for these materials from a reputable insurance company acceptable to the government;
5. That partial payments of materials made to the contractor shall be deducted from the cost of completed items of work where such materials have been used.

This policy, with respect to existing contracts, may be implemented by means of a supplemental agreement or addendum executed by the parties, and all contracts executed hereafter shall incorporate a provision to this effect.

This order shall take effect immediately.

JESUS S. HIPOLITO
Minister