REPUBLIC OF THE PHILIPPINES DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS OFFICE OF THE SECRETARY MANILA

DEPARTMENT ORDER)

No.

Series

18 March 1989

No. 5, Series of 1988 on CAR

) Subject: Superseding Department Order

Insurance of Projects

Department Order No. 5 dated 14 January 1988 is

hereby superseded. Comprehensive all risks insurance (CAR) for projects costing P1 Million and above shall be secured for the full value of the project upon approval of the contract. Where additional works are approved thru Change Orders/Extra Work Orders/Supplemental Agreements, these works shall similarly be insured upon approval of the applicable variation order in the full value of the approved additional works.

A duly notarized copy of the Certificate(s) of Insurance and its/their corresponding premium payment(s) shall be submitted to DPWH as a requirement for payment of progress billings.

It is herein reiterated that, notwithstanding the insurance of these projects as above required, contractors are not relieved of their obligations to have sole charge and care of these projects and to take every precaution against any damage or injury to any part thereof until the final acceptance of the works.

The cost of CAR insurance for projects required to be insured under this Order shall be considered in the calculation of the AAE by pro-rating such cost to all the work items in the project and not as a bid item with a lump sum cost.

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This Order takes effect immediately.