



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

097. 13 DPWH
03-09-2015

MAR 06 2015

DEPARTMENT ORDER)
33)
No.)
Series of 2015)

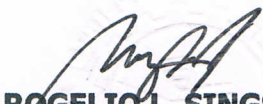
**SUBJECT: LIQUIDATED DAMAGES ON CONTRACTS
FOR GOODS THRU ALTERNATIVE
METHODS OF PROCUREMENT**

To promote accountability and safeguard the interests of the government, all contracts for the acquisition of goods for DPWH projects thru alternative methods of procurement undertaken in accordance with the provisions of Article 16 of Republic Act No. 9184 and its Implementing Rules and Regulations (IRR) shall include a provision on liquidated damages pursuant to the provisions of Section 68 of the said IRR, as follows:

"Section 68. Liquidated Damages

All contracts executed in accordance with the Act and this IRR shall contain a provision on liquidated damages which shall be payable by the contractor in case of breach thereof. For the procurement of goods, infrastructure projects and consulting services, the amount of the liquidated damages shall be at least equal to one-tenth of one percent (0.1%) of the cost of the unperformed portion for every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies open to it."

This Order takes effect immediately.


ROGELIO L. SINGSON
Secretary

4.7.2 JABS/MGNO

Department of Public Works and Highways
Office of the Secretary


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