

REPUBLIC OF THE PHILIPPINES DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS OFFICE OF THE SECRETARY Manila (2) 097.13 DPWH 4-24-89/ PRECID. APR.24, 1989 S:20-A.M. Jah

05 April 1989

NO. 1989

SUBJECT: CREATION OF A SPECIAL ACTION COMMITTEE IN EVERY REGIONAL/ DISTRICT/CITY ENGINEERING OFFICE

In order to amply protect the interest of the government and at the same time avoid delays in the payment of contractors' billings, all Regional Directors and District/City Engineers are hereby directed to create a Special Action Committee in their respective offices.

This Committee shall be responsible for the verification of all performance bonds, letters of credit and surety bonds callable on demand, issued by local banks, insurance/surety companies and submitted by contractors in connection with their contracts, and shall recommend to the officials concerned the renewal of letters of credit and/or performance bonds that are due to expire before full recoupment of advance payment or completion of the project.

Any contractor found to have submitted a fake/spurious performance bond, letter of credit or surety bond shall be reported to the authorities concerned, so that appropriate sanctions can be imposed against him.

The Committee shall be composed of:

Legal Officer/Administrative Officer Representative from Comptrollership & Financial Mgt. Division/Section Representative from Construction Division/Section Chairman

Member

Member

This order shall take effect immediately.

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