



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Manila

12-1-2 - 884 - 0343
097.13 DPWH

07.21.2022

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DEPARTMENT ORDER)

No. 164)

Series of 2022)

7/21/2022)

SUBJECT: Inclusion of Liquidated Damages Provision on All Goods and Services Contracts Procured thru Alternative Methods of Procurement

To safeguard the interests of the government and to promote accountability pursuant to Rule XXII -Civil Liability of the 2016 Revised Implementing Rules and Regulations (IRR) of the Government Procurement Reform Act Republic Act (R.A.) No. 9184, all contracts for the acquisition of goods and services for DPWH projects thru Alternative Methods of Procurement undertaken in accordance with the Annex "H" of the same IRR shall include the provision on liquidated damages, 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 (0.001) of the cost of the unperformed portion for every day of delay. Once the cumulative amount of the liquidated damages reaches ten percent (10%) of the amount of the contract, the Procuring Entity may rescind or terminate the contract, without prejudice to other courses of action and remedies available under the circumstances."

Moreover, the IRR of R.A. 9184 may be amended by the Government Procurement Policy Board (GPPB) as the need arises. Any parts of this Department Order contrary to or inconsistent with the provisions of the latest GPPB Issuances shall be repealed, modified, or amended accordingly.

This Order shall supersede D.O. 33 series of 2015 and shall take effect immediately.


MANUEL M. BONOAN
Secretary

12.1 AAT/LJF/MVSG

Department of Public Works and Highways
Office of the Secretary



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