

REPUBLIC ACT NO. 8150

AN ACT PROVIDING FOR A FOUR-YEAR PUBLIC WORKS  
AND HIGHWAYS INFRASTRUCTURE PROGRAM

*Be it enacted by the Senate and House of Representatives of the  
Philippines in Congress assembled:*

SECTION 1. *Title.* – This Act shall be known as the "Public Works and Highways Infrastructure Program Act of 1995."

SEC. 2. *Declaration of Policy.* – It is declared policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, an improved quality of life for all and promote comprehensive rural development. Towards these ends, infrastructure, as a catalyst for development, shall be given utmost priority.

SEC. 3. *Prioritization of Projects.* – For projects under the category of arterial roads under this Act, the development and economic usefulness and impact of the road shall be a major consideration and, therefore, priority shall be given to the following: roads leading to planned growth centers in areas of significant economic development potentials, roads leading to regional industrial and tourist centers, roads leading to national ports and airports, roads traversing the principal agricultural production areas, roads connecting regional and provincial capitals and other major urban areas, and other roads of strategic importance to provide immediate and direct access to population centers in case of national and regional emergencies.

SEC. 4. *Public Works and Highways Infrastructure Program.* – Consistent with the above declared policy, the Department of Public Works and Highways, except as otherwise

provided in Section 5 of the Act, shall undertake the implementation of the following priority projects, which shall include new construction, reconstruction, improvement and/or rehabilitation of, and feasibility studies, engineering, acquisition of sites, equipment, materials, supplies, labor, supervision and management services: \*

SEC. 5. *Participation of Local Government Units.* – The Department of Public Works and Highways (DPWH) shall, upon the request of the member(s) of Congress concerned, authorize provinces, cities, municipalities or barangays to implement projects under the categories of local roads and other public works in this Act: *Provided*, That these local government units have the capability to implement such projects.

SEC. 6. *Programming of Projects.* – Annually within the approved expenditure ceiling, the projects herein provided shall be programmed by the Department of Public Works and Highways in consultation and coordination with the respective oversight committees of the Senate and the House of Representatives, always taking into consideration the policies and priorities in Sections 2 and 3 of this Act: *Provided*, That during the annual programming of projects under the categories of local roads and other public works, a member of Congress may submit a substitute priority project listing for his district if a member of the House of Representatives or, in any congressional district if a member of the Senate, whenever any particular project originally submitted by him/her is already being implemented through other sources or a more urgent project is identified: *Provided, further*, That in the case of a project originally submitted by an incumbent senator, no substitution or realignment thereof may be done without the written conformity of said incumbent senator, notwithstanding the provision of Section 63 of Republic Act. No. 7663, otherwise known as the General Appropriations Act of 1994: *Provided, finally*, That the substitute project listing falls under the same category as the original project and has the same probable socioeconomic impact on the community as originally intended.

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\* See Annex for copy of the Public Works and Highways Infrastructure Program

SEC. 7. *Engineering and Administrative Overhead Expenses.* – Appropriations for projects authorized in this Act shall be used solely for project implementation which shall include direct engineering and administrative overhead expenditures incidental thereto, including but not limited to salaries of employees who may be hired for the duration of the project, office supplies, and similar operational costs. These engineering and administrative overhead expenditures shall be reflected in the program of work for the project concerned and shall not exceed four *per centum* (4%) of the amount actually released for the project: *Provided*, That the said percentage shall be reduced as the total project cost increases.

SEC. 8. *Program of Work.* – Projects authorized under this Act shall not be implemented without the prior approval of the corresponding program of work by the Secretary of the Department of Public Works and Highways or his duly authorized official.

The program of work shall include, among others, estimates of the work items, quantities and costs, and the schedule of project activities and disbursements.

SEC. 9. *Public Bidding.* – Unless otherwise provided in Sections 10 and 11 hereof, all projects covered under this Act shall be implemented by contract awarded after competitive public bidding open to all qualified bidders and shall be awarded to the bidder who submits the lowest evaluated bid that is most advantageous to the government based on existing laws and regulations.

SEC. 10. *Work by Administration.* – Except as may be expressly authorized by the President of the Philippines, any project in this Act with a cost of Twenty million pesos (P20,000,000) or less, based on the approved program of work under Section 8 hereof, may be done by administration or force account by the agency concerned without prior public bidding.

A project costing over Twenty million pesos (P20,000,000) may be prosecuted by administration by the agency concerned only in case of: (a) emergency arising from natural calamities or where immediate action is necessary to prevent imminent loss of

life and/or property or to comply with government commitments; (b) failure to award a contract after competitive public bidding for a valid cause; (c) termination or rescission of contract; (d) areas with critical peace and order problems as certified by the Local Peace and Order Council: *Provided*, That prior authority shall be obtained from the Secretary of Public Works and Highways if the project cost is One hundred million pesos (P100,000,000) or less, or from the President of the Philippines, upon the recommendation of the Secretary of Public Works and Highways, if the project cost is more than One hundred million pesos (P100,000,000).

SEC. 11. *Negotiated Contracts.* – No project in this Act shall be implemented by negotiated contract except in any of the following cases: (a) when there is an emergency arising from natural calamities or where immediate action is necessary to prevent imminent loss of life and/or property or to comply with government commitments; (b) when there is a failure to award a contract after competitive public bidding for a valid cause; (c) upon the termination or rescission of contract; (d) when the projects are contiguous or adjacent to an ongoing project with no negative slippage and with satisfactory progress which may be economically implemented by the same contractor at no additional mobilization cost, using the same set of equipment, organization and other resources, based on the same unit prices, subject to escalation in accordance with existing laws and regulations; (e) when the project is to be implemented in areas with critical peace and order problems as certified by the Local Peace and Order Council; or (f) as expressly authorized by the President of the Philippines when national interest so requires.

For projects to be implemented by the Department of Public Works and Highways, the authority to negotiate and approve contracts shall be obtained from the Secretary of Public Works and Highways if the project cost is One hundred million pesos (P100,000,000) or less, or from the President, upon the recommendation of the Secretary of Public Works and Highways, if the project cost is more than One hundred million pesos (P100,000,000).

For projects to be implemented by the local government units, the authority to negotiate and approve contracts shall be obtained by them from the Secretary of the Interior and Local Government if the project cost is One hundred million pesos (P100,000,000) or less, or from the President, upon the recommendation of the Secretary of the Interior and Local Government, if the cost is more than One hundred million pesos (P100,000,000).

*SEC. 12. Publication and Posting of Public Works Contracts.* – All contracts for public works projects amounting to Ten million pesos (P10,000,000) and above entered into pursuant to this Act shall be published in a newspaper of general circulation. Such publication shall contain the subject matter of the contract, including the persons authorized by the government to give consent in its behalf; the type of materials to be used; the contract time; the bidders, if public bidding is undertaken before granting the contract; and other terms of the contract. In addition thereto, a copy thereof shall be posted in a public place in the province, city or municipality where the project will be implemented.

For purposes of this Act, the government agency or the government-owned or -controlled corporations concerned shall allow interested parties to inquire into the particular contract. Such inquiry shall be made in writing during regular office hours and the same shall be for a legitimate purpose stated therein.

The copies of documents, papers and records pertinent to the public works contract subject of inquiry shall be made available at the expenses of the interested parties.

*SEC. 13. Sources of Funding.* – The amount necessary to carry out the provisions of this Act shall be charged against the appropriations for infrastructure projects of the Department of Public Works and Highways under the annual General Appropriations Acts and in other relevant appropriation measures. Said appropriations shall include proceeds from loans and counterpart funds and shall be augmented by any and all foreign grants as may become available for specific infrastructure projects.

For multi-year projects, a forward obligational authority shall be issued for contracting purposes to cover the estimated total project cost under this Act.

SEC. 14. *Reports.* – The Secretary of Public Works and Highways shall submit to the President of the Philippines, the President of the Senate, and the Speaker of the House of Representatives, an annual accomplishment report on projects covered in this Act, which shall include the appropriations released as of the end of the calendar year, the extent of the works accomplished, further works to be done, and any recommendations for additional appropriations or charges thereof. For congressional districts, the district engineers shall submit a quarterly accomplishment report to their respective congressmen copy furnished the Senate and the House Committees on Public Works and Highways.

SEC. 15. *Separability Clause.* – If any provision of this Act is declared unconstitutional or invalid, other parts or provisions hereof not affected thereby shall continue to be in full force and effect.

SEC. 16. *Repealing Clause.* – All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SEC. 17. *Effectivity Clause.* – This Act shall take effect fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation.

Approved, September 8, 1995.