

[**EXECUTIVE ORDER NO. 707, July 20, 1981**]

**PRESCRIBING REGULATIONS AND INSTRUCTIONS ON
INTERNATIONAL COMPETITIVE BIDDING FOR MAJOR
INDUSTRIAL PROJECTS AND MANDATORY GENERAL CONTRACT
TERMS AND CONDITIONS APPLICABLE THERETO PURSUANT TO
PRESIDENTIAL DECREE NO. 1764**

WHEREAS, there is an urgent necessity for the Philippine Government to ensure that all major industrial projects, which require guarantees and/or financing from government financial institutions, are able to obtain optimum prices through competitive international bidding; and in order to protect the interest of the owner and the government financial institution as guarantor or financier of such contracts, through the mandatory application of general contract terms and conditions;

WHEREAS, Presidential Decree No. 1764 directs the Ministry of Industry with the approval of the President to formulate regulations for competitive bidding and uniform terms and conditions relative to contracts to be awarded for industrial plants or any part thereof, with a total value exceeding \$5 million, which are subject to the provision of the said Decree;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby approve the attached Regulations and Instructions on international competitive bidding as well as uniform general terms and conditions in connection with contracts to be awarded under such international bidding. Incorporation of such terms and conditions shall be mandatory, unless otherwise authorized by the terms of these Regulations and Instructions.

The Board of Investment shall implement the attached regulations as well as the uniform terms and conditions of contracts to be awarded within the coverage of such regulations. The Board of Investments shall coordinate with all government financial institutions to ensure effective implementation of this Executive Order.

The attached rules and regulations shall take effect 10 days after the publication in the Official Gazette or in a newspaper of general circulation, whichever comes earlier.

DONE in the City of Manila, this 20th day of July, in the year of Our Lord, nineteen hundred and eighty-one.

(SGD.) **FERDINAND E. MARCOS**
President of the Philippines

By the President: