



Republic of the Philippines
Supreme Court
Office of the Court Administrator
Manila

OCA CIRCULAR NO. 103-2015

TO : ALL PRESIDING JUDGES AND CLERKS OF COURT OF THE REGIONAL TRIAL COURTS

SUBJECT : IMPLEMENTATION OF SECTION 36 OF REPUBLIC ACT NO. 9285 AND SUBMISSION OF INVENTORY REPORTS IN RELATION THERETO

The Construction Industry Arbitration Commission (CIAC) through its Chairman, Mr. Manuel M. Cosico, and Members, Messrs. Antonio A. Abola and Emilio Lolito J. Tumbocon, has invited the attention of this Office on the problems that they have encountered in the implementation of Section 39, Republic Act No. 9285, and in the submission of inventory reports in relation thereto, which were the subject of OCA Circular No. 34-2012, dated April 27, 2012, and reiterated in OCA Circular No. 111-2014, dated August 22, 2014. Said problems are briefly stated as follows:

1. Notwithstanding the issuance of the abovementioned OCA Circulars, there are only few cases that have been filed with the CIAC over a 3-year period, which indicates the under-reporting of the required referrals. A possible cause is the acceptance by the trial courts for docketing of construction disputes that are disguised as merely for collection of a sum of money which, if examined carefully, would have revealed that the cause of action is unpaid construction work;
2. There is the reluctance of some judges to dismiss the construction disputes without any motion being filed. Such hesitation is misplaced, considering that the aforesaid OCA Circulars have precisely given the judges the authority to dismiss said disputes; and
3. There is likewise the plaintiff's perceived difficulty of access to the Makati-based CIAC in contrast with the easier access to the nearby courts, which problem has been effectively addressed, whereby construction disputes can now

be filed by virtue of an arrangement between the Construction Industry Authority of the Philippines (CIAP) and the Department of Trade and Industry (DTI) at the CIAP Windows in the DTI Regional Offices as follows: **a) Region 1** [San Fernando City, La Union]; **b) Region 3** [Angeles City, Pampanga]; **c) Region 5** [Legaspi City, Albay]; **d) Region 7** [Cebu City, Cebu]; **Region 10** [Cagayan de Oro City]; **Region 11** [Davao City]; and **CAR** [Baguio City].

In view of the foregoing and in order to more effectively enforce the exclusive and original jurisdiction of the CIAC over construction disputes in the Philippines as provided in Section 39 of R.A. No. 9285, as well as to reduce the increased judicial workload occasioned by such disputes, all concerned judges are hereby **DIRECTED** to:

(1) REVIEW judiciously all pending civil cases for collection of sum of money to determine whether they arise from a construction dispute. In the affirmative, they shall **DISMISS** such cases and **REFER** the same to the **CIAC** or the appropriate CIAP Windows in DTI Regional Offices for proper arbitration, with advice to the plaintiff as to where to file his/her case, **UNLESS** both parties, assisted by their respective counsels, shall submit to the Regional Trial Court a written agreement that the dispute shall be exclusively resolved by the trial court, rather than the CIAC; and

(2) SUBMIT, within fifteen (15) days from notice, an inventory of such construction disputes filed in their respective courts, to the Court Management Office, Office of the Court Administrator, using the attached Form No. 1.

Accordingly, this Circular amends the OCA Circular Nos. 34-2012 and 111-2014 dated April 27, 2012 and August 22, 2014, respectively.

Strict compliance is hereby enjoined. Failure to comply with directives shall result in administrative sanctions.

June 1, 2015


JOSE MIDAS P. MARQUEZ
Court Administrator

