

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS

House Bill No. 5061



Introduced by Representative Timothy Joseph Cayton

"AN ACT ENSURING COMMUNITY PARTICIPATION AND LOCAL EMPLOYMENT IN GOVERNMENT PROJECTS, REQUIRING THE PRESENCE OF THE PUNONG BARANGAY, PEOPLE'S OR CIVIL SOCIETY ORGANIZATION, AND THE LOCAL RELIGIOUS SECTOR IN ALL STAGES OF PROCUREMENT, AND MANDATING THE EMPLOYMENT OF LOCAL LABORERS AND WORKERS, AND FOR OTHER PURPOSES"

EXPLANATORY NOTE

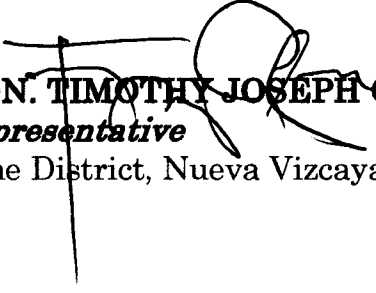
A major source of corruption in government lies in the persistence of ghost and substandard infrastructure projects. These anomalies not only squander public funds but also rob local communities of the quality services and facilities they are entitled to. Despite reforms under the Government Procurement Act and its successor laws, the lack of genuine grassroots participation has left many projects vulnerable to waste, fraud, and abuse.

This bill seeks to put the people—those who are directly affected by these projects—at the core of the procurement process. By mandating the presence of the Punong Barangay, a representative of a People's Organization or Civil Society Organization, and a representative from the local religious sector throughout all stages of procurement—from bidding to final inspection—the bill institutionalizes transparency and ensures that the very stakeholders of government projects serve as active watchdogs of the process. Their involvement will strengthen accountability and help protect their communities from corruption and poor-quality outcomes.

Furthermore, corruption in government projects also manifests in denying local people their fair share of jobs and livelihood opportunities. This bill therefore strengthens and reiterates the mandates under Republic Act No. 6685 by requiring that contractors and implementing agencies prioritize the hiring of laborers and workers from the barangay, municipality, or province where the project is undertaken. This bill ensures that projects create real and tangible benefits for the local economy, and not just profits for a few.

The ***“No Ghost, No Substandard Projects, Kaban ng Bayan Protektado Act”***, aims to close the gaps that allow corruption to thrive, protect the people’s money, and guarantee that government projects actually exists, and are accountable and beneficial to the communities they are meant to serve.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



HON. TIMOTHY JOSEPH CAYTON
Representative
Lone District, Nueva Vizcaya

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

SECTION 1. *Title.* – This Act shall be known as the ***“No Ghost, No Substandard Projects, Kaban ng Bayan Protektado Act.”***

SEC. 2. *Declaration of Policy.* – It is the policy of the State to promote transparency, accountability, and public participation in government procurement process, while ensuring that local communities benefit through employment opportunities in government projects.

SEC. 3. *Mandatory Local Representation in Procurement.* — In addition to the provisions of Republic Act No. 12009, otherwise known as the “New Government Procurement Act,” the Bids and Awards Committee (BAC) shall ensure that for projects implemented in a specific barangay, the following representatives shall be present in all stages of procurement, from bidding up to final inspection and acceptance of the project:

- (a) The **Punong Barangay of the barangay** where the project is undertaken, or his/her duly authorized representative;
- (b) **One (1) officer-representative of a duly registered People’s Organization (PO) or Civil Society Organization (CSO)** operating in the barangay or municipality; and

- (c) **One (1) representative from the local religious sector**, preferably endorsed by the Parish Pastoral Council or an equivalent interfaith body.

The attendance, observations, and reports of these representatives shall form part of the official procurement records and shall be given due consideration in evaluating project compliance and performance.

SEC. 4. *Local Employment Requirement.* – All contractors, subcontractors, and implementing agencies undertaking government projects, in view of the Republic Act No. 6685 of 1988, shall hire, as priority:

(a) At least **fifty percent (50%) of unskilled labor** requirements from the barangay, municipality, or city where the project is undertaken; and

(b) At least **thirty percent (30%) of skilled labor** requirements from the same locality.

SEC. 5. *Appropriation.* – The amount necessary for the implementation of this Act shall be included in the annual General Appropriations Act (GAA).

SEC. 6. *Implementing Agencies and Implementing Rules and Regulations.* – The Government Procurement Policy Board (GPPB), the Department of Labor and Employment (DOLE), and the Department of Interior and Local Government (DILG) shall be the lead implementing agency for this Act. These agencies, together with the representatives of POs, CSOs, and religious groups, shall promulgate the necessary implementing rules and regulations within **ninety (90) days** after the effectivity of this Act.

SEC. 7. *Separability Clause.* –If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected thereby shall remain in full force and effect.

SEC. 8. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation, contrary to, or inconsistent with, the provisions of this Act is hereby repealed, modified or amended accordingly.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days after the completion of its publication in the Official Gazette or in a newspaper of general circulation.

Approved,