

DENR ADMINISTRATIVE ORDER
NO. 25

SUBJECT: Amending Certain Provisions of the Department Administrative Order No. 14, Series of 1989 (Providing Guidelines for Disbursement of Advance Payments Amending Sections of Department Memorandum Circular No. 11, Series of 1989).

Section 1. The following provisions of Department Administrative Order No. 14, series of 1989 are hereby amended as follows:

“Section 2(h). *Contract of Undertaking* – is a document signed by the contractor and/or by persons mentioned in these regulations binding themselves that: (a) the activities for which advance payments are released shall be duly accomplished pursuant to the terms, standards and conditions of the contract and (b) that the amount advanced shall be paid jointly and severally by the contractor and/or by said persons, in accordance with these regulations and the Contract of Undertaking. The Contract of Undertaking shall be in the form and substance as in the attached Annexes A and A-1”.

“Section 4 a.2. *For Community-Based Contracts* – If the contractor is a non-registered entity or organization, submission of a Contract of Undertaking signed by the President and the Treasurer of the entity/organization and a list of the members, who number at least fifteen (15), certified by the barangay captain. If the contractor is a registered entity/organization, submission of a Board Resolution requesting such advance and authorizing the President and Treasurer to receive the cash advance and to sign/deliver a Contract of Undertaking in favor of the DENR.”

“Section 4 a.3. *For Corporate Contracts* – If the advance payment is less than Five Hundred Thousand Pesos (P500,000.00), submission of a Board Resolution authorizing the President and the Treasurer of the Corporation to receive the cash advance and to sign/deliver a Contract of Undertaking in favor of the DENR. In case of partnerships, the partnership resolution shall authorize the Managing Partner or Chief Operations Officer and the Treasurer of the company. In case the cash advance payment is more than P500,000.00, an irrevocable letter of credit, also in favor of the DENR, and issued by a bank acceptable to the DENR, guaranteeing repayment to the DENR of the full amount released as advance payment in the event that the contractor defaults in the payment thereof or fails to accom-

plish the activities for which said amount was released, pursuant to the terms, standards and schedules provided in the Contract.”

Section 2. All the other provisions of Department Administrative Order No. 14, series of 1989, shall remain valid and existing.

VICTOR O. RAMOS
Undersecretary for Field Operations
Acting Secretary

Signed on March 30, 1989

- * (Form A, Family Approach Contract Omitted)
- * (Form A-1, Community-Based and Corporate Contracts Omitted)