

unloved and despised persons on one hand and the rest who are not so stigmatized on the other.

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WHEREFORE, the motions for reconsideration, as well as the motion/petition to exhume Marcos' remains at the *Libingan ng mga Bayani*, are DENIED WITH FINALITY. The petitions for indirect contempt in G.R. No. 228186 and G.R. No. 228245 are DISMISSED for lack of merit.”

**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS VS.  
CMC/MONARK/PACIFIC/HI-TRI JOINT VENTURE**

THIRD DIVISION

G.R. No. 179732

September 13, 2017

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, Petitioner  
vs.  
CMC/MONARK/PACIFIC/HI-TRI JOINT VENTURE, Respondent

DECISION

LEONEN, J.:

**Facts**

The Department of Public Works and Highways (DPWH), and CMC/Monark/Pacific/Hi-Tri Joint Venture executed a “Contract Agreement for the Construction of Contract Package 6MI-9, Pagadian-Buug Section, Zamboanga del Sur, Sixth Road Project, Road Improvement Component Loan No. 1473-PHI” for a total contract amount of P713,330,885.28. While the project was ongoing, the Joint Venture’s truck and equipment were set on fire and a bomb exploded at the Joint Venture’s hatching plant. The Joint Venture made several written demands for extension and payment of the foreign component of the Contract.

The Joint Venture filed a Complaint against DPWH before the Construction Industry Arbitration Commission (CIAC). Among the claims of the Joint Venture was for price adjustment due to the delay in the issuance of a Notice to Proceed under Presidential Decree No. 1594 or the “Policies, Guidelines, Rules, and Regulations for Government Infrastructure Contracts.”

The CIAC directed DPWH to pay the Joint Venture its money claims but denied the Joint Venture's claim for price adjustment. The Court of Appeals held that the CIAC did not commit reversible error in not awarding the price adjustment sought by the Joint Venture under PD No. 1594 since it was the Asian Development Bank's Guidelines on procurement that was applicable and not Presidential Decree No. 1594. The Supreme Court affirmed the decision of the Court of Appeals on this aspect.

### **Ruling**

“This Court has held that a foreign loan agreement with international financial institutions, such as a multilateral lending agency organized by governments like the Asian Development Bank, is an executive or international agreement contemplated by our government procurement system.

In *Abaya v. Ebdane, Jr.*, this Court upheld the applicability of the Japan Bank for International Cooperation's Procurement Guidelines to the implementation of the projects to be undertaken pursuant to the loan agreement between the Republic of the Philippines and Japan Bank for International Cooperation.

While the Implementing Rules and Regulations of Presidential Decree No. 1594 provide the formula for price adjustment in case of delay in the issuance of a notice to proceed, the law does not proscribe parties from making certain contractual stipulations.

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WHEREFORE, the Petition is DENIED. The Court of Appeals Decision dated September 20, 2007 in CA-G.R. SP Nos. 88953 and 88911 is AFFIRMED with MODIFICATION as follows: (1) that the order remanding the case to the Construction Industry Arbitration Commission for proper disposition is REVERSED for being moot and academic; and (2) that the legal interest rate is

pegged at twelve percent (12%) per annum until June 30, 2013, and then at six percent (6%) per annum until full satisfaction.”

**GOVERNMENT OF HONG KONG SPECIAL  
ADMINISTRATIVE REGION VS. MUÑOZ**

EN BANC

G.R. No. 207342

November 7, 2017

GOVERNMENT OF HONGKONG SPECIAL  
ADMINISTRATIVE REGION, represented by the  
PHILIPPINE DEPARTMENT OF JUSTICE,  
Petitioner

vs.

JUAN ANTONIO MUÑOZ, Respondent

R E S O L U T I O N

BERSAMIN, *J.*:

**Facts**

In an earlier decision, the Supreme Court denied the Petitioner Government of Hong Kong’s petition for certiorari and ruled that “respondent Juan Antonio Muñoz could only be extradited to and tried by the HKSAR for seven (7) counts of conspiracy to defraud, but not for the other crime of accepting an advantage as an agent. This, because conspiracy to defraud was a public sector offense, but accepting an advantage as an agent dealt with private sector bribery; hence, the dual criminality rule embodied in the treaty of extradition has not been met.” Petitioners filed this Motion for Reconsideration to have the court rule that the extradition for the crime of accepting advantage as an agent be also allowed, citing *B v. The Commissioner of the Independent Commission Against Corruption*, a ruling of the Court of Final Appeal of the HKSAR. The Supreme Court ruled that it cannot take judicial notice of the ruling of the foreign court, and the same was not alleged and proved. Thus, the Supreme Court denied the Motion for Reconsideration.