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CIRCULAR 01-2012

03 August 2012

TO : Heads of Departments, Bureaus, Offices and Agencies of the National Government including State Universities and Colleges, Government Owned and/or Controlled Corporations, Government Financial Institutions, and Local Government Units

SUBJECT : Compliance with Labor Laws and Other Social Legislations

- 1.0** This Circular is issued to remind procuring entities to ensure that winning bidders in government contracts where engagement of labor is a necessary component, should comply with existing labor laws and standards and social legislations.
- 2.0** Republic Act (RA) 9184, through Section 25.2 of its Implementing Rules and Regulations (IRR), supports the enforcement of labor laws and social legislations by requiring bidders to submit a sworn statement, which includes, among others, a statement that they comply with labor laws and standards.
- 3.0** The Omnibus Sworn Statement provided under the Philippine Bidding Documents, which must be submitted by bidders in compliance with Sections 25.2(a)(iv), 25.2(b)(iv), and 25.2(c)(vi), also reflect the foregoing statement.
- 4.0** The Government Procurement Policy Board also issued Circular 01-2008, the relevant provisions of which reminds procuring entities to verify, validate, and ascertain compliance by the lowest calculated bidder with labor laws and standards during post-qualification.
- 5.0** In view of the foregoing requirements, all procuring entities are enjoined to ensure that, in their procurement of contracts with labor component, the bidder with the lowest calculated and responsive bid must comply with existing labor laws and standards and other social legislations.
- 6.0** This Circular shall take effect immediately.
- 7.0** For guidance and compliance.

(Sgd.)
FLORENCIO B. ABAD
Chairman