

GOVERNMENT PROCUREMENT POLICY BOARD
RESOLUTION NO. 002-2005

**WITHDRAWING GPPB RESOLUTION NO. 05-2004, AND
RETAINING PROVISION OF SECTION 61.1 OF THE IRR-A OF
R.A. 9184**

WHEREAS, the Government Procurement Policy Board (GPPB), during its 3rd meeting held on April 28, 2004 issued GPPB Resolution No. 05-2004, endorsing for approval and signature to the President of the Philippines, Her Excellency President Gloria Macapagal Arroyo, the amendment to Section 61.1 of the Implementing Rules and Regulations Part A (IRR-A) of Republic Act No. 9184 (R.A. 9184);

WHEREAS, the aforementioned amendment provides that in the case of procurements of goods with a high import content, the procuring entity may denominate and pay contract prices in foreign and Philippine currencies as stipulated in the bidding documents: Provided, further, That should the procuring entity receive bids denominated in foreign currency, the same shall be converted to Philippine currency based on the exchange rate prevailing on the day of the bid opening for purposes of bid evaluation;

WHEREAS, upon review by the GPPB-Technical Support Office (TSO) of the said Resolution prior to its submission to the President of the Philippines for approval, the TSO recommended additional amendments for presentation to the Inter-Agency Technical Working Group (IATWG) of the GPPB for evaluation;

WHEREAS, during its 1st IATWG meeting for the year 2005 held on January 20, 2005, the IATWG evaluated and proposed further revisions to Section 61.1 of the IRR-A for submission to the GPPB for approval;

WHEREAS, the GPPB, in its 1st Board meeting for the year 2005 held on January 24, 2005, at Unit 2506 Raffles Corporate Center, Emerald Avenue, Ortigas Center, Pasig City, discussed and reviewed the proposed amendment to Section 61.1 of the IRR-A by the IATWG;

WHEREAS, during the said GPPB meeting, the Members of the Board unanimously agreed that prospective foreign bidders should consider foreign exchange fluctuations, when participating in bidding for government projects, thus, incorporating allowances for such fluctuations in their bid price. Furthermore, all contracts shall be denominated and payable in Philippine currency: Provided, however, that bids denominated in foreign currency shall be converted into Philippine currency based on the exchange rate prevailing at the date of bid opening;

WHEREAS, in view of the foregoing, the Members of the Board unanimously agreed to withdraw its Resolution No. 05-2004, dated April 28, 2004, and retain provision of Section 61.1 of the IRR-A;

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NOW, THEREFORE, for and in consideration of the foregoing, WE, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested in US by law, hereby **RESOLVE** to withdraw GPPB Resolution No. 05-2004 dated April 28, 2004 and retained provision of Section 61.1 of the IRR-A of R.A. 9184.

This resolution shall take effect immediately.

APPROVED this 24th day of January, 2005 at Pasig City, Philippines

LAURA B. PASCUA

Undersecretary
Department of Budget and Management

ROMULO L. NERI

Director General
National Economic and Development
Authority

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

**DEPARTMENT OF NATIONAL
DEFENSE**

DEPARTMENT OF EDUCATION

DEPARTMENT OF HEALTH

**DEPARTMENT OF INTERIOR AND
LOCAL GOVERNMENT**

DEPARTMENT OF ENERGY

**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

DEPARTMENT OF FINANCE

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**DEPARTMENT OF TRADE AND
INDUSTRY**

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

**DEPARTMENT OF TRANSPORTATION
AND COMMUNICATIONS**

PRIVATE SECTOR REPRESENTATIVE

Attested by:

JOSE MARTIN C. SYQUIA
Board Secretary, GPPB
Executive Director, GPPB-TSO