

## **CIRCULAR 06-2015**

16 July 2015

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** 

Clarification on the Applicability of Repeat Order under Section 51 of the revised Implementing Rules and Regulations (IRR) of Republic Act No. (RA) 9184 to the Procurement of Consumable and Non-Consumable Items

## 1.0 Purpose

This Circular is being issued to clarify the applicability of Repeat Order under Section 51 of RA 9184 and its IRR in the procurement of consumable and non-consumable items.

## 2.0 Coverage

All 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.

## 3.0 Repeat Order

- 3.1 Pursuant to Section 51 of the IRR of RA 9184, Repeat Order is allowed in the procurement of goods, provided that the following conditions are duly complied with:
  - 3.1.1 The procurement is in accordance with the Annual Procurement Plan (APP);
  - 3.1.2 There is a need to replenish the goods which were originally procured through public bidding;
  - 3.1.3 The procurement of goods to be replenished shall be from the original winning bidder;
  - 3.1.4 Unit prices of the goods subject to repeat order must be the same as or lower than those in the original contract, provided that such

prices are still the most advantageous to the Government of the Philippines after price verification;

- 3.1.5 The repeat order will not result in splitting of contracts, requisitions, or purchase orders, as provided for in Section 54.1 of the IRR;
- 3.1.6 Except in cases duly approved by the GPPB, the repeat order shall be availed of only within six (6) months from the contract effectivity date stated in the Notice to Proceed arising from the original contract; and
- 3.1.7 The repeat order shall not exceed twenty-five percent (25%) of the quantity of each item in the original contract.
- 3.2 Repeat Order is applicable to goods, whether consumable or non-consumable, when there is a need to procure additional goods to replenish existing insufficient stock provided that the conditions under Section 51 of RA 9184 and its IRR are complied with.
- 3.3 In order not to exceed the twenty five percent (25%) threshold under Section 51(d) of RA 9184 and its IRR, the goods procured through the original contract must be: 1.) Quantifiable; 2.) Divisible; and 3.) Consisting of at least four (4) units per item to arithmetically comply with the 25% threshold.
- 3.4 Procuring Entities are reminded to exercise due diligence by ensuring that goods procured through public bidding are in accordance with the technical specifications and confirm whether the performance and quality of the goods are within the prescribed standards before resorting to Repeat Order as an alternative mode of procurement.
- 3.5 Repeat Order may be resorted to even before final delivery of all the goods originally procured, provided that there has been partial delivery, inspection, and acceptance of the goods originally procured within the 6-month period.
- **4.0** This Circular is issued in accordance with GPPB Resolution Nos. 09-2015<sup>1</sup> and shall take effect immediately.
- **5.0** For guidance and compliance.

(SGD).
FLORENCIO B. ABAD
Chairperson

<sup>&</sup>lt;sup>1</sup> Clarifying Section 51 of Republic Act No. 9184 and its Implementing Rules and Regulations Relative to the Application of Repeat Order in the Procurement of Goods, dated 20 March 2015.