

GOVERNMENT PROCUREMENT POLICY BOARD

RESOLUTION NO. 012-2004

TO ADOPT THE ADJUSTMENTS IN THE ALLOWABLE RANGE IN CONTRACT COST ISSUED AND DULY APPROVED BY PCAB PER BOARD RESOLUTION NO. 001 SERIES OF 2004 IN RELATION TO SECTION 23.11.2 (3) OF IRR-A.

WHEREAS, Republic Act No. 9184 (R.A. 9184), otherwise known as “Government Procurement Reform Act” and its Implementing Rules and Regulations Part A (IRR-A) took effect on January 26, 2003 and October 8, 2003 respectively;

WHEREAS, Section 23.11.2 (3) of IRR-A prescribes that a prospective bidder’s largest single completed contract similar to the contract to be bid, must be at least fifty percent (50%) of the approved budget for the contract to be bid as one of the eligibility criteria in the procurement of infrastructure projects; however, in the case of a contractor under Small A and Small B categories without similar experience on the contract to be bid, the contractor may be allowed to bid if the cost of such contract is not more than fifty percent (50%) of the Allowable Range of Contract Cost (ARCC) of his registration. For this purpose, the ARCC per Philippine Contractors Accreditation Board’s (PCAB) registration of contractor shall be:

Registration Particular	
Category	ARCC (in Million Pesos)
Small A	Up to 0.5
Small B	Up to 3
Medium A	Up to 15
Medium B	Up to 30
Large A	Up to 50
Large B	Less than or above 50

WHEREAS, the PCAB, in its Board Resolution No. 949 series of 2003, pursuant to Board Resolution No. 9 series of 2003 of the Construction Industry Authority of the Philippines (CIAP), resolved to adjust to current values the financial requirements for a license as well as the ARCC per category/size range of PCAB-registered government contractors starting Contracting Fiscal Year (CFY) 2004-2005;

WHEREAS, the PCAB, in its Board Resolution No.001 series of 2004, resolved to make adjustments on the ARCC and SLP requirements, and provided for a two (2)- year implementation period for every stage of the adjustment process of the ARCC;

WHEREAS, in view of the foregoing PCAB Board Resolutions, CIAP submitted the necessary adjustments to the ARCC table in Section 23.11.2 (3) of IRR-A, to the Government Procurement Policy Board (GPPB);

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WHEREAS, during the 6th GPPB meeting held on August 20, 2004, the members of the Board discussed and adopted the necessary adjustments in the ARCC per PCAB Resolution No. 001 series of 2004.

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 adopt the adjustments in the Allowable Range in Contract Cost issued and duly approved by PCAB per Board Resolution No. 001 series of 2004 in relation to Section 23.11.2 (3) of IRR-A, as follows:

Registration Particulars				
Category	Allowable Range of Contract Cost (in Million Pesos)			
	Prior and up to CFY 2003-2004 (For projects advertised for bidding prior and up to June 30, 2004)	CFYs 2004-2005 & 2005-2006 (For projects advertised for bidding from July 1, 2004 to June 30, 2006)	CFYs 2006-2007 & 2007-2008 (For projects advertised for bidding from July 1, 2006 to June 30, 2008)	CFYs 2008-2009 & 2009-2010 (For projects advertised for bidding from July 1, 2008 to June 30, 2010)
Small A	Up to 0.5	Up to 0.5	Up to 0.5	Up to 0.5
Small B	Up to 3	Up to 10	Up to 20	Up to 30
Medium A	Up to 15	Up to 50	Up to 100	Up to 150
Medium B	Up to 30	Up to 100	Up to 200	Up to 300
Large A	Up to 50	Up to 150	Up to 300	Up to 500
Large B	Less than or above 50	Less than or above 150	Less than or above 300	Less than or above 500

APPROVED this 20th day of August, 2004 at Pasig City, Philippines

HON. EMILIA T. BONCODIN
Secretary
Department of Budget and Management

HON. ROMULO L. NERI
Director General
National Economic and Development
Authority

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**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

**DEPARTMENT OF TRADE AND
INDUSTRY**

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

**DEPARTMENT OF TRANSPORTATION
AND COMMUNICATIONS**

PRIVATE SECTOR REPRESENTATIVE