

**Office of the President
Of the Philippines
Malacañang**

MEMORANDUM ORDER NO. 171-A

AMENDING MEMORANDUM ORDER NO. 171, SERIES OF 2005, WHICH AMENDED SECTION 23.11.2 NO. 3 OF THE IMPLEMENTING RULES AND REGULATIONS PART A (IRR-A) OF REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS THE GOVERNMENT PROCUREMENT REFORM ACT

WHEREAS, Republic Act (RA) No. 9184 otherwise known as the Government Procurement Reform Act was signed into law on January 10, 2003;

WHEREAS, pursuant to Section 75 of R.A. No. 9184, the Government Procurement Policy Board (GPPB), jointly with the members of the Joint Congressional Oversight Committee formulated the Implementing Rules and Regulations Part A (IRR-A) of R.A. 9184 which was approved by the President of the Philippines on July 11, 2003;

WHEREAS, the joint participation of the Congressional Oversight Committee in the formulation of implementing rules and regulations has recently been declared unconstitutional by the Supreme Court in *Macalintal vs. Comelec*, G.R. No. 157013, July 2003;

WHEREAS, in order to provide for Allowable Ranges of Contract Costs (ARCC) in relation to a prospective bidder's largest single completed contract, Memorandum Order No. 171, s. of 2005 was issued which amended Section 23.11.2 No. 3 of the Implementing Rules and Regulations Part-A (IRR-A) of Republic Act No. 9184;

WHEREAS, there is a need to amend Memorandum Order No. 171, Series of 2005, to correct a clerical error in the formulation of the said Memorandum Order and to make it in conformity with the proposal of the Government Procurement Policy Board (GPPB) per its Memorandum dated April 18, 2005;

NOW, THEREFORE I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, hereby approve the amendment of the Memorandum Order No. 171, s. of 2005, Implementing Rules and Regulations – Part (IRR-A) of R.A. No. 9184 as follows:

SECTION 1. Section 1 of Memorandum Order No. 171, s. of 2005, amending Section 23.11.2 of the IRR-A of R.A. 9184, is hereby further amended to read as follows;

"3. The value of the prospective bidder's largest single completed contract, adjusted to current prices using the National Statistics Office consumer price indices available at the G-EPS website, and similar to the contract to be bid, must be at least fifty percent (50%) of the approved budget for the contract to be bid: Provided, however, That in case of a contractor under small A and Small B categories without similar experience on the

contract to be bid, he may be allowed to bid if the cost of such contract is not more than fifty percent (50%) of the Allowable Ranges Contract Cost (ARCC) of his registration. For this purpose, the classification of contractors vis-à-vis the ARCC shall be based on the Guidelines as prescribed by the Philippine Contractors Accreditation Board (PCAB)."

SECTION 2. All other provisions of the Memorandum Order No. 171, s. of 2005 shall remain unchanged.

SECTION 3. This amendment shall take effect immediately.

DONE in the City of Manila this 1st of August in the year of our Lord Two Thousand and Five.

(Sgd.) **GLORIA MACAPAGAL-ARROYO**

By the President:

(Sgd.) **EDUARDO R. ERMITA**
Executive Secretary