

Office of the President of the Philippines

Malacañang

MEMORANDUM ORDER NO. 171

APPROVING AMENDMENT TO 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 the Implementing Rules and Regulations has recently been declared unconstitutional by the Supreme Court in *Macalintal vs. Comelec*, G.R. No. 157013, July 2003;

WHEREAS, there is a need to amend Section 23.11.2 No. 3 of IRR-A of R.A. No. 9184, to provide for Allowable Ranges of Contract Costs (ARCC) in relation to a prospective bidder's largest single completed contract;

WHEREAS, pursuant to Section 75, Article XXV of R.A. No. 9184, the GPPB-Technical Support Office formulated and proposed the foregoing amendment which was favorably endorsed by GPPB per its Resolution No. 013-2004 dated August 20, 2004.

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 Implementing Rules and Regulations – Part A (IRR-A) of R.A. No. 9184 as follows:

SECTION 1. Section 23.11.2 of the IRR-A is hereby 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 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)."

SEC. 2. All other provisions of the IRR-A of R.A. 9184 shall remain unchanged.

SEC. 3. This amendment shall take effect immediately.

DONE in the City of Manila, this 19th day of May, in the year of Our Lord Two Thousand and Five.

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

By the President:

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