



Department of Budget and Management  
**GOVERNMENT PROCUREMENT POLICY BOARD**  
**TECHNICAL SUPPORT OFFICE**

**NPM No. 15-2012**

18 January 2012

**CDR FERDINAND T. PANGANIBAN PCG**  
*Head, Bids and Awards Committee Secretariat*  
**COAST GUARD PROCUREMENT SERVICE**  
**PHILIPPINE COAST GUARD**  
139 25<sup>th</sup> Street, Port Area, Manila

**Re : Nationality Preference as part of specification**

Dear CDR Panganiban:

We write in reference to your letter dated 20 October 2011 seeking clarification whether requiring a country of origin in the specification is in line with the provisions of Republic Act (R.A.) 9184 and its revised Implementing Rules and Regulations (IRR).

We wish to inform you that we have previously discussed the same concern in a previous opinion<sup>1</sup>, to wit:

“[P]lease note that as provided under Section 43.1.1 of the IRR of R.A. 9184, consistent with the obligations of the Philippines under international treaties or agreement, goods may be obtained from domestic or foreign sources and the procurement shall be *open* [sic] to all eligible suppliers, manufacturers, and distributors. As such, although procuring entities are given leeway in formulating the specifications in the terms of reference, they cannot limit the origin of goods to their preferred countries of origin to the exclusion of other countries.

**X X X**

[I]f the objective of the procuring entity is to procure equipment/trucks with tested quality and durability and workmanship, it may indicate in its bid data sheet the specification they may deem fit, without limiting, however, the countries of origin

**X X X**

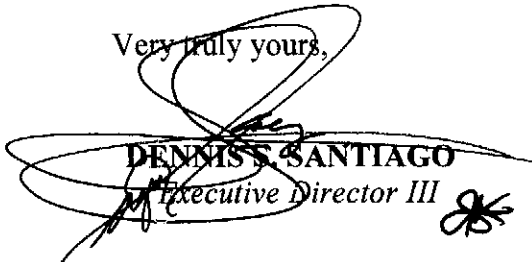
Thus, considering the foregoing, we wish to reiterate that under the revised IRR, procuring entities are precluded from requiring specific country of origin as part of the technical

<sup>1</sup> NPM 13-2011, dated 21 June 2011

specification for the project. Rather, the specifications shall be based on the performance requirements and recognized industry standards and not on the basis of country of origin.

We hope that our advice sufficiently addresses your concern. Should you have other concerns, please do not hesitate to contact us.

Very truly yours,

  
**DENNIS S. SANTIAGO**  
*Executive Director III*

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