

NPM No. 39-2012

19 April 2012

MR. TOMAS P. FRANCIA
Chairperson, Bids and Award Committee (BAC)
NATIONAL IRRIGATION ADMINISTRATION (NIA)
REGIONAL OFFICE NO. 5
Panganiban Drive, Naga City

Re: Additional Requirements in the Philippine Bidding Documents (PBDs)

Dear Mr. Francia:

We respond to your letter dated 11 October 2011 forwarding the resolution of the BAC of NIA Region 5 requesting for inclusion of the following additional requirements under the PBDs for the infrastructure projects of NIA:

1. Require the prospective bidders to include "Affidavit of Site Inspection" duly noted by the implementing unit in the documents to be evaluated; and
2. Prospective bidders for NIA projects that include construction of complicated irrigation structures must have experiences constructing similar structures with the cost equivalent to fifty percent (50%) of the projects to be implemented regardless of license category.

Affidavit of Site Inspection

We wish to inform you that the Affidavit of Site Inspection was originally part of the technical component of the bid of a prospective bidder pursuant to Section 25.3(B)(10) of the Implementing Rules and Regulations (IRR) Part A of Republic Act (RA) 9184. The Affidavit of Site Inspection, however, deleted by the Government Procurement Policy Board as part of its initiative to streamline the requirements to be submitted by the prospective bidders, to increase competition, and harmonize the procurement rules and procedures for both locally-funded and foreign funded projects.

Nevertheless, we wish to point out that the PBDs for infrastructure projects, specifically, Instructions to Bidders Clauses 6.3 and 6.4 thereof, requires the bidders to inspect the site in order to determine its conditions. In addition, Section 25.2 (b)(iv)(6) of the IRR requires bidders to submit a statement that it complies with its responsibilities provided in the PBDs.

Considering the foregoing, we are of the view that the suggested requirement is no longer necessary since the existing rules and provisions of the PBDs adequately cover the objective of



the proposal.

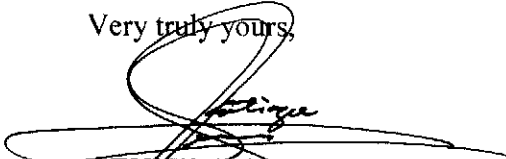
Experience Requirement regardless of License Category


Anent the recommendation to include as eligibility criteria that contractors of complicated irrigation structures must have sufficient experience constructing similar structures with the cost equivalent to fifty percent (50%) of the projects to be implemented regardless of license category, we regret to inform you that this cannot be given due course as this will conflict with the IRR of RA 9184.

Section 23.5.2.5 of the IRR of RA 9184 expressly provides that contractors under Small A and Small B categories without similar experience on the contract to be bid may be allowed to participate in the bidding if the cost of such contract is not more than fifty percent (50%) of the Allowable Range of Contract Cost of their registration based on the guidelines as prescribed by the Philippine Contractors Accreditation Board. This is an exception from the technical eligibility criteria that prospective contractors, as a general rule, must have an experience of having completed, within a period of ten (10) years from the date of submission and receipt of bids, at least one (1) contract that is similar to the contract to be bid, and whose value, adjusted to current prices using the National Statistics Office consumer price indices, must be at least fifty percent (50%) of the Approved Budget for the Contract to be bid.

We hope our advice provided sufficient guidance on the matter. Should you have further questions, please do not hesitate to contact us.

Very truly yours,



DENNIS S. SANTIAGO
Executive Director III 

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