



Republic of the Philippines  
**GOVERNMENT PROCUREMENT POLICY BOARD**  
**TECHNICAL SUPPORT OFFICE**



**NPM No. 63-2015**

12 October 2015

**MR. JOSEPH Y. TANTOY**  
**BUTUAN CITY WATER DISTRICT**  
Jose Rosales Ave, Butuan City,  
Agusan Del Norte

**Re : Detailed Engineering for Infrastructure Projects**

**Dear Mr. Tantoy:**

This refers to your electronic mail, dated 23 September 2015, requesting for opinion on whether the detailed engineering design requirements for the renovation of your building should be prepared by the Contractor or by the Procuring Entity (PE).

Section 17.6 of the revised Implementing Rules and Regulations of RA 9184 provides:

**17.6. Detailed Engineering for the Procurement of Infrastructure Projects**

No bidding and award of contract for infrastructure projects shall be made unless the detailed engineering investigations, surveys and designs, including the acquisition of the ROW, for the project have been sufficiently carried out and duly approved in accordance with the standards and specifications prescribed by the Head of the Procuring Entity concerned or his duly authorized representative and in accordance with the provisions of Annex "A" of this IRR.

The exception is design and build scheme, wherein the bidders shall be allowed to submit its detailed engineering designs as part of its bid...

Based on the above quoted provision, as a general rule, detailed engineering investigations, surveys and designs are performed and conducted by the Procuring Entity or its duly authorized representative. Thus, the Procuring Entity is mandated to complete the detailed engineering investigations, surveys and designs prior to the conduct of the bidding.

The same provision provides for the exception to this rule, that is, when the project involves a "design and build" scheme where bidders are expected to provide the design of the infrastructure project and construct the same. In this situation, the responsibility of

developing the detailed engineering requirements, including the construction are transferred to and lodged with one bidder or contractor.

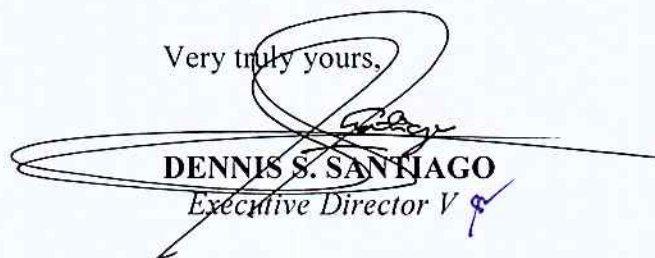
Accordingly, it is the responsibility of the Procuring Entity to prepare the detailed engineering and design requirements for the procurement of its infrastructure project, unless the project is one for "design and build" where the responsibility to prepare the detailed engineering and design is transferred to the bidder or contractor.

Note, however, that the procuring entity could adopt a Design and Build approach only if the project falls in any of the following cases<sup>1</sup>:

1. For flagship, priority and fast track projects that need to be completed on a tight completion schedule, as included in the Medium Term Public Investment Program (MTPIP) for national projects and in the Regional Development Investment Plan (RDIP) for regional and provincial projects;
2. For infrastructure projects requiring advanced engineering or construction technologies or whose intellectual property rights belong to private companies;
3. For infrastructure projects where design, equipment, plant and construction can be provided exclusively by a company or where manufacturer's know-how is important in the construction of such facility; or
4. For small projects where there are previously approved drawings or standardized designs and an innovation in design and construction methods under the design and build scheme will result in lower costs and higher quality projects. Examples of these are school buildings, rural health units, among others.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is being issued on the basis of particular facts and situations presented, and may not be applicable given a different set of facts and circumstances. Should there be other concerns, please do not hesitate to contact us.

Very truly yours,

  
**DENNIS S. SANTIAGO**  
*Executive Director V*

---

<sup>1</sup> Sec. 5, Guidelines for the Procurement and Implementation of Contracts for Design and Build Infrastructure Projects (Annex G of the IRR)