



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

NPM No. 77-2013

6 September 2013

MR. RODULFO R. GADINGAN
Proprietor
RR GADINGAN CONSTRUCTION
Quiamco Subdivision, L. Rovira Road,
Bantayan, Dumaguete City

Re : Experience as Sub-Contractor

Dear Mr. Gadingan:

We write in reference to your letter dated 30 August 2013 requesting for clarification on whether a sub-contract undertaken by a bidder within ten (10) years from the submission of the bid may be credited as bidder's work experience.

As represented, the query is being made because RR Gadingan Construction participated in a bidding conducted by the Negros Oriental State University, but was disqualified on the ground that one of the work experiences it stated in its bid is a sub-contract.

For your guidance, Section 23.1(a)(iii) of the revised Implementing Rules and Regulations (IRR) of Republic Act No. (RA) 9184 requires the submission of a "statement of the prospective bidder of all its ongoing and completed government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid, within the relevant period as provided in the Bidding Documents." In relation to this, Clause 12.1(a)(iii) of the Philippine Bidding Documents (PBDs) for the Procurement of Infrastructure Projects¹ (PBDs) enumerates the information that such statement should include, among which, is the contractor's role, *i.e.*, whether as sole contractor, sub-contractor, or partner in a joint venture, and the percentage of its participation.

Clearly, the IRR of RA 9184 does not limit the contracts that should be included in the statement of all ongoing and completed contracts to those where the bidder is the principal or main contractor. In fact, it can be inferred from the PBDs that sub-contracts should be included in the statement together with the percentage of the bidder's participation as a sub-contractor. ✍

¹ Fourth Edition approved by the Government Procurement Policy Board through GPPB Resolution 06-2010 on 17 December 2010.

In view of the foregoing, we wish to clarify that a sub-contract undertaken by a bidder within ten (10) years from the submission of the bid may be credited as its work experience. In a related matter, please be informed that the 10-year limitation under Section 23.5.2.5 of the IRR is no longer applicable as this provision has been revised through GPPB Resolution No. 11-2012, published in The Daily Tribune on 20 August 2012.

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

Very truly yours,


DENNIS S. SANTIAGO
Executive Director III