

NPM No. 91-2015

13 October 2015

AFAB BAC SECRETARIAT
AUTHORITY OF FREEPORT AREA OF BATAAN
AFAB Administration Bldg.,
The Freeport Area of Bataan

Re: Protest Fee for Multi-Year Projects

Dear AFAB BAC SECRETARIAT:

This refers to your electronic mail (e-mail) inquiring on the amount of the protest fee for a three (3)-year security services contract with an Approved Budget for the Contract (ABC) of Nineteen Million Eight Hundred Twenty-Nine Thousand Three Hundred Forty Pesos (PhP 19,829,340.00) per year, renewable for three years. You are at a quandary on how to compute the protest fee - whether based on the ABC per year or for the whole duration of the 3-year contract.

We are of the opinion that the non-refundable protest fee should be in the amount or percentage of the ABC as indicated by the procuring entity in the Invitation to Bid. Thus, the protesting bidder shall compute its protest fee based on the ABC range. The protest fee should be computed based on the ABC of PhP 19,829,340.00. As such, the non-refundable protest fee to be paid for this contract is .75% of the ABC or One Hundred Forty-Eight Thousand Seven Hundred Twenty Pesos and Five Centavos (P148,720.05) as provided under Section 55.3 of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184.¹

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is 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

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¹ As amended by GPPB Resolution 05-2012, dated 30 March 2012