



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

NPM No. 126-2014

13 November 2014

MR. ERWIN E. BERNARDO

Chairperson, Bids and Awards Committee

CITY GOVERNMENT OF ZAMBOANGA

City Mayor's Office-PAAD, Villalobos Street,
Zone IV, Zamboanga City

Re: Philippine Contractors Accreditation Board (PCAB) License

Dear Mr. Bernardo:

This refers to your letter requesting our opinion on whether the following documents can be accepted as replacement for PCAB License:

1. Certification issued by Los Contratistas de Zamboanga that its member with license number ending in 8 and 9 have filed his renewal for PCAB License in line with its authority to prescreen the member's application for renewal of PCAB License; or
2. Certification by the Department of Trade and Industry (DTI) Regional Office 9 issued to the effect that the Application for Renewal of PCAB License have been submitted in its office for approval.

It is represented that the City Government of Zamboanga is conducting bidding activities for the procurement of infrastructure projects for July 2014. In relation thereto, the Los Contratistas de Zamboanga requested that the above-mentioned documents be accepted as replacement for PCAB License. According to them, their contractors cannot immediately secure the renewal of their PCAB License within the month of July 2014 because of the PCAB Board Resolution No. 402, series of 2013¹ adopting the staggered renewal filing schedule based on the license ending numbers. It is in this light that you raised the above-mentioned query.

We wish to clarify that the eligibility requirements under Section 23 of the revised Implementing Rules and Regulation (IRR) of Republic Act (RA) No. 9184 is absolute and exclusive, which means that Procuring Entities (PE) cannot delete, replace or add to any of the requirements that are applicable to each procurement activity. As such, the submission of

¹ Entitled Enjoining All Contractors to File their Application for License Renewal on Scheduled Filing Months and Providing for an Additional Processing Fee (APF) for Non-Compliance therewith Starting CFY 2014-2015 issued on 08 October 2013.

a PCAB License and Registration cannot be dispensed with in the procurement of infrastructure projects.²

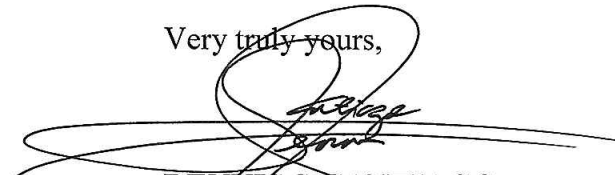
Moreover, the requirement of submitting PCAB License in bidding activities is an imposition not solely by the revised IRR of RA 9184. Under RA 4566 or the Contractors' Licensing Law³, it is necessary for a contractor to secure a PCAB License before submitting a bid. This magnifies the significance of requiring all contractors to secure a PCAB License prior to joining any infrastructure procurement activities of the government.

Further, in relation to PCAB Board Resolution No. 402, series of 2013⁴, it bears stressing that the Resolution merely enjoins all contractors to comply with the staggered filing schedule in renewing their PCAB License. This does not prevent the contractors to submit their application for renewal of license on the first working day of the month in order to secure the PCAB license at the earliest possible time. Under the Citizen's Charter of PCAB, license renewal processing only takes a maximum of ten (10) working days⁵.

In this regard, it is our opinion that a valid PCAB License, as an eligibility requirement for the procurement of infrastructure projects, cannot be replaced or substituted by any other document including the above-mentioned certifications. It is the responsibility of the prospective bidder to ensure that it has a valid PCAB License before participating in public bidding.

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



² NPM No. 163-2012 dated 21 December 2012.

³ Approved on 19 June 1965.

⁴ *Supra*.

⁵ <https://docs.google.com/file/d/0BwTbmQNZpqJdeC1TTmhHb0FsVHM/edit?pli=1>, retrieved on 23 July 2014, 10:11am.