

**NPM No. 25-2006**

15 December 2006

**HON. PACIENCIA B. GOBUYAN**

*Punong Barangay*  
**BARANGAY TIGUM**  
Municipality of Pavia  
Province of Iloilo

**Re : Procurement of Second-Hand, Gasoline Engine, Two Wheel Drive, Multi-Cab Vehicle**

Dear Ms. Gobuyan:

We refer to your letter dated 28 November 2006 requesting permission for Barangay Tigum to procure a second-hand, gasoline engine, two-wheel drive, multi-cab vehicle.

Please be advised that under Administrative Order No. (A.O.) 339 dated 6 June 1997<sup>1</sup> and National Budget Circular No. 446-A dated 30 January 1998, punong barangays, without need of securing permission from the Government Procurement and Policy Board, are authorized to procure transport and heavy equipment for their respective barangays out of unencumbered local funds covered by an appropriations ordinance, subject to specifications prescribed in A.O. 339 and any other rules and regulations.

It bears stressing, however, that said procurement of second-hand vehicle must still follow the procedure prescribed in Republic Act No. (R.A.) 9184, *i.e.*, conduct of competitive public bidding, unless circumstances warrant resort to any of the alternative modes of procurement. Consequently, in Non-Policy Opinion (NPM) No. 138-2004, this office has resolved that purchase of a second-hand vehicle through an auction is not sanctioned by R.A. 9184.

We hope to have clarified the matter.

Very truly yours,



**REMY U. ALVAREZ**  
*Executive Director III*

<sup>1</sup> Entitled "Prescribing Guidelines and Specifications of Motor Vehicles for Local Government Units"