

**NPM No. 55-2007**

3 December 2007

**MS. RUBINA O. CRESENCIO, DVM**  
*Chairman, Bids and Awards Committee*  
**BUREAU OF ANIMAL INDUSTRY**  
Diliman, Quezon City

**Re : Procurement of Construction Materials**

Dear Ms. Cresencio:

We respond to your letter dated 28 July 2006 requesting for clarification on the procurement of construction materials:

1. Whether shopping can be used in the procurement of one (1) piece of plywood, lumber, one (1) kilo of nails, one (1) roof sealant with a total cost of less than Fifty Thousand Pesos (Php. 50,000.00);
2. Whether competitive bidding is required to procure the repair of the roof with the total cost of One Hundred Sixty-six Thousand Pesos (Php. 166,000.00).

Under Section 52 of the Implementing Rules and Regulations Part A (IRR-A) of Republic Act No. 9184 (R. A. 9184), the procuring entity may procure off-the-shelf goods or ordinary/regular equipment through the alternative mode of shopping under the following cases:

- (i) when there is an unforeseen contingency requiring immediate purchase provided the amount shall not exceed Fifty Thousand Pesos (Php. 50,000.00); or
- (ii) if ordinary or regular office supplies are not available in the Procurement Service involving an amount not exceeding Two Hundred Fifty Thousand Pesos (Php. 250,000.00), provided that it does not result to splitting of contracts and that at least three (3) price quotations from bona fide suppliers shall be obtained.

As clarified under GPPB Resolution No. 12-2006 dated 14 June 2006, ordinary or regular office supplies or equipment refer to those supplies, commodities or materials which, depending on the procuring entity's mandate and nature of operations, are necessary in the transaction of its official businesses; and consumed in the day-to-day operations of said

procuring entity.<sup>1</sup> Thus, shopping may be resorted to if any of the foregoing cases are present and the supplies or materials intended to be purchased are considered ordinary or regular office supplies or equipment.

If, however, the procurement does not fall under either of the two (2) cases for shopping, the procuring entity, upon recommendation of its Bids and Awards Committee and upon approval of the head of the procuring entity, may still resort to negotiated procurement for the procurement of goods, infrastructure projects or consulting services as long as the total amount to be procured does not exceed Fifty Thousand Pesos (Php. 50,000.00), whether or not an urgency exists (Section 53 (h) of the IRR-A).<sup>2</sup> In such a case, the procuring entity shall ensure that the procurement does not result to splitting of contracts and shall draw up a list of at least three (3) suppliers, contractors or consultants of known qualifications which will be invited to submit proposals.

Anent the second query, we note that as a general rule, the procuring entity shall adopt public bidding as a mode of procurement. However, in order to promote efficiency and economy, the procuring entity may resort to any alternative mode of procurement, subject to the approval of the head of the procuring entity and whenever justified by the conditions provided under the law (Section 48, R. A. No. 9184).

We hope to have clarified the matter. Should you have additional questions, please do not hesitate to contact us.

Very truly yours,



**RUBY U. ALVAREZ**  
*Executive Director III*

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<sup>1</sup> The term "office supplies" as defined under GPPB Resolution No. 12-2006, dated 14 June 2006 shall not include services such as repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services.

<sup>2</sup> The GPPB, through its Resolution No. 04-2006 dated 20 January 2006, approved and adopted the amendment to Section 53 and 54 of the IRR-A of R.A. 9184.