REPUBLIC OF THE PHILIPPINES

GOVERNMENT PROCUREMENT POLICY BOARD

Technical Supp

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NPM No. 064-2004

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May 6, 2004

MR. DEAN C. BRIZ
City Budget Officer
City of Tagum
Province of Davao

Re

Implementation of Infrastructure Projects "By Administration"

Dear Mr. Briz:

This refers to your letter dated March 24, 2004, which was forwarded to our office by the Office of the Executive Director of the Department of Budget and Management – Procurement Service on April 21, 2004, requesting clarification on the implementation by Local Government Units ("LGUs") of its infrastructure projects "by administration." The issue pertinent to this request is as follows:

Whether or not LGUs may still implement its own infrastructure projects by administration

Implementation of Infrastructure Projects "By Administration"

The IRR-A of R.A. 9184 provides that procuring entities have the option to undertake projects "by administration" in the cases mentioned in Section 53(b) thereof, to wit:

In case of imminent danger to life or property during a state of calamity, or when time is of the essence arising from natural or man-made calamities or other causes where immediate action is necessary to prevent damage to or loss of life or property, or to restore vital public services, infrastructure projects, the procuring entity has the option to undertake the project through negotiated procurement or by administration or, in high risk areas, through the AFP; (Emphasis supplied)

It appears from the above-quoted provision that procuring entities may opt to undertake projects "by administration" only in the cases specified therein. These are as

1

follows: (a) imminent danger to life or property during a state of calamity; (b) time is of the essence arising from natural or man-made calamities; (c) other causes where immediate action is necessary to prevent damage to or loss of life or property; or (d) to restore vital public services.

Applying the principle of expressio unius est exclusio alterius (express mention is implied exclusion) which means that the express mention of one thing, will as a general rule, exclude others not mentioned, procuring entities cannot undertake a project "by administration" other than in the cases specifically mentioned in Section 53(b) of the IRR-A of R.A. 9184.

In view of the foregoing, we are of the opinion that LGUs may still implement projects "by administration," provided however, that any of the situations specified in Section 53(b) of the IRR-A of R.A. 9184 is present.

In this connection, we wish to inform you that during the 3rd Government Procurement Policy Board ("GPPB") meeting held on April 28, 2004, the matter of undertaking projects "by administration" was discussed therein. In the said meeting, the GPPB tasked the representatives from the Department of Public Works and Highways and the Department of Interior and Local Government to present their existing guidelines or department orders, if any, pertaining to undertaking of projects "by administration" in order to clarify the proper rules and guidelines in its implementation.

We trust that this clarifies matters.

Very truly yours,

JOSE MARTIN C. SYQUIA

Executive Director