



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
Malacañang, Manila

PROCUREMENT POLICY BOARD

NPM- No. 03-2003

February 10, 2003

MR. ROGELIO M. MURGA
President & CEO
National Power Corporation
Cor. Quezon Avenue & Agham Road,
Diliman, Quezon City

Dear Mr. Murga:

As discussed during our meeting on February 6, 2002, this is to confirm the opinion issued by the Technical Support Group (TSG) of the Procurement Policy Board (PPB) under Non-Policy Matter No. 018-2002, dated December 16, 2002, on the issue of whether or not the National Power Corporation (NPC) may allow foreign citizens/proponents/bidders who do not meet the sixty percent (60%) Filipino ownership/equity requirement to participate in its coal procurement project.

The afore-mentioned opinion confirms the applicability of the exception provided under Section 1 of Republic Act No. 5183 ("R.A. 5183") which allows a citizen, corporation or association of a foreign country to participate in public biddings of this Government provided that its laws or regulations grant similar rights or privileges to citizens of the Philippines. It further makes reference to Section 21 of Republic Act No. 9162, otherwise known as the "General Appropriations Act of 2002," which allows foreign importations under particular circumstances.

We trust that this clarifies matters.

Very truly yours,

EMILIA T. BONCODIN
Chairperson, PPB

ERLANDO L. VILLAREAL
2/14/03