

**NPM No. 146-2017**

29 December 2017

**MS. LAURI ROSE S. COQUIA**  
*ECOMS I*  
**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR)-PALAWAN**  
Barangay Santa Monica  
Puerto Princesa City, Palawan

**Re: Procurement of Service Vehicle -**

Dear Ms. Coquia:

We respond to your electronic mail inquiring whether your procurement of service vehicle with an Approved Budget for the Contract (ABC) of One Million Pesos (PhP1,000,000.00) can be undertaken through Negotiated Procurement under the Small Value Procurement modality sanctioned by Section 53.9 of the 2016 revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, the Government Procurement Reform Act.

For guidance, we wish to reiterate that it is the Procuring Entity (PE) that has the sole authority and is in the best position to determine the appropriate method of procurement for a specific project based on the identified needs and requirements of the PE and the attendant circumstances. It bears stressing, however, that Section 10 of RA 9184 and its 2016 IRR mandates that all procurement shall be done through Competitive Bidding, except when resort to alternative methods of procurement is warranted by attending circumstances. More importantly, these alternative methods of procurement shall be resorted to only in highly exceptional cases provided in Sections 49 to 53 of RA 9184 and its 2016 IRR, including Annex "H" of the 2016 IRR, the *Consolidated Guidelines for the Alternative Methods of Procurement* (Guidelines). In the absence of these exceptional cases, procurement shall be done through Competitive Bidding.

Accordingly, the primary mode of procurement is competitive bidding. However, given the attending circumstances and in consideration of economy and efficiency in government procurement, coupled by the compliance with the rules in Section 53 and Annex "H" of the 2016 IRR of RA 9184, procurement of service vehicle with an ABC of PhP1,000,000.00 may be undertaken through Negotiated Procurement through the Small Value Procurement modality.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this opinion is being issued on the basis of facts and particular 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.

(sgd.)

*ARA*  
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*JENNIS DE SANTIAGO*  
Executive Director V *MSM*