

097.13 DPWH  
01-19-2007

REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**  
OFFICE OF THE SECRETARY  
MANILA

JAN 18 2007

DEPARTMENT ORDER ) SUBJECT: GUIDELINES FOR THE  
NO. 02 ) IMPLEMENTATION OF INFRASTRUCTURE  
Series of 2007 ) PROJECTS THRU NEGOTIATED  
01-19-07 ) PROCUREMENT IN CASE OF NATURAL  
OR MAN-MADE CALAMITIES

The Government Procurement Policy Board (GPPB) issued **CIRCULAR NO. 03-2006**, dated 6 December 2006 on the Subject: **Clarification on the Procurement Process in Case of Natural or Man-Made Calamities**, to identify the appropriate mode of procurement under Republic Act 9184 (R.A. 9184) and its Implementing Rules and Regulations Part-A.

This Department Order is hereby issued to provide further clarification and corresponding authorization to concerned Implementing Offices of the Department relative thereto. In the said GPPB Circular No. 03-2006, it provides that;

1. In case immediate procurement is necessitated to undertake initial/emergency works due to the occurrence of natural or man-made calamities, the alternative mode of negotiated procurement under Section 54.2(d) of R.A. 9184 and its IRR-A may be adopted in order to:
  - a) Prevent further damage to or loss of life or property; or
  - b) Restore vital public services, infrastructure facilities, and other public utilities
2. Under this mode, the procuring entity shall simply negotiate with a previous supplier, contractor or consultants of good standing, or a supplier, contractor or consultant of good standing situated within the vicinity where the calamity or emergency occurred.
3. A supplier, contractor or consultant is considered in good standing if it/she/he has not committed any breach of contract (e.g., short deliveries, unreasonable delays in delivery of goods or prosecution of works, delivery or completion of defective goods

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or works, must not have incurred a negative slippage, or similar acts) in any previous transactions with the procuring entity.

4. The award of contract shall be posted at the G-EPS website, website of the procuring entity, if any and in a conspicuous place within the premises of the procuring entity.

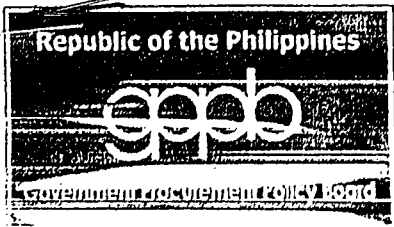
**In order to facilitate the implementation of projects, which are normally temporary in nature necessitated due to the occurrence of natural or man-made calamities and to be procured using negotiated procurement, the concerned Regional Director is authorized to approve negotiated contracts up to five (5) million pesos. Proposed projects to be implemented under this mode with cost more than ₱ 5 million pesos shall require prior clearance and/or approval by the DPWH Secretary.**

For guidance and implementation of all concerned.

**HERMOGENES E. EDDANE, JR.**  
Acting Secretary

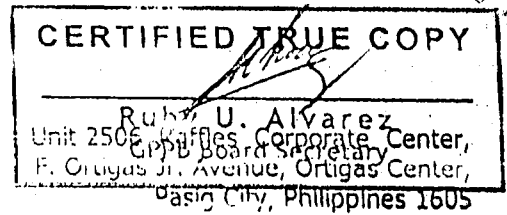


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CIRCULAR NO. 03-2006  
December 6, 2006

**TO:** Heads of Departments, Bureaus, Offices and Agencies of the National Government, Government Owned and/or Controlled Corporations, Government Financial Institutions, State Universities and Colleges, and Local Government Units

**SUBJECT:** Clarification on the procurement process in case of natural or man-made calamities

## 1.0 Purpose

This circular is issued to identify the appropriate mode and procedure of procurement under Republic Act 9184 (R.A. 9184) and its Implementing Rules and Regulations Part A (IRR-A) in case of natural or man-made calamities.

## 2.0 Coverage

All National Government Agencies (NGAs), Government Owned and/or Controlled Corporation (GOCCs), Government Financial Institutions (GFIs), and State Universities and Colleges (SUCs), and Local Government Units (LGUs).

## 3.0 Rules and Regulations

3.1 In case immediate procurement is necessitated due to the occurrence of natural or man-made calamities, the alternative mode of negotiated procurement under Section 54.2(b) of R.A. 9184 and its IRR-A may be adopted in order to:

3.1.1.1 Prevent damage to or loss of life or property; or

3.1.1.2 Restore vital public services, infrastructure facilities, and other public utilities.

3.2 Under this mode, the procuring entity shall simply negotiate with a previous supplier, contractor or consultant of good standing, or a supplier, contractor or consultant of good standing situated within the vicinity where the calamity or emergency occurred.

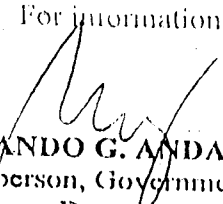
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Ruby U. Alvarez  
GPPB Board Secretary

3.3 A supplier, contractor, or consultant is considered in good standing if it/she/he has not committed any breach of contract (e.g., short deliveries, unreasonable delays in delivery of goods or prosecution of works, delivery or completion of defective goods or works, must not have incurred a negative slippage, or similar acts) in any previous transactions with the procuring entity and other government entity.

3.4 The award of contract shall be posted at the G-EPS website, website of the procuring entity, if any and in a conspicuous place within the premises of the procuring entity.

4.0 For information.

  
**ROLANDO G. ANDAYA, JR.**

Chairperson, Government Procurement Policy Board  
Secretary, Department of Budget and Management