



Republic of the Philippines

MINISTRY OF PUBLIC WORKS, TRANSPORTATION AND COMMUNICATIONS

NIA Building, E. de los Santos Ave., Quezon City

OFFICE of the MINISTER

August 31, 1978

MINISTRY ORDER)

NO. 50 )

X-X-X-X-X-X-X-X

SUBJECT: Further amending Department  
Order No. 33, series of 1976  
regarding Construction  
Contracts.

In line with the Government's policy to continuously improve the management of construction contracts, Condition No. 4 of Department Order No. 33, series of 1976, as amended by Department Order No. 8, series of 1978, is hereby further amended to read as follows:

"4. No bidding for any construction project of the regular bureaus/agencies/offices of the Ministry shall be held unless the Government Estimate has been reviewed and approved by:


- a) the Minister or his duly authorized Deputy or Assistant Minister for every project costing more than ₱750,000 or more;
  - b) the Bureau/Agency head concerned or, with his authority, his Assistant Director, for every project costing more than ₱300,000 but not exceeding ₱750,000;
  - c) the Regional Director concerned for every project costing more than ₱100,000 but not exceeding ₱300,000; and
  - d) the District Engineer concerned for every project costing ₱100,000 or less.
5. No award of a contract shall be made to a bidder whose bid price is higher than the approved Government Estimate. Neither shall any award be made to a bidder whose bid price is less than seventy percent (70%) of either the approved Government Estimate or the average of all bids accepted and considered, whichever is lower. Any award to a bidder whose price is less than seventy five percent (75%) but not lower than seventy percent (70%) of either the approved Government Estimate or the average complying bids, whichever is lower, shall, however, be subject to the submission by the bidder of a justification of his offer that is satisfactory to the bureau/agency concerned, and to an increase of his performance bond by twenty percent (20%).

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By [Signature]

6. For purposes of determining the "average of all bids accepted and considered" mentioned in item 5 above, bids higher than one hundred thirty percent (130%) of the approved Government Estimate shall not be considered.
7. It is understood that the phrase "every project" herein contemplated means one utile project, and any splitting thereof shall be considered a circumvention of this rule and a nullity."

This Order shall take effect immediately.

  
ALFREDO L. JUINIO  
Minister  
