097.12-D.P.H.

epublic of the Philippines Department of Public Highways OFFICE OF THE SECRETARY

Manila

Series of X - X - X - X - X - X April 7, 1976

SUBJECT: Purchase of locally manufactured equipment, spare parts per FD-733.

Pursuant to Section 5 of the General Provision, page 410 of PD 733, "General Appropriations Fiscal Year 1975-76" which prescribes that "All appropriations for the purchase of equipment, supplies and materials authorized in this Decree shall be available only for locally manufactured equipment, parts, accessories, medicines and drugs, supplies and materials, except when none is available in the market or when the prices of the locally manufactured article exceed those determined by the Flag Law by fifteen per cent", effective immediately only locally manufactured equipment, spare parts, supplies and materials shall be purchased except when none is available or when the prices of locally manufactured articles exceed those determined by the Flag Law by fifteen percent.

In the case of spare parts, however, upon which the durability and working efficiency of construction equipment largely depend, deliveries of locally manufactured parts, supplies and accessories must be supported by a certification by the manufacturer/exclusive distributor to the effect that the locally manufactured articles passed the quality standards and specifications equivalent to the original equipment manufacturer's genuine part, supported by test results by the National Institute of Science and Technology and/or any other government body authorized to perform such tests.

Procurement of spare parts or items in accordance with Memo Circular No. 73, S-75 should only be made directly from the manufacturer, exclusive distributor or outlets authorized by the manufacturer or by the exclusive distributor duly prequalified by the Department.

All provisions under Memorandum Circular No. 73 which are inconsistent herwwith are hereby superceded.

ASST. DIRECTOR CHEF PLANNING DIV. SEC. DISPOSALUZZO