



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila

JUL 02 2003

DEPARTMENT ORDER )

No. **185** )

Series of 2003 *07-02-03* )

SUBJECT: **Procurement Guidelines in the  
Implementation of the CY 2003  
Schoolbuilding Program**

As agreed with the Department of Education (DepEd) and the Department of Budget and Management (DBM), in order for the contracts under the DepEd CY 2003 Schoolbuilding Program to be eligible for financing under the proposed Second Social Expenditure Management Program (SEMP II) Loan, the regional and district offices of the DPWH as implementing agency of the said Program shall adopt the following procedures in contract procurement consistent with World Bank procurement guidelines:

1. All regular schoolbuilding projects programmed in a Congressional District, including construction, repair and rehabilitation works, shall be clustered into one contract package for bidding. The school building design should be structurally sound with pleasant aesthetical features, functional and conducive to learning. It should also provide water and electrical facilities, and a toilet whenever possible within the budget. However, in a Congressional District with two or more district engineering offices, clustering shall be done for each contract package per engineering district.
2. The bidding for the contract package shall be advertised in at least two national newspapers with general circulation giving the bidders a period of thirty (30) days from advertisement or issuance of bid documents (whichever is later) to bid opening. The advertisement shall specifically mentioned that a one-envelope system shall be adopted in the procurement process.
3. Foreign contractors and/or suppliers, if any, from World Bank eligible countries shall be allowed to participate, if interested, without first being required to associate or enter into a joint venture with local firms.
4. Bid security shall be in the form of a certified check, bank draft, letter of credit, or a guarantee from a reputable bank.
5. Explicit bid evaluation criteria shall be set forth in the bid documents.
6. The procurement process shall follow the one-envelope system, and shall record all procedures including date, time and place of: (a) submission of accomplished eligibility form, (b) submission of bids from participating bidders, (c) opening of the bids, (d) determination of lowest calculated bid, (e) postqualification of the lowest calculated bid based on pass/fail criteria defined in the bidding documents; and (f) award to the lowest calculated responsive bid, in accordance with Bank's guidelines and procedures.

7. Bid opening shall be unrestricted to those who wish to attend. The deadline for submission of bids should be the same as that for bid opening or immediately thereafter.
8. Lone responsive bids shall not be rejected without prior concurrence of the DPWH Secretary and the World Bank. Rebidding will not be mandatorily required when fewer than three responsive bids are received. The lowest responsive bid exceeding the budget shall not be rejected without prior concurrence with the World Bank. Price negotiation shall not be allowed. However, in case of budget limitation, adjustment in quantities of schoolbuilding or minor scope of works may be agreed upon, subject to the concurrence of the World Bank.
9. If any bidder is denied access to the bidding process for reasons unrelated to its financial and technical qualifications to perform the contract, the World Bank shall be consulted prior to such denial.
10. Bid submission deadline, time and location specified in the bidding documents shall be strictly adhered to, and bids submitted after the specified date and time and location, shall be rejected and returned unopened to the bidder.
11. Works by administration shall not be eligible for World Bank financing.
12. Only contracts with approved programs of work for complete schoolbuildings shall be considered under SEMP 2 loan.
13. For contracts above ₱15.0 Million, documents comprising the bidding process shall be submitted to the Chairman, DPWH Task Force on Schoolbuilding, for review and/or evaluation, and eventual submission to the bank for concurrence.
14. Domestic or regional preferences shall not be applied in the evaluation of bids, and other preferences in effect in the Philippines shall not be used, except with the prior concurrence of the World Bank.
15. Bracketing or setting upper and lower limits on acceptable works shall not apply, unless specifically agreed with the World Bank in advance prior to the bidding.
16. The projects in each contract package shall, as much as possible, be implemented simultaneously instead of sequential.
- ✱ 17. For reference, enclosed is a copy of a model bidding documents to be used for the schoolbuilding program procurements.

For strict compliance.

  
**FLORANTE SORIQUEZ**  
Acting Secretary