

[GPPB RESOLUTION NO. 018-2005, September 12, 2005]

APPROVING AND ADOPTING THE GUIDELINES IN THE DETERMINATION OF ELIGIBILITY OF FOREIGN SUPPLIERS, CONTRACTORS AND CONSULTANTS TO PARTICIPATE IN GOVERNMENT PROCUREMENT PROJECTS

WHEREAS, Republic Act No. 9184 (R.A. 9184) and its Implementing Rules and Regulations Part A (IRR-A) took effect on 26 January 2003 and 08 October 2003 respectively;

WHEREAS, Republic Act No. 9184 (R.A. 9184), otherwise known as "Government Procurement Reform Act," adopts as a basic principle the preference for Filipino Nationals in the award of Government's procurement contracts;

WHEREAS, the implementing rules and regulations of RA 9184 prescribe, as a general rule, that only Filipino nationals are eligible to participate in public procurement; thus, citizenship requirements as eligibility criteria in the procurement of goods, infra-structure, and consulting services are established under the present procurement law;

WHEREAS, only in exceptional cases as provided for in R.A. 9184 and its IRR-A, and other applicable laws, may foreign suppliers, distributors, manufacturers, contractors, and consultants participate in bidding for government procurement projects;

WHEREAS, in view of the principles of economic exchange and expansion of trade and exports with other countries on the basis of equality and reciprocity and the government's direction towards economic cooperation with other governments, the allowance of qualified foreign nationals to participate in domestically-funded procurement activities of the government has become more compelling;

WHEREAS, there is a need to clarify, streamline and/or provide for the policies and the rules to govern the participation of foreign bidders in public procurement, so that the constitutional dictate granting preferential treatment of Filipinos and their products is actualized and the policy of R.A. 9184 on this matter is observed;

NOW, THEREFORE, for and in consideration of the foregoing, WE, the Members of the GOVERNMENT PROCUREMENT POLICY BOARD, by virtue of the powers vested on US by law, hereby RESOLVE to confirm, adopt and approve, as WE hereby confirm, adopt and approve, the Guidelines in the Determination of Eligibility of Foreign Suppliers, Contractors, and Consultants to Participate in Government Procurement Projects, attached hereto as Annex "A".

This resolution shall take effect immediately.

Adopted: 12 Sept. 2005

(SGD.) ROMULO L. NERI
Secretary
Department of Budget and Management

Also signed by representatives of the following agencies:

DEPARTMENT OF NATIONAL DEFENSE	DEPARTMENT OF EDUCATION
DEPARTMENT OF ENERGY	DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS	PRIVATE SECTOR REPRESENTATIVE

Attested by:

(SGD.) JOSE MARTIN C. SYQUIA
Board Secretary, GPPB
Executive Director, GPPB-TSO

**GUIDELINES IN THE DETERMINATION OF ELIGIBILITY OF
FOREIGN SUPPLIERS, CONTRACTORS, AND CONSULTANTS TO
PARTICIPATE IN GOVERNMENT PROCUREMENT PROJECTS**

I. GENERAL POLICY

In line with the economic policies enunciated in the Constitution, particularly on the promotion of Filipino labor, domestic materials, and locally produced goods, Republic Act No. 9184, in consonance with Republic Act No. 5183, adopts as general principle the preference for Filipino nationals in the award of Government's procurement contracts.

However, in light of the principles of economic exchange and expansion of trade and exports with other countries on the basis of equality and reciprocity, with due regard to the government's initiatives in the prohibition and/or regulation of monopolies and other situations that restrain trade and fair competition, qualified foreign nationals may be eligible to participate in the public procurement of goods, infrastructure projects and consultancy services; provided, however, that provisions on domestic preference, Most-Favored Nation (MFN) status and non-discrimination treatments under applicable laws and treaties are complied with.

2. SCOPE, APPLICATION AND PURPOSE

These guidelines shall govern procurement of goods, infrastructure projects, and consulting services by all Departments, Bureaus, Offices and Agencies of the National Government, Government-Owned and/or Controlled Corporations, Government Financing