



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

DEPARTMENT ORDER NO. 2015-005

**Subject : CANCELLATION OF BIDDING DUE TO LACK OF COMPETITION IN
THE PROCUREMENT OF CONSULTING SERVICES**

Date : 25 February 2015

Pursuant to Section 24.5.2 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, the Department requires that for procurement of consultants, the number of short listed consultants shall consist of a maximum of five (5) eligible consultants. A short list of five (5) consultants greatly increases the level of competition and encourages consultants to put in more time and effort in preparing a good and responsive proposal.

In the spirit of fairness and competition and in accordance with international best practices on procurement¹, biddings for consulting services conducted by this Department with only one eligible (1) bidder shall be cancelled upon recommendation of the Bids and Awards Committee and approval of the Head of the Procuring Entity. This is to ensure competition in public bidding which will ultimately redound to the benefit of the Procuring Entity by the latter's receipt of better proposals from consultants at the most advantageous price for the Government.

All Department Orders/ issuances inconsistent herewith are hereby revoked and superseded accordingly.

This Order shall take effect immediately.

For strict compliance.

JOSEPH EMILIO AGUINALDO ABAYA
Secretary



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¹ The reasons why the number of consultants normally needs to be 3 to 5 are: to encourage consultants to prepare well-elaborated proposals by giving certain level of opportunity to be awarded, to increase the probability of a well-qualified consultant being selected, to allow for an intense and meaningful evaluation of proposals, and to reduce the opportunity for outside influence. (Section 3.04, Item 2, Notes, Handbook: Guidelines for Procurement under Japanese ODA Loans, April 2012)

Short lists shall comprise six firms with a wide geographic spread, with no more than two firms from any country unless there are no other qualified firms identified to meet this requirement. (Section 2.6, Guidelines: Selection and Employment of Consultants Under IBRD Loans and IDA Credits and Grants by World Bank Borrowers, January 2011)

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