



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA



**CIRCULAR LETTER**

No. 2017 - 9  
May 16, 2017

**TO :** All Heads of Departments, Agencies, State Universities and Colleges (SUCs) and other Offices of the National Government, Including Commissions/Offices under the Constitutional Fiscal Autonomy Group (CFAG), Government-Owned or -Controlled Corporations (GOCCs); Heads of Local Government Units (LGUs); and All Others Concerned

**SUBJECT :** Clarification on the Guidelines on the Procurement of Consulting Services

- 1.0 The procurement of consulting services, either through an Individual Consultant or a Consultancy Firm, is covered by the provisions of Republic Act (RA) No. 9184<sup>1</sup> and its 2016 Revised Implementing Rules and Regulations (IRR).
- 2.0 As such, agencies shall be guided by the provisions of RA No. 9184, its IRR and the Generic Procurement Manuals, Volume 4 – *Manual of Procedures for the Procurement of Consulting Services*, issued by the Government Procurement Policy Board (GPPB) on June 14, 2006,<sup>2</sup> or its later edition, in the engagement of consultants.
- 3.0 RA No. 9184 and its IRR, including the *Manual of Procedures for the Procurement of Consulting Services*, contain the step-by-step procedure in the procurement process and the factors to be considered in determining the appropriate “Approved Budget for the Contract” (ABC), and the bases for computing and arriving at the cost of consultancy or consultancy rate, among others.
- 4.0 In view hereof, National Budget Circular No. 433<sup>3</sup> dated March 1, 1994 and Circular Letter No. 2000-11<sup>4</sup> dated June 1, 2000, which prescribe the guidelines on the hiring of consultants and in setting the compensation of individual professional consultants, are hereby revoked.
- 5.0 This Circular shall take effect immediately.

  
**BENJAMIN E. DIOKNO**  
Secretary





<sup>1</sup> Government Procurement Reform Act

<sup>2</sup> GPPB Resolution No. 13 – 2006 (*Approving and Adopting the Generic Procurement Manuals as Harmonized with the ADB, JBIC, and World Bank Procurement Rules*)

<sup>3</sup> Prescribing Guidelines on the Hiring of Consultants

<sup>4</sup> Compensation of Contractual Personnel and Individual Professional Consultants