

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**TWENTIETH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 3661**



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Introduced by **Rep. FERDINAND ALEXANDER A. MARCOS**  
1<sup>st</sup> District, Ilocos Norte

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#### **EXPLANATORY NOTE**

“Public office is a public trust”, declares the 1987 Philippine Constitution. It continues, “Public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and justice, and lead modest lives.” (Section 1, Article XI)

The government procurement system – which includes the laws (primarily Republic Act No. 12009), rules and regulations (e.g., the IRR of RA 12009), as well as the standard bidding documents (i.e., affidavit of disclosure of relationships) – provides for the mandatory disclosure of relationship, by consanguinity or affinity up to the third civil degree, between the private bidder and the head of the procuring entity, the procurement agent, members and secretariat of the bids and awards committee, the technical working group (TWG), head of the project management office (PMO), or the end-user or implementing unit, and the project consultants; and disqualifies bidders related to such persons from participating in the procurement contracts of the procuring entity concerned.

The said regulatory disclosures and corresponding disqualification are designed to uphold fairness and impartiality in the procurement process by preventing undue influence or favoritism. In turn, this is intended to protect public interest and scarce resources. Notwithstanding such guardrail, many instances of irregularities and corruption are still committed that compromise the principles of transparency, accountability and integrity in the government procurement process.

This bill, therefore, seeks to tighten the process by expanding the ambit of disqualification so as to prohibit relatives of public officials within the fourth civil degree of consanguinity or affinity from entering into contracts with any government agency or instrumentality, including government owned or controlled corporations and local government units.

In view of the foregoing, the immediate approval of this bill is earnestly sought.

  
**FERDINAND ALEXANDER A. MARCOS**

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**AN ACT**  
**DISQUALIFYING RELATIVES OF PUBLIC OFFICIALS WITHIN THE**  
**FOURTH CIVIL DEGREE OF CONSANGUINITY OR AFFINITY IN ALL**  
**GOVERNMENT CONTRACTS**

*Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:*

**SECTION 1. Disqualification on the Basis of Relations.** – Notwithstanding any provision of law to the contrary, all relatives of public officials within the fourth civil degree of consanguinity or affinity shall be barred from entering into any government contract.

For purposes of this Act, the term “public official” shall refer to heads of agency, heads of procuring entity, members of governing board, or any public officer or employee exercising policy-determining, supervisory, or managerial functions, whether in the career or non-career service, including military and uniformed personnel, whether or not they receive compensation, regardless of amount.

Moreover, the term “government contract” shall refer to any contract between a private entity and any government agency or instrumentality, including government owned or controlled corporations (GOCCs) and local government units, that pertains to (a) supplies, materials, machinery, equipment, and services; (b) infrastructure projects; (c) joint ventures; (d) public-private partnership projects; and (e) other similar or analogous agreements or undertaking to which the latter is the procuring party, partner, shareholder, implementing agency, end user, or a party contributing public funds or property: Provided, That, this shall exclude contracts that are highly technical, proprietary, or confidential in nature.

**SEC. 2. Implementing Rules and Regulations (IRR).** – Within sixty (60) days from the effectivity of this Act, the Government Procurement Policy Board, the Department of the Interior and Local Government, the Public-Private Partnership Center, and the Governance Commission for GOCCs, in consultation with government agencies concerned, shall jointly promulgate the rules and regulations to effectively implement the provisions of this Act.

**SEC. 3. Repealing Clause.** – All laws, decrees, orders, rules and regulations, other issuances, and parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

**SEC. 4. Effectivity.** – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*