



REPUBLIC OF THE PHILIPPINES DEPARTMENT OF AGRICULTURE BUREAU OF AGRICULTURAL RESEARCH

RDMIC Bidg., Elliptical Road corner Visayas Avenue, Diliman, Quezon City 1104 (+632) 8461-2800 and (+632) 8461-2900 • r4d@bar.gov.ph

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MEMORANDUM FROM THE DIRECTOR

TO

ALL CONCERNED UNITS/DIVISION

SUBJECT

IMPLEMENTATION OF SECTION 34 (ONLY) OF THE NEW

GOVERNMENT PROCUREMENT ACT OR RA 12009 - ADJUSTMENT

OF SMALL VALUE PROCUREMENT (SVP) THRESHOLD

This memorandum serves to inform all Bureau personnel of the implementation of Section 34 of Republic Act No. 12009, which revises the threshold for Small Value Procurement (SVP) to amounts not exceeding two million pesos (PHP 2,000,000). This adjustment supersedes the previous threshold set by Republic Act No. 9184 and its Implementing Rules and Regulations (IRR), which required competitive bidding for procurement requests exceeding one million pesos (PHP 1,000,000).

Under RA 9184, procurement requests exceeding PHP 1,000,000 were required to undergo competitive bidding, a process that often led to delays and inefficiencies due to the volume of procurement requests being submitted. With the enactment of RA 12009, the new threshold for SVP has been increased, allowing procurement transactions up to PHP 2,000,000 to be processed more efficiently under SVP guidelines.

Implementation Guidelines:

- Effective immediately, all Purchase Requests (PRs) amounting to PHP 2,000,000 or below shall be processed under Small Value Procurement (SVP), in accordance with Section 34 of RA 12009.
- Procurement requests exceeding PHP 2,000,000 shall still be subject to Competitive Bidding, as prescribed by the law.
- The Procurement Unit shall ensure that all SVP transactions comply with the prescribed procedures, including securing at least three (3) quotations from bona fide suppliers to ensure transparency and competitiveness.
- All concerned offices and personnel must adhere strictly to this directive to avoid delays and ensure compliance with procurement laws and regulations.

The Procurement Unit will oversee the proper implementation of this change and provide further guidance as necessary. Any concerns or clarifications regarding this policy should be directed to the Procurement Unit for immediate resolution.

Your cooperation in implementing this directive is highly appreciated to ensure a more efficient and streamlined procurement process within the Bureau.

JUNEL B. SORIANO, PhD