

DIRECTING ALL HEADS OF DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES OF THE NATIONAL GOVERNMENT, INCLUDING LOCAL GOVERNMENT UNITS (LGUS); GOVERNMENT-OWNED AND/OR CONTROLLED CORPORA...

OP ADMINISTRATIVE ORDER NO. 227, May 27, 2008

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/5db572fc5d86/>

WHEREAS, Section 12, Article XII of the Constitution provides that the State shall promote the preferential use of Filipino labor, domestic materials and locally produced goods, and adopt measures that help make them competitive;

WHEREAS, that Republic Act No. 138, as amended, also known as the "Flag Law", mandates the Government to give preference to the procurement of local products materials and supplies;

WHEREAS, the Administration's Ten (10) Points agenda on alleviating poverty through the generation of six to eight million jobs for the Filipinos can be achieved by boosting the country's local industries;

WHEREAS, the Philippine industries produce or manufacture world class products, materials and supplies which are at par, if not even better, quality than imported product

WHEREAS, local industries can provide and deliver readily available products, materials and supplies that are sufficient in quantity;

WHEREAS, credit lines and better after sales services, which are essential factors considered by the buyer in the procurement process, are provided by local industries; .

WHEREAS, patronizing and buying locally produced or manufactured products, materials and supplies maintain, retain and provide additional employment in all vital Philippines industry sectors;

WHEREAS, buying locally produced or manufactured products, materials and supplies conserve our foreign exchange reserves;

WHEREAS, preference to locally produced or manufactured products, materials and supplies is justifiable for the reason that taxes generated by the Government come from taxable income of Philippine industries, thereby maintaining a mutually beneficial economic relationship;

NOW, THEREFORE, I, GLORIAMACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by Saw, do hereby order:

SEC. 1. Coverage -All Heads of Departments, Bureaus, Offices and Agencies of the National Government, including Local Government Units (LGUs); Government-Owned and/ or Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), State Universities and Colleges, and Military and Police Units shall give preference in the procurement of materials and supplies, produced, made, and manufactured in the Philippines that meet the specified or desired quality in accordance with the provisions of existing laws and treaties or international agreements.

SEC. 2. Local Products, Materials and Supplies Defined - Local products, materials and supplies refers to: (a) unmanufactured articles, materials and supplies of the growth or production of the Philippines; and (b) manufactured articles, materials and supplies of the growth, production or manufacture of the Philippines.

SEC. 3. Procurement of Imported Goods - The procurement of imported goods may be allowed if local products, materials, and supplies are not manufactured domestically in sufficient quantity, or comparable quality, and at reasonable prices.

SEC. 4. Issuance of the Implementing Rules and Regulations - The Government Procurement Policy Board shall promulgate the implementing rules and regulations governing this Administrative Order within thirty (30) days from the date of its effectivity.

SEC. 5. Penalties- Any violation of the provisions of this Administrative Order shall be dealt with administratively, civilly and criminally under existing laws, rules and regulations.

SEC. 6. Repealing Clause - All issuances, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Administrative Order are hereby revoked and/or modified accordingly.

SEC. 7. Effectivity - This Administrative Order takes effect after fifteen (15) days following the completion of its publication in a newspaper of general circulation.

Adopted: 27 May 2008

(SGD.) GLORIA MACAPAGAL-ARROYO

BY THE PRESIDENT:

(SGD.) EDUARDO R. ERMITA
Executive Secretary

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.