


SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session

15 MAR 16 AIO :48

FILED BY: 

SENATE

P. S. R. NO. 1239

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

RESOLUTION
DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT
AN INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED
IRREGULARITIES ON THE BIDDING PROCESS CONDUCTED BY
THE DEPARTMENT OF TRANSPORTATION AND
COMMUNICATION CONCERNING THE PROCUREMENT OF
MOTOR VEHICLES PLATE AMOUNTING TO PHP3.8 BILLION
WITH END VIEW OF REVIEWING AND REVISING LAWS,
POLICIES AND REGULATIONS TO ENSURE TRANSPARENCY
AND COMPETITIVENESS IN ALL GOVERNMENT
PROCUREMENT PROJECTS

WHEREAS, as mandated by the Government Procurement Reform Act (Republic Act No. 9184), all procurement of the national government, its departments, bureaus, offices and agencies, including state universities and colleges, government-owned and/or -controlled corporations, government financial institutions and local government units, shall, in all cases, be governed the principles, among others, of transparency in the procurement process and in the implementation of procurement contracts and competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in public bidding.

WHEREAS, it is also a guiding principle under the Government Procurement law the system of accountability where both the public officials directly or indirectly involved in the procurement process as well as in the implementation of procurement contracts and the private parties that deal with government are, when warranted by circumstances, investigated and held liable for their actions relative thereto.

WHEREAS, on March 2013, the Department of Transportation and Communication published an Invitation to Bid for the Procurement of Goods and Services for the Land Transportation Office Motor Vehicle License Plate Standardization

Program, specifically, the Supply and Delivery of Motor Vehicle License Plates amounting to Three Billion Eight Hundred Fifty-One Million Six Hundred Thousand One Hundred Pesos (Php 3,851,600,100.00).

WHEREAS, on July 22, 2013, the Department of Transportation and Communication awarded to the Joint Venture of Power Plates Development Concepts, Inc. and Dutch firm J. Knieriem BV- Goes the supply and delivery of the Motor Vehicles License Plates. The amount stated in the notice of award is P1,989,846,820 for 5,236,439 pairs of motor vehicle plates and P1,196,162,040 for 9,968,017 motorcycle plates, or a total of P3,186,008,860. This amount is less than the original approved budget for the contract of P3,851,600,100.00¹.

WHEREAS, Leo Romero, counsel for Marianing & Sons Development Corp., has claimed the splitting was done to favor the Dutch company JKG, which he alleged was financially incapable of undertaking the project. He claimed this was not allowed without re-advertisement citing GPPB Resolution No. 07-2005 (Providing for the Rules on Adjustments in the Approved Budget for the Contract).

WHEREAS, the Government Procurement Reform Act mandates that prior to the issuance of the Invitation to Bid, the Bids and Awards Committee (BAC) is mandated to hold a pre-procurement conference on each and every procurement wherein it shall assess the readiness of the procurement in terms of confirming the certification of availability of funds, as well as reviewing all relevant documents in relation to their adherence to law (Section 20, Republic Act 9184).

WHEREAS, there have been allegations that when the Department of Transportation and Communication, through the Bids and Awards Committee, started the bidding process, there was no available funds in the amount of Three Billion Eight Hundred Fifty-One Million Six Hundred Thousand One Hundred Pesos (Php 3,851,600,100.00) under the General Appropriations Act of 2013, as such, an apparent violation of the General Procurement Reform.

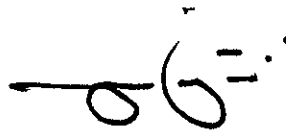
WHEREAS, numerous allegations concerning irregularities of the bidding process and the awarding of the contract conducted by the Department of Transportation and Communication including the changing of term of reference and changes in the requirements in their invitation to bid; the financial capacity, experience as stated in the invitation to bid of the winning bidder has also been questioned.

¹ <http://www.philstar.com/headlines/2013/08/14/1088241/lto-issue-new-plates-next-month#ixzz3UF3NmCJB>

WHEREAS, to protect the public funds to be utilized and being utilized for the Motor Vehicle License Plate Standardization Program of the LTO and uphold the transparency and competitiveness involving government procurement projects, there is a need to examine and scrutinize the bidding process and the eventual awarding of contract by the Department of Transportation and Communication to the Joint Venture of Power Plates Development Concepts, Inc. and Dutch firm J. Knieriem BV- Goes.

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the Senate, to directing the proper Senate committee to conduct an inquiry, in aid of legislation, on the alleged irregularities on the bidding process conducted by the Department of Transportation and Communication concerning the procurement of Motor Vehicles Plate amounting to Php3.8 Billion with end view of reviewing, and revising laws, policies and regulations to ensure transparency and competitiveness in all government procurement projects.

ADOPTED,

A handwritten signature in black ink, appearing to read 'JOSEPH VICTOR G. EJERCITO', with a horizontal line extending to the left.

JOSEPH VICTOR G. EJERCITO