

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

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SENATE

SENATE
S. No. 2431

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Introduced by Senator Francis "Tol" N. Tolentino

AN ACT
PROVIDING FOR A UNIFORM WAREHOUSING AND INVENTORY SYSTEM
FOR ALL GOVERNMENT PROCURING ENTITIES, AMENDING FOR THE
PURPOSE REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS THE
"GOVERNMENT PROCUREMENT REFORM ACT"

EXPLANATORY NOTE

Taxes are the lifeblood of the government and should be collected without unnecessary hindrance.¹ Corollary, public procurement is the process wherein taxes collected are spent by the government. Hence, it is a critical function of the government which is required to be carried out efficiently and with utmost transparency and integrity in order to safeguard public interest.

Procurement is a fundamental aspect of good governance as it gives government access to the right products, services, competencies, and abilities to accomplish government functions properly. The main objective of public procurement is to ensure the appropriate delivery of goods and services necessary for the government to achieve its operations in a timely, efficient, and cost-effective manner.

Republic Act No. 9184 provides the policy for the Philippine government's procurement of infrastructure projects, goods, and consulting services, regardless of

¹ Commissioner of Internal Revenue v Next Mobile, Inc.(Formerly Nextel Communications Phils., Inc.), G.R. 212825, December 7, 2015.

the source of funds, whether local or foreign, by all branches and instrumentalities of the government, its departments, offices, and agencies, including government-owned and/or controlled corporations and local government units.

Due to the occurrence of the Covid-19 pandemic, one of the gaps that was identified in RA 9184 is the lack of guidelines providing for a general system of automated warehousing and cloud-based inventory of procured goods by the government.

The existence of a proper system for warehousing and inventory is important to ensure that procured goods are safely and adequately stored, that there is an accurate recording of inventory movements, and that there is an efficient warehouse operation in place, among others. An efficient system ultimately prevents the wastage of procured goods. It is therefore important that proper warehousing and inventory guidelines are in place to address these concerns.

This bill seeks to mandate a uniform warehousing and inventory system for all government procuring entities, including local government units, by amending RA 9184.

In the light of the foregoing, the passage of this bill is earnestly sought.



FRANCIS "TOL" N. TOLENTINO

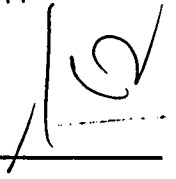
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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 Section 1. A new section designated as **Sec. 38-A** is hereby inserted in Republic
2 Act No. 9184 to read as follows:

3 **"SEC. 38-A. WAREHOUSING AND INVENTORY SYSTEM. – ALL**
4 **PROCURING ENTITIES SHALL ADOPT A GENERAL SYSTEM OF**
5 **WAREHOUSING AND CLOUD BASED INVENTORY OF**
6 **PROCURED ITEMS AND GOODS. FOR THIS PURPOSE, THE**
7 **GPPB SHALL PROMULGATE A STANDARD OPERATING**
8 **PROCEDURE MANUAL ON PROPER WAREHOUSING AND**
9 **INVENTORY OF PROCURED ITEMS AND GOODS TO BE USED**
10 **BY ALL PROCURING ENTITIES."**

11 Sec. 13. *Separability Clause.* - If any part or provision of this Act shall be held
12 unconstitutional or invalid, the other parts or provisions not otherwise affected shall
13 remain in full force and effect.

14 Sec. 14. *Repealing Clause.* – All laws, orders, rules and regulations and other
15 issuances, or parts thereof, which are inconsistent with this Act are hereby repealed,
16 amended, or modified accordingly.

17 Sec. 15. *Effectivity Clause.* - This Act shall take effect fifteen (15) days following
18 its complete publication in the Official Gazette or in two (2) national newspapers of
19 general circulation.

 Approved,

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