

CONGRESS OF THE PHILIPPINES  
NINETEENTH CONGRESS  
*Second Regular Session* }

S E N A T E

S. No. 2593

(In substitution of Senate Bill Nos. 556, 590, 618, 619,  
692, 1023, 1123, 1802, 1803, 2272, 2466, and 2527, taking  
into consideration House Bill No. 9648)

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PREPARED AND SUBMITTED JOINTLY BY THE COMMITTEES  
ON FINANCE; SUSTAINABLE DEVELOPMENT GOALS,  
INNOVATION AND FUTURES THINKING; NATIONAL  
DEFENSE AND SECURITY, PEACE, UNIFICATION AND  
RECONCILIATION; LOCAL GOVERNMENT; AND CIVIL  
SERVICE, GOVERNMENT REORGANIZATION AND  
PROFESSIONAL REGULATION WITH SENATORS P.  
CAYETANO, HONTIVEROS, TOLENTINO, REVILLA, JR.,  
ESTRADA, MARCOS, ANGARA, PIMENTEL, VILLANUEVA,  
GATCHALIAN, M. VILLAR, LEGARDA, C. VILLAR, BINAY,  
LAPID, AND TULFO AS AUTHORS THEREOF

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AN ACT REVISING REPUBLIC ACT NO. 9184  
OTHERWISE KNOWN AS THE “GOVERNMENT  
PROCUREMENT REFORM ACT” AND FOR OTHER  
PURPOSES

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

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ARTICLE I  
GENERAL PROVISIONS

1           SECTION 1. *Short Title.* – This Act shall be known as  
2 the “New Government Procurement Act”.

3           SEC. 2. *Declaration of Policy.* – It is the declared  
4 policy of the State to promote the ideals of good governance  
5 with a view towards transparency, competitiveness,  
6 efficiency, proportionality, accountability, public  
7 monitoring, procurement professionalization,  
8 sustainability, and value for money in government  
9 procurement.

10          SEC. 3. *Governing Principles on Government*  
11 *Procurement.* – Procurements by all branches and  
12 instrumentalities of the national government, its  
13 departments, bureaus, offices and agencies, including state  
14 universities and colleges (SUCs), government-owned  
15 and/or -controlled corporations (GOCCs), government  
16 financial institutions (GFIs), and local government units  
17 (LGUs), shall, in all cases, be governed by these principles:

18           (a) Transparency in the procurement process by  
19 providing access to all related information in accordance  
20 with open contracting practice that enables the disclosure  
21 of data and facilitates information sharing related to all  
22 stages of procurement;

23           (b) Competitiveness through ensuring equal  
24 opportunity for all eligible and qualified suppliers,  
25 manufacturers, distributors, contractors, consultants, and  
26 service providers;

1 (c) Efficiency by implementing an organized,  
2 uniform, and straightforward government procurement  
3 process through the use of emerging technologies and  
4 innovative solutions;

5 (d) Proportionality by ensuring that the conditions  
6 and parameters in the development of requirements, choice  
7 of procurement modality, and implementation of contracts  
8 shall be reasonably proportional to the needs of the  
9 Procuring Entity and the nature of the contract or project  
10 to be procured;

11 (e) Accountability where all public officials and  
12 personnel directly or indirectly involved in the  
13 procurement process and in the implementation of  
14 contracts are investigated and held accountable for their  
15 actions when necessary;

16 (f) Participatory procurement through public  
17 monitoring of the procurement process and the  
18 implementation of contracts to guarantee that every step is  
19 in accordance with the provisions of this Act and its  
20 implementing rules and regulations (IRR), and to ensure  
21 prudent and judicious use of government resources;

22 (g) Sustainability in the procurement process which  
23 covers the whole lifecycle of a property, ensures value for  
24 money and maximum benefits to society and the economy,  
25 and engenders minimal impact to the environment; and

1 (h) Professionalism in procurement through the  
2 development of qualification standards, a competency and  
3 certification framework, and a code of ethics that shall be  
4 observed by public procurement professionals.

5 SEC. 4. *Scope and Application.* – This Act shall apply  
6 to the Procurement of Goods, Infrastructure Projects, and  
7 Consulting Services, regardless of source of funds, whether  
8 local or foreign, by all branches and instrumentalities of  
9 the national government, its departments, bureaus, offices  
10 and agencies, including SUCs, GOCCs, GFIs, and LGUs.  
11 Any treaty or international or executive agreement  
12 affecting the subject matter of this Act to which the  
13 Philippine government is a signatory shall be observed.

14 SEC. 5. *Definition of Terms.* – For purposes of this  
15 Act, the following terms or words and phrases shall mean  
16 or be understood as follows:

17 (a) *Approved Budget for the Contract (ABC)* – refers  
18 to the budget for the contract duly approved by the Head of  
19 the Procuring Entity, as provided for in the General  
20 Appropriations Act or other authorized source of funds, in  
21 the case of National Government Agencies (NGAs); the  
22 Corporate Budget for the contract approved by the  
23 governing Boards, pursuant to Executive Order (E.O.) No.  
24 518, series of 1979, in the case of GOCCs, GFIs, and  
25 Republic Act No. 8292 in case of SUCs; and the budget for

1 the contract approved by the Sanggunian, through an  
2 appropriations ordinance, in the case of LGUs;

3 (b) *Bids and Awards Committee (BAC)* – refers to  
4 the Committee established in accordance with Article V of  
5 this Act;

6 (c) *Beneficial Owner* – refers to a natural person  
7 who: (1) ultimately owns or dominantly influences the  
8 management or policies of the juridical entity; or (2)  
9 exercises ultimate effective control over the juridical  
10 entity;

11 (d) *Bid* – refers to a signed offer or proposal  
12 submitted by a supplier, manufacturer, distributor,  
13 contractor, consultant, and service provider in response to  
14 the bidding documents;

15 (e) *Bidder* – refers to a supplier, manufacturer,  
16 distributor, contractor, consultant, and service provider  
17 who submits a bid in response to the requirements of the  
18 bidding documents;

19 (f) *Bidding Documents* – refer to documents issued  
20 by the Procuring Entity as the basis for Bids, furnishing all  
21 information necessary for a prospective bidder to prepare a  
22 bid for the Goods, Infrastructure Projects, and Consulting  
23 Services to be provided;

24 (g) *Blacklisting* – refers to an administrative  
25 penalty imposed by the Head of the Procuring Entity which

1 prohibits a person or an entity including its affiliates from  
2 participating in all government procurement activities;

3 (h) *Common-Use Supplies and Equipment (CSE)* –  
4 refer to goods, materials, and equipment that are used  
5 repetitively in the day-to-day operations of Procuring  
6 Entities in the performance of their functions which are  
7 included in the electronic catalogue of the Philippine  
8 Government Electronic Procurement System (PhilGEPS);

9 (i) *Consulting Services* – refer to services for  
10 Infrastructure Projects and other types of projects or  
11 activities of the government requiring adequate external  
12 technical and professional expertise that are beyond the  
13 capability and/or capacity of the government to undertake  
14 such as, but not limited to: (1) advisory and review  
15 services; (2) pre-investment or feasibility studies; (3)  
16 design; (4) construction supervision; (5) management and  
17 related services; and (6) other technical services or special  
18 studies;

19 (j) *End-User or Implementing Unit* – refers to the  
20 employee or organic office within the organization of the  
21 Procuring Entity that identifies, plans, prepares, designs,  
22 and implements the procurement project based on the  
23 requirements or needs of the agency in accordance with its  
24 mandate;

25 (k) *Financial Eligibility* – refers to having the  
26 financial capacity resources to manufacture, distribute, or

1 deliver the Goods, Infrastructure Projects, and Consulting  
2 Services being procured;

3 (l) *Goods* – refer to all items, supplies, materials,  
4 and general support services, except Consulting Services  
5 and Infrastructure Projects, which may be needed in the  
6 transaction of public businesses or in the pursuit of any  
7 government undertaking, project or activity, whether in  
8 the nature of equipment, furniture, stationery, materials  
9 for construction, or personal property of any kind,  
10 including non-personal or contractual services such as the  
11 repair and maintenance of equipment and furniture, as  
12 well as trucking, hauling, janitorial, security, and related  
13 or analogous services, as well as procurement of materials  
14 and supplies provided by the Procuring Entity for such  
15 services;

16 (m) *GPPB* – refers to the Government Procurement  
17 Policy Board established in accordance with Article XIX of  
18 this Act;

19 (n) *Head of the Procuring Entity (HoPE)* – refers to:  
20 (1) the head of the agency or the duly authorized official,  
21 for NGAs; (2) the governing board or its duly authorized  
22 official, for GOCCs, SUCs, and GFIs; or (3) the local chief  
23 executive, for LGUs: *Provided*, That in a department,  
24 bureau, office, or agency where the procurement is  
25 decentralized, the Head of each decentralized unit shall be  
26 considered as the HoPE subject to the limitations and

1 authority delegated by the head of the department, bureau,  
2 office or agency;

3 (o) *Infrastructure Projects* – include the  
4 construction, improvement, rehabilitation, demolition,  
5 repair, restoration, or maintenance of roads and bridges,  
6 railways, airports, seaports, communication facilities, civil  
7 works components of information technology projects,  
8 irrigation, flood control and drainage, water supply,  
9 sanitation, sewerage and solid waste management  
10 systems, shore protection, energy/power and electrification  
11 facilities, national buildings, school buildings, hospital  
12 buildings, and other related construction projects of the  
13 government;

14 (p) *Jury Duty* – refers to a responsibility in which  
15 the BAC, Technical Working Group (TWG), and  
16 Secretariat members, including end-users, give utmost  
17 priority to procurement assignments over all the other  
18 duties and responsibilities until the requirements for the  
19 procurement at hand are completed;

20 (q) *Legal Eligibility* – refers to having the legal  
21 capacity to act as an entity as evidenced by permits,  
22 licenses, and/or registrations required by law to engage in  
23 the business of manufacturing, distributing, or delivering  
24 the Goods, Infrastructure Projects, and Consulting  
25 Services being procured;



1           (r) *Lifecycle Cost* – refers to the total cost of  
2 ownership over the entire life span of an asset from its  
3 acquisition, operation, maintenance, and disposal;

4           (s) *Multi-Year Contractual Authority (MYCA)* –  
5 refers to the authority given to the Procuring Entity to  
6 procure multi-year projects in accordance with the form  
7 and conditions set by the Department of Budget and  
8 Management (DBM);

9           (t) *Philippine Government Electronic Procurement*  
10 *System (PhilGEPS)* – refers to the single electronic  
11 procurement portal managed by the Procurement Service  
12 (PS-DBM) as provided in Section 20 of this Act;

13           (u) *Philippine Products and Services* – refer to local  
14 goods, articles, materials, supplies, services, and intangible  
15 products which may be:

16           (1) unmanufactured goods, articles, materials, or  
17 supplies wholly obtained or produced in the Philippines;

18           (2) any good, article, material, and supplies  
19 produced, manufactured, or assembled in the Philippines  
20 which has a minimum local content as may be determined  
21 by the Department of Trade and Industry (DTI);

22           (3) services, which refer to the delivery of value or  
23 intangible acts or uses through high-level skills, expertise,  
24 labor, or some form of knowledge, technology- or process-  
25 intensive activities; or

1           (4) intangible products, which refer to properties  
2 without physical existence including, but not limited to,  
3 computer software and products of the creative industry.

4           (v) *Portal* – refers to a website that aggregates a  
5 wide variety of content for the purpose of attracting a large  
6 number of users;

7           (w) *Procurement* – refers to the acquisition of Goods  
8 and Consulting Services, and the contracting for  
9 Infrastructure Projects by the Procuring Entity.  
10 Procurement shall also include the lease of goods and real  
11 property. With respect to real property, its procurement  
12 shall be governed by the provisions of Republic Act No.  
13 10752, entitled “The Right-of-Way Act”, and other  
14 applicable laws, rules, and regulations;

15           (x) *Procuring Entity* – refers to any branch,  
16 department, bureau, office, agency, or instrumentality of  
17 the government, including SUCs, GOCCs, GFIs, and LGUs  
18 procuring Goods, Infrastructure Projects, and Consulting  
19 Services;

20           (y) *Technical Eligibility* – refers to having the  
21 experience or expertise to undertake the services or  
22 manufacture, distribute, or deliver the Goods,  
23 Infrastructure Projects, and Consulting Services being  
24 procured; and



1 analysis of available procurement modalities, risk  
2 management, and disposal procedures as may be  
3 applicable.

4 Procuring Entities shall likewise adopt a  
5 procurement strategy that includes fit-for-purpose and  
6 proportional approaches, considers the whole lifecycle of a  
7 procurement project, including its environmental impact,  
8 and aims to achieve value for money.

9 During the planning stage, the Procuring Entity shall  
10 ensure that the project has minimal economic, social, and  
11 environmental risks or negative impact during its lifecycle,  
12 and that the goods and services are procured with due  
13 consideration for responsible and sustainable consumption  
14 and production practices, and the national policy.

15 Measures, such as, but not limited to, rehabilitation  
16 of properties, condemnation/destruction of properties,  
17 transfer of properties to other government agencies, barter,  
18 donation, return to supplier/vendor, trade-in, sale to  
19 government officials/employees of the agency, public  
20 auction, negotiated sale, sale of junk or scrap and/or  
21 recycling, and direct negotiation shall be considered by the  
22 Procuring Entity in the development of its requirements  
23 for purposes of disposal at the end of the useful life of the  
24 property.

25 For subcontracting arrangements, the following rules  
26 shall apply to locally-funded projects and to projects

1 financed through official development assistance, except  
2 those covered by treaty provisions:

3 (a) The HoPE must provide prior approval to  
4 subcontracting;

5 (b) Subcontractors must meet eligibility criteria;

6 (c) The bidder or general contractor must disclose  
7 subcontractors during the bidding process;

8 (d) The general contractor shall remain liable for the  
9 subcontractor's actions, defaults, delays, and negligence;

10 (e) The general contractor and the subcontractor  
11 shall share liability in cases where safety standards or  
12 other labor standards are violated; and

13 (f) The value of the entire completed and accepted  
14 project, including the subcontracted portion, shall be  
15 recorded as experience of the general contractor, in  
16 particular:

17 (1) The subcontractor shall get credit for One  
18 hundred percent (100%) of the value of the subcontracted  
19 portion of the project;

20 (2) Subcontractors shall be eligible to concessional  
21 windows of GFIs that treat receivables from the  
22 government as loan security; the receivables of  
23 subcontractors due from their general contractor shall  
24 similarly be accepted as loan security by GFIs;

25 (3) Contract performance monitoring such as, but  
26 not limited to, the Constructors Performance Evaluation

1 System (CPES), shall also be mandatorily applied to the  
2 work of subcontractors.

3 To guarantee the usefulness throughout the whole  
4 lifecycle of goods to be procured, the Procuring Entity shall  
5 ensure that goods to be procured are brand-new: *Provided*,  
6 That the procurement of second-hand, refurbished or  
7 reconditioned goods, such as military, defense, or law  
8 enforcement equipment or materiel may be considered to  
9 secure a contract that is most advantageous to the  
10 government subject to the guidelines to be issued by the  
11 DBM and subject to compliance with relevant criteria, such  
12 as durability, remaining useful life, sustainability,  
13 maintenance cost, and warranty.

14 All procurement should be within the approved  
15 budget of the Procuring Entity. Consistent with  
16 government fiscal discipline measures, only those  
17 considered crucial to the efficient discharge of  
18 governmental functions shall be included in the Annual  
19 Procurement Plan (APP), which shall at least include the  
20 following:

- 21 (a) Name of the project/procurement;
- 22 (b) Project management office/end-user unit;
- 23 (c) General description of the  
24 project/procurement;
- 25 (d) Procurement methods to be adopted and  
26 indicating if the procurement tasks are to be outsourced;

- 1 (e) Criteria for bid evaluation;
- 2 (f) Time schedule;
- 3 (g) Source of funds; and
- 4 (h) Approved budget for the contract.

5 No government procurement shall be undertaken  
6 unless it is in accordance with the approved APP or  
7 indicative APP of the Procuring Entity, as the case may be.  
8 The APP shall be approved by the HoPE and must be  
9 consistent with its duly approved yearly budget or  
10 proposed budget in the case of the indicative APP. The  
11 APP shall be formulated and revised only in accordance  
12 with the guidelines set forth in the IRR.

13 SEC. 8. *Detailed Engineering for the Procurement of*  
14 *Infrastructure Projects.* – With the exception of an  
15 Infrastructure Project under a design-and-build scheme, no  
16 bidding and award of contract for Infrastructure Projects  
17 shall be made unless the detailed engineering  
18 investigations, surveys, and designs for the project which  
19 shall consider among others the impact on the  
20 environment have been sufficiently carried out and duly  
21 approved in accordance with the standards and  
22 specifications prescribed by the HoPE concerned or the  
23 duly authorized representative, and the acquisition of  
24 right-of-way pursuant to Republic Act No. 10752 has been  
25 accomplished.

1 Procuring Entities may consider architectural design  
2 that is well-curated and aesthetic to ensure that the  
3 infrastructure project not only meets functional  
4 requirements but also contributes to its overall appeal and  
5 architectural integrity.

6 SEC. 9. *Multi-Year Contracting.* – NGAs, including  
7 SUCs, implementing multi-year programs, activities, and  
8 projects shall request the DBM for the issuance of a MYCA  
9 prior to the commencement of any procurement activity for  
10 multi-year projects: *Provided,* That for multi-year projects  
11 to be funded from internally generated income of SUCs,  
12 the SUC shall secure the prior authority from its board  
13 before starting any procurement activities covering the full  
14 contract cost.

15 In the case of GOCCs, GFIs, and SUCs, they shall  
16 secure prior authority from their respective governing  
17 boards before commencing any procurement activities for  
18 multi-year projects covering the full contract cost. For  
19 LGUs, they shall secure any equivalent document issued  
20 by their respective Sanggunian authorizing them to enter  
21 into multi-year contracts. The total project cost reflected in  
22 the MYCA or its equivalent document shall be the basis or  
23 reference for the ABC of the procurement contract.

24 SEC. 10. *Market Scoping.* – To ensure proper and  
25 strategic procurement planning, a Procuring Entity shall  
26 conduct market scoping as a preliminary undertaking in



1 preparing its Project Procurement Management Plan  
2 (PPMP), which covers the proper cost estimation, project  
3 design and specifications, technical and selection criteria,  
4 delivery lead time, storage or warehousing requirements,  
5 related industry practices, and other relevant market  
6 information.

7 Market scoping may include the following activities:  
8 consultations with suppliers, contractors or consultants,  
9 professional associations or groups; participation in  
10 summits, fora or conferences; evaluation of market  
11 reviews; review of product or service brochures and  
12 marketing materials, industry journals and publications,  
13 and other related materials and publications; price  
14 sourcing for quotations or cost estimates from suppliers,  
15 contractors or consultants; use of relevant data from the  
16 PhilGEPS or agency websites to serve as a guide or  
17 reference; or any analogous activity for the purpose of  
18 gathering relevant market information.

19 SEC. 11. *Specifications.* – Specifications for the  
20 procurement of goods, as well as the Goods component of  
21 Infrastructure Projects and Consulting Services, shall be  
22 based on any or a combination of the following: relevant  
23 characteristics; performance or functionality requirements;  
24 or product or service standards specified by appropriate  
25 government entities or similar international bodies.

1 Reference to a brand name shall not be allowed  
2 except for reasons of technical compatibility,  
3 interoperability, servicing, maintenance, or preservation of  
4 supplier warranty in order to keep the performance,  
5 functionality, and useful life of the equipment, in which  
6 case, the Procuring Entity shall indicate the reasons or  
7 justifications for availing of the exception.

8 SEC. 12. *Early Procurement Activities.* – For Goods to  
9 be delivered, Infrastructure Projects to be implemented,  
10 and Consulting Services to be rendered in the following  
11 fiscal year, Procuring Entities are authorized to undertake  
12 early procurement activities pending the approval of the  
13 funding thereof.

14 The conduct of early procurement activities shall be  
15 made only upon approval of the indicative APP by the  
16 HoPE. No award of contract shall be made until the  
17 approval and effectivity of the appropriate funding.

18 In case of projects requiring acquisition of right-of-  
19 way, no award of contract shall likewise be made until an  
20 authority or permit to enter is issued by the property  
21 owner; or a notarized deed of sale or deed of donation is  
22 executed in favor of the government; or a writ of possession  
23 is issued by a court of competent jurisdiction, as the case  
24 may be.

25 SEC. 13. *Lifecycle Assessment and Lifecycle Cost*  
26 *Analysis.* – To further support strategic procurement

1 management and ensure smart and prudent use of  
2 government resources, Procuring Entities shall apply  
3 Lifecycle Assessment (LCA) and Lifecycle Cost Analysis  
4 (LCCA) in project planning, eligibility and selection  
5 criteria, or contract implementation: *Provided*, That the  
6 GPPB shall issue appropriate guidelines on the application  
7 of LCCA .

8       SEC. 14. *Design-and-Build Scheme for Infrastructure*  
9 *Projects.* – In preparing for a procurement project,  
10 Procuring Entities may consider employing the design-and-  
11 build scheme as a procurement approach whereby a single  
12 contractor is responsible for both design and construction  
13 of the government building, which allows quality  
14 assurance and effective cost and schedule management.

15       SEC. 15. *Engagement of a Procurement Agent.* – As  
16 part of strategic procurement planning, the HoPE may  
17 authorize the engagement of a government procurement  
18 agent, which shall undertake the functions of the BAC, if  
19 the Procuring Entity does not have the capability or  
20 proficiency to undertake a particular procurement:  
21 *Provided*, That the Procuring Entity cannot delegate the  
22 issuance of award and the award of contract to the  
23 procurement agent and there shall be no transfer of funds  
24 to the procurement agent, except for the payment of service  
25 fee, if applicable.

1           The engagement of a procurement agent shall be  
2 further subject to the following conditions:

3           (a) Made on a per procurement project basis;

4           (b) Limited to procurement undertaken through  
5 competitive bidding; *Provided*, That in instances where the  
6 Procuring Entity lacks sufficient qualified personnel to  
7 constitute its own BAC, the Procuring Entity may engage a  
8 procurement agent to undertake other modes of  
9 procurement;

10          (c) The procurement agent should be another  
11 government agency expert in the field which is the subject  
12 of procurement. This shall be expressly provided in the  
13 Memorandum of Agreement (MOA) with the Procuring  
14 Entity;

15          (d) Have at least one (1) representative from the  
16 Procuring Entity to be designated as a member of the  
17 Technical Working Group (TWG) of the procurement agent  
18 to ensure that technical specifications or terms of reference  
19 of the Procuring Entity are properly reflected in the  
20 bidding documents;

21          (e) Have a representative from the Procuring Entity  
22 designated as a provisional member of the BAC of the  
23 procurement agent; and

24          (f) Covered by a MOA that is executed between the  
25 Procuring Entity and the procurement agent, providing the  
26 details of the procurement project to be procured; the

1 accountabilities and obligations of the two (2) parties; the  
2 ABC; services fees, if applicable; and such other details as  
3 may be necessary. The MOA shall be in effect at least six  
4 (6) months before the end of the validity of the relevant  
5 appropriations as authorized in the relevant  
6 appropriations law, or in the corporate operating budgets  
7 or appropriations ordinances, in the case of GOCCs, GFIs,  
8 and LGUS respectively. In no case shall the undertakings  
9 of the MOA contravene this provision and its IRR to be  
10 issued by the GPPB.

11 Procuring Entities with existing MOAs with a  
12 procurement agent which have not yet been implemented  
13 upon effectivity of this Act are encouraged to revisit the  
14 same and amend as may be necessary to conform with this  
15 provision.

16 SEC. 16. *Use of Framework Agreement.* – Procuring  
17 Entities may use a framework agreement as a procurement  
18 strategy to expand the pool of prospective bidders, take  
19 advantage of economies of scale, minimize the  
20 administrative burden of conducting separate procurement  
21 activities, and generate time and money savings.

22 The framework agreement shall be in the nature of  
23 an option contract between the Procuring Entity and the  
24 bidder that stipulates the terms and conditions that would  
25 be applied in subsequent contracts for the procurement of  
26 Goods, Infrastructure Projects, and Consulting Services

1 with a single or multiple contractor, manufacturer,  
2 supplier, distributor, consultant, and service provider.

3       SEC. 17. *Pooled Procurement.* – Procuring Entities  
4 shall consider the advantages of a pooled procurement  
5 mechanism, as a procurement strategy, by collaborating or  
6 consolidating their requirements in a single, joint, bulk or  
7 group procurement in order to achieve greater value for  
8 money and procurement efficiency through demand  
9 aggregation, improve quality standards by combining  
10 technical capacity, and increase availability and secure  
11 sustainability of supplies.

12       SEC. 18. *Renewal of Regular and Recurring Services.*  
13 – The Procuring Entity may consider undertaking renewal  
14 of regular and recurring services to facilitate the  
15 immediate implementation of procurement projects. The  
16 duration for each renewal contract shall not exceed one (1)  
17 year.

18       SEC. 19. *Warehousing and Inventory System.* – For  
19 efficient planning for the storage and tracking of procured  
20 Goods, Procuring Entities may adopt a general system of  
21 warehousing and cloud-based inventory of procured goods,  
22 as may be necessary depending on the type, nature and  
23 volume of procurement undertaken by the Procuring  
24 Entity and subject to the availability of funds in  
25 accordance with applicable budgeting, accounting, and  
26 auditing rules and regulations.

1           The Procuring Entity, whenever applicable, shall  
2     develop guidelines for its warehousing functions, ensuring  
3     auditable systems that promote integrity and efficiency,  
4     and shall establish a compliance framework mandating  
5     training, audits, and transparent reporting.

6           The adoption of cloud-based inventory by NGAs,  
7     GOCCs, GFIs, SUCs, and LGUs shall be done in  
8     consultation with the Department of Information and  
9     Communications Technology (DICT) to ensure that the  
10    risks and vulnerabilities associated with data storage are  
11    adequately addressed through proper and effective security  
12    protocols.

### 13   ARTICLE III

#### 14                         PROCUREMENT BY ELECTRONIC MEANS

15         SEC. 20. *Procurement by Electronic Means.* – To  
16    promote greater transparency, accountability, operational  
17    efficiency, and value for money, the PhilGEPS shall be the  
18    single electronic portal that shall serve as the primary  
19    source of information and channel in the conduct of all  
20    procurement activities of the government. The PhilGEPS  
21    shall maintain an integrated system that covers  
22    procurement planning until payment. The PhilGEPS shall  
23    develop features that make pertinent information  
24    accessible and transparent at all stages of procurement,  
25    except procurements involving and affecting national  
26    security.

1           To take advantage of the significant built-in  
2 efficiencies of the PhilGEPS and the volume discounts  
3 inherent in bulk purchasing, through the centralized  
4 procurement undertaken by the PS-DBM, all Procuring  
5 Entities shall utilize the PhilGEPS for the procurement of  
6 CSEs in accordance with the rules and procedures to be  
7 established by the GPPB, in consultation with the PS-  
8 DBM. The PhilGEPS shall include the following innovative  
9 features and solutions: electronic bulletin board; registry of  
10 suppliers, manufacturers, distributors, contractors,  
11 consultants, and service providers; electronic catalogue;  
12 virtual store; electronic marketplace; electronic reverse  
13 auction; electronic small value procurement; electronic  
14 payment; and electronic bidding. Electronic signatures  
15 used for this purpose must comply with the standards set  
16 in Republic Act No. 8792 or the “Electronic Commerce Act”.

17           All Procuring Entities shall register with the  
18 PhilGEPS and ensure their access to an online network to  
19 facilitate open, speedy, and efficient online transmission,  
20 conveyance, and use of electronic data messages or  
21 electronic documents.

22           Procuring Entities with established electronic  
23 procurement systems shall provide for the seamless  
24 interface of systems with the PhilGEPS to ensure efficient  
25 sharing of procurement information.



1           SEC. 21. *Electronic Payment.* – The electronic and  
2 uniform payment system to be used by the Procuring  
3 Entity and suppliers, manufacturers, distributors,  
4 contractors, consultants, and service providers shall be  
5 defined in the context of the Integrated Financial  
6 Management Information System to be developed by the  
7 DBM, Commission on Audit (COA), and Department of  
8 Finance (DOF).

9           SEC. 22. *Security, Integrity and Confidentiality.* – The  
10 PhilGEPS shall ensure the security, integrity, and  
11 confidentiality of documents submitted, stored, and  
12 managed through the system. It shall include features  
13 that provide for an audit trail of electronic transactions  
14 and allow the COA to verify the security and integrity of  
15 the system at any time.

16           SEC. 23. *Systems Interconnectivity between*  
17 *Government Agencies.* – Notwithstanding the provisions of  
18 Republic Act No. 10173, otherwise known as the “Data  
19 Privacy Act of 2012”, the GPPB is hereby authorized to  
20 promulgate rules to ensure the interconnectivity of the  
21 following government databases:

22           (a) PhilGEPS in relation to the Government of the  
23 Philippines Official Merchants Registry (GoP-OMR);

24           (b) DTI on its database relating to business  
25 registration, list of all ongoing projects in public and

1 private sector, and records of priority domestic goods and  
2 services;

3 (c) Construction Industry Authority of the  
4 Philippines (CIAP) on the Contractor's Performance  
5 Evaluation System (CPES) and the Philippine Contractors'  
6 Assessment Board (PCAB) on the licensing of contractors;

7 (d) All LGUs on their issuance of permits and  
8 licenses;

9 (e) Bureau of Internal Revenue (BIR) on tax returns  
10 and clearance;

11 (f) Securities and Exchange Commission (SEC) and  
12 Cooperative Development Authority (CDA) on mandatory  
13 submissions of all registered enterprises and beneficial  
14 ownership information;

15 (g) Insurance Commission (IC) on the list of  
16 identified surety companies providing callable-on-demand  
17 surety contracts;

18 (h) Procuring Entities with established electronic  
19 procurement systems and websites on the status of  
20 projects, contracts, and performance of its respective  
21 winning bidders; and

22 (i) Other relevant government agencies, as may be  
23 determined by the GPPB:

24 *Provided*, That the GPPB shall coordinate with the DICT,  
25 PS-DBM, DTI, CIAP, LGUs, BIR, SEC, CDA, IC, and other  
26 relevant government agencies to ensure the

1 implementation of this section: *Provided, further*, That at  
2 all times, the sharing of information between and among  
3 government agencies and instrumentalities shall protect  
4 trade secrets and promote competition.

5       SEC. 24. *Procurement Data Analytics*. – The GPPB,  
6 through its Technical Support Office (TSO), shall analyze  
7 the data obtained from the PhilGEPS and submitted  
8 procurement reports to ensure disclosure of information  
9 related to the procurement process. The GPPB shall  
10 publish an annual report on its website for the following  
11 purposes:

12       (a) Assist Procuring Entities in the strategic  
13 planning of their procurement projects;

14       (b) Assist oversight bodies in formulating and  
15 implementing data-driven effective procurement policies  
16 and rules pursuant to the State policy under Section 2 of  
17 this Act;

18       (c) Assist government agencies in identifying and  
19 detecting patterns that could help deter or mitigate fraud  
20 and non-competitive practices; and

21       (d) Facilitate public awareness, active participation,  
22 and monitoring of government procurement processes.

23       SEC. 25. *Maintenance, Update, and Backup*. – The  
24 PhilGEPS shall undertake periodic maintenance and  
25 upgrading of all its systems. It shall formulate a business  
26 continuity plan which shall include features such as, but

1 not limited to, the establishment of backup sites, and  
2 regular backup of all information to maintain the integrity  
3 of the system and minimize risks of halts or interruptions  
4 in operations.

#### 5 ARTICLE IV

#### 6 MODES OF PROCUREMENT

7 SEC. 26. *Modes of Procurement.* – The Procuring  
8 Entity shall adopt any of the following modes of  
9 procurement consistent with the fit-for-purpose  
10 procurement approach:

- 11 (a) Competitive Bidding;
- 12 (b) Limited Source Bidding;
- 13 (c) Competitive Dialogue;
- 14 (d) Unsolicited Offer with Bid Matching;
- 15 (e) Direct Contracting;
- 16 (f) Direct Acquisition;
- 17 (g) Repeat Order;
- 18 (h) Small Value Procurement;
- 19 (i) Negotiated Procurement;
- 20 (j) Direct Sales; and
- 21 (k) Direct Procurement for Science, Technology and  
22 Innovation.

23 The specific terms and conditions for the application  
24 of each mode of procurement shall be specified in the IRR:  
25 *Provided*, That the GPPB is authorized to approve changes  
26 in the procurement process to adapt to improvements in

1 modern and emerging technologies: *Provided, further*, That  
2 such modifications are consistent with the provisions of  
3 Section 3 of this Act.

4 SEC. 27. *Competitive Bidding*. – A mode of  
5 procurement which is open to participation by any eligible  
6 bidder and which consists of the following processes:

- 7 (a) Publication;  
8 (b) Pre-bid conference;  
9 (c) Eligibility screening of prospective bidders;  
10 (d) Receipt and opening of bids;  
11 (e) Evaluation of bids;  
12 (f) Post-qualification; and  
13 (g) Award of contract.

14 Notwithstanding the applicability of the other modes  
15 of procurement defined herein, the Procuring Entity may  
16 adopt competitive bidding in its procurement activity.

17 SEC. 28. *Limited Source Bidding*. – A mode of  
18 procurement that involves direct invitation to bid by the  
19 Procuring Entity to a set of pre-selected suppliers or  
20 consultants with known experience and proven capability  
21 relative to the requirements of a particular contract.

22 Limited source bidding may only be resorted to in  
23 any of the following conditions:

- 24 (a) Procurement of highly specialized types of Goods  
25 and Consulting Services which are known to be obtainable  
26 only from a limited number of sources;

1 (b) Procurement of major plant components where it  
2 is deemed advantageous to limit the bidding to known  
3 eligible bidders in order to maintain an optimum and  
4 uniform level of quality and performance of the plant as a  
5 whole; or

6 (c) Procurement of highly specialized Infrastructure  
7 Projects involving and affecting national security.

8 SEC. 29. *Competitive Dialogue*. – A mode of  
9 procurement that employs a two-stage bidding process  
10 where the Procuring Entity invites suppliers,  
11 manufacturers, distributors, contractors, consultants, and  
12 service providers to a dialogue to propose solutions to  
13 address its needs and requirements.

14 Upon the submission of their initial technical  
15 proposals, without price tenders, eligible bidders shall be  
16 engaged in a dialogue to finalize the project requirements.  
17 Bidders shall then submit their technical and financial  
18 proposals which shall be subjected to the bid evaluation  
19 and post-qualification processes prescribed under this Act.  
20 Competitive dialogue may be resorted to if any of the  
21 following conditions are present:

22 (a) The procurement includes innovative design or  
23 solutions involving procurement of complex purchases such  
24 as, but not limited to, sophisticated products, intellectual  
25 services, or major information and communications  
26 technology projects;

1 (b) The contract requires prior negotiations with the  
2 suppliers, manufacturers, distributors, contractors,  
3 consultants, and service providers because of specific  
4 circumstances related to the nature, complexity, legal and  
5 financial issues, or risks attached to the procurement; or

6 (c) The technical specifications cannot be sufficiently  
7 established or precisely defined by the Procuring Entity.

8 SEC. 30. *Unsolicited Offer with Bid Matching.* – A  
9 mode of procurement wherein the Procuring Entity may  
10 consider unsolicited offers on a negotiated basis for Goods  
11 and Consulting Services: *Provided*, That the following  
12 conditions are met:

13 (a) The procurement involves a new concept or  
14 technology as determined by the HoPE; and

15 (b) The Procuring Entity has invited comparative or  
16 competitive bids.

17 The contract shall be awarded to the original offeror  
18 if: (1) no comparative or competitive bid is received within  
19 the period prescribed in the IRR; (2) the bids submitted by  
20 the comparative offerors failed at bid opening; or (3) the  
21 original offeror matched or submits a lower price proposal  
22 against the comparative or competitive bid.

23 For purposes of this mode of procurement, and when  
24 the new concept or technology is acceptable, the Procuring  
25 Entity may secure funds from available sources, subject to  
26 government budgeting, accounting, and auditing rules.

1           SEC. 31. *Direct Contracting.* – A mode of procurement  
2 wherein the supplier is required to submit a price  
3 quotation or a pro-forma invoice together with the  
4 conditions of sale, which may be accepted immediately or  
5 after some negotiations. Direct contracting may only be  
6 resorted to in any of the following conditions:

7           (a) When the goods are of proprietary nature, which  
8 can be obtained only from the proprietary source, or when  
9 patents, trade secrets, and copyrights prohibit others from  
10 manufacturing the same item;

11           (b) When the procurement of critical components  
12 from a specific manufacturer, supplier, or distributor is a  
13 condition precedent to hold a contractor to guarantee its  
14 project performance, in accordance with the provisions of  
15 the contract; or

16           (c) When it is sold by an exclusive dealer or  
17 manufacturer which does not have sub-dealers selling at  
18 lower prices and for which no suitable substitute can be  
19 obtained at more advantageous terms to the government.

20           SEC. 32. *Direct Acquisition.* – A mode of procurement  
21 wherein, subject to compliance with the identified legal,  
22 technical and financial requirements, a Procuring Entity  
23 may procure directly from any known and reputable  
24 source, its required non-CSEs and CSEs not available in  
25 the PS-DBM and services with an ABC not exceeding Two  
26 hundred thousand pesos (P200,000.00). The threshold



1 amount can be adjusted as may be deemed appropriate by  
2 the GPPB to reflect changes in economic conditions and for  
3 other justifiable reasons.

4 SEC. 33. *Repeat Order.* – A mode of procurement  
5 wherein, the Procuring Entity may procure goods from the  
6 previous winning bidder whenever there arises a need to  
7 replenish the goods procured under a contract previously  
8 awarded through bidding. Repeat order shall be subject to  
9 the post-qualification process prescribed in the bidding  
10 documents and all the following conditions:

11 (a) The unit price must be equal to or lower than  
12 that provided in the original contract;

13 (b) Except in special circumstances as may be  
14 defined in the IRR, the repeat order shall be availed of only  
15 within six (6) months from the date of the notice to proceed  
16 arising from the original contract; and

17 (c) The repeat order shall not exceed twenty-five  
18 percent (25%) of the quantity of each item in the original  
19 contract.

20 SEC. 34. *Small Value Procurement.* – A mode of  
21 procurement whereby the Procuring Entity requests for  
22 the submission of at least three (3) price quotations for  
23 Goods not available in the PS-DBM, Infrastructure  
24 Projects, and Consulting Services. The receipt of one (1)  
25 quotation is sufficient to proceed with the evaluation of  
26 bidders: *Provided*, That the amount involved does not

1 exceed Two million pesos (P2,000,000.00) subject to the  
2 periodic review of the threshold amount and adjustments  
3 as may be deemed appropriate by the GPPB.

4 In the case of LGUs, the GPPB is authorized to  
5 adjust the threshold amount based on the LGU income  
6 classification.

7 SEC. 35. *Negotiated Procurement.* – Negotiated  
8 procurement shall be allowed only in the following  
9 instances:

10 (a) Two Failed Biddings. In case of two (2) failed  
11 biddings, as provided in Section 64 hereof;

12 (b) Emergency Cases. In case of imminent danger to  
13 life or property during a state of calamity, or when time is  
14 of the essence arising from natural or man-made  
15 calamities or other causes where immediate action is  
16 necessary to prevent damage to or loss of life or property,  
17 or to restore vital public services, infrastructure facilities,  
18 and other public utilities;

19 (c) Take-over of Contracts. Take-over of contracts  
20 which have been rescinded or terminated for causes  
21 provided for in the contract and existing laws, where  
22 immediate action is necessary to prevent damage to or loss  
23 of life or property, or to restore vital public services,  
24 infrastructure facilities, and other public utilities;

25 (d) Adjacent or Contiguous. Where the subject  
26 contract is adjacent or contiguous to an ongoing

1 Infrastructure Project or Consulting Service: *Provided*,  
2 That the original contract is the result of a competitive  
3 bidding; the subject contract to be negotiated has similar or  
4 related scopes of work; it is within the contracting capacity  
5 of the contractor; the contractor uses the same prices or  
6 lower unit prices as in the original contract less  
7 mobilization cost; the amount involved does not exceed the  
8 amount of the ongoing project; and the contractor has no  
9 negative slippage: *Provided, further*, That negotiations for  
10 the procurement are commenced before the expiry of the  
11 original contract. Whenever applicable, this principle shall  
12 also govern consultancy contracts, where the consultants  
13 have unique experience and expertise to deliver the  
14 required service;

15 (e) Agency-to-Agency. Procurement of Goods,  
16 Infrastructure Projects, and Consulting Services from  
17 another agency of the government which has the mandate  
18 and the absorptive capacity to undertake the project, as  
19 certified by the servicing agency and validated by the  
20 Procuring Entity;

21 (f) Scientific, Scholarly or Artistic Work, Exclusive  
22 Technology and Media Services. Where Goods,  
23 Infrastructure Projects and Consulting Services can be  
24 contracted to a particular supplier, contractor or  
25 consultant and as determined by the HoPE, for any of the  
26 following:

- 1           (1) Work of art; commissioned work or services for  
2           creative design or a specific artist skill;
- 3           (2) Restorative works for the conservation of  
4           historical and culturally significant structures;
- 5           (3) Scientific, academic, scholarly work or research,  
6           or legal services;
- 7           (4) Highly-specialized life-saving medical and  
8           biotech equipment and devices, medicine,  
9           supplies, materials, tools and consumables, as  
10          certified by the Department of Health (DOH);
- 11          (5) Scientific, technical, economic, business, trade or  
12          legal journal, magazine, paper, subscription, or  
13          other exclusive statistical publications and  
14          references; or
- 15          (6) Media documentation, advertisement, or  
16          announcement through television, radio,  
17          newspaper, internet, and other communication  
18          media.
- 19          (g) Highly Technical Consultants. In the case of  
20          individual consultants hired to do work that is (1) highly  
21          technical or proprietary; or (2) primarily confidential or  
22          policy determining: *Provided*, That in both instances, trust  
23          and confidence are the primary consideration for the hiring  
24          of the consultant: *Provided, however*, That the term of the  
25          individual consultants shall, at the most, be on a yearly

1 basis, renewable at the option of the appointing HoPE, but  
2 in no case shall exceed the term of the latter;

3 (h) Defense Cooperation Agreements and Inventory-  
4 Based Items. The Secretary of National Defense may  
5 directly negotiate with an agency or instrumentality of  
6 another country with which the Philippines has entered  
7 into a defense cooperation agreement or otherwise  
8 maintains diplomatic relations when the procurement  
9 involves major defense equipment or materiel and/or  
10 defense-related consultancy services subject to the  
11 following conditions:

12 (1) The Secretary of National Defense has deemed it  
13 necessary in order to protect the interest of the  
14 country;

15 (2) The expertise or capability required is not locally  
16 available; and

17 (3) The defense equipment or materiel and/or  
18 defense-related consultancy services to be  
19 procured under this modality is included in the  
20 Armed Forces of the Philippines Modernization  
21 Program previously approved by the President of  
22 the Philippines.

23 In the interest of national security, the Secretary of  
24 National Defense may also directly negotiate with a  
25 supplier or manufacturer in procuring inventory-based

1 items, pertaining to major defense equipment or materiel,  
2 subject to the following conditions:

3 (1) Direct negotiation will address compatibility,  
4 interoperability, and sustainability;

5 (2) The supplier or manufacturer had fully and  
6 satisfactorily implemented a contract of the same  
7 item with the Department of National Defense (DND)  
8 or any of its bureaus or attached agencies, or law  
9 enforcement agencies; and

10 (3) The supplier or manufacturer shall provide a  
11 performance security in accordance with this Act.

12 Law enforcement agencies may utilize this mode  
13 when the aforementioned conditions are met. These  
14 agencies are the Philippine National Police (PNP),  
15 including the PNP Maritime Group (PNP-MG) and the  
16 PNP Aviation Security Group (PNP-AVSEGROUP),  
17 Philippine Drug Enforcement Agency (PDEA), Bureau of  
18 Immigration (BI), Office for Transportation Security (OTS),  
19 Bureau of Fire Protection (BFP), National Bureau of  
20 Investigation (NBI), Presidential Security Group (PSG),  
21 National Police Commission (NAPOLCOM), Bureau of Jail  
22 Management and Penology (BJMP), Bureau of Corrections  
23 (BuCor), and Philippine Coast Guard (PCG).

24 (i) Lease of Real Property and Venue. For lease of  
25 real property and venue for official use, it is preferred that  
26 government agencies lease publicly-owned real property or

1 venue from other government agencies. If there is an  
2 available publicly-owned real property or venue that  
3 complies with the requirements of the Procuring Entity, it  
4 may enter into a contract of lease with the government-  
5 agency owner. In the event that the Procuring Entity  
6 would resort to privately-owned real property or venue, the  
7 end-user unit shall justify that the same is more efficient  
8 and economical to the government;

9 (j) NGO Participation. When an appropriation law  
10 or ordinance earmarks an amount to be specifically  
11 contracted out to non-governmental organizations (NGOs),  
12 the Procuring Entity may enter into a MOA with an NGO;

13 (k) Community Participation. The Procuring Entity  
14 may directly purchase agricultural and fishery products  
15 from local farmers and fisherfolk and directly negotiate  
16 simple Infrastructure Projects from local communities or  
17 social group or members thereof. For this purpose,  
18 community or social groups may be classified as organized  
19 or unorganized. Organized community or social group  
20 (OCSG) shall refer to a community or social group that has  
21 a defined organizational structure, identified membership  
22 and leadership, and adopts a principle of shared  
23 responsibility for their actions and shall be registered with  
24 the appropriate regulatory bodies. It shall include  
25 Microenterprises. Unorganized community or social group  
26 (UCSG) shall refer to a community or social group that is

1 not registered in any government regulatory body or a  
2 member of a duly recognized private organization, which  
3 include, but are not limited to, community labor groups or  
4 “pakyaw” groups, social enterprises, associations of  
5 barangay health workers, farmers, fisherfolk, women,  
6 elderly, indigenous peoples, parent-teacher associations,  
7 solo parents, and persons with disabilities;

8 (l) United Nations Agencies, International  
9 Organizations or International Financing Institutions.  
10 Procurement from specialized agencies of the UN,  
11 international organizations or international financing  
12 institutions, of any of the following:

13 (1) Small quantities of off-the-shelf goods,  
14 exclusively used in education and health;

15 (2) Specialized products where the number of  
16 suppliers is limited, such as vaccines; or

17 (3) Goods and Consulting Services involving  
18 advanced technologies, techniques and  
19 innovations not locally available as certified by  
20 the DTI, when it is most advantageous to the  
21 Procuring Entity;

22 (4) Goods for critical public health priorities as  
23 determined by the DOH;

24 (m) Direct Retail Purchase of Petroleum Fuel, Oil  
25 and Lubricant (POL) Products, electronic charging devices,  
26 and Online Subscriptions. Direct retail purchase of POL



1 products; electronic charging devices; and online  
2 subscriptions not available in the PS-DBM may be made  
3 by end-users delegated to procure the same from identified  
4 direct suppliers or service providers, where goods and  
5 services are required by a Procuring Entity for the efficient  
6 discharge of its principal functions or day-to-day  
7 operations. Online subscription includes (1) computer  
8 software and applications such as video conferencing  
9 applications, computer-aided design and drafting  
10 applications, office productivity tools, and system  
11 protection software; (2) electronic publications, reference  
12 materials and journals; (3) off-the-shelf software and  
13 applications, except internet and cloud computing services;  
14 and (4) web-based services.

15 The GPPB may provide an amendment on the above  
16 enumeration or make an additional type of negotiated  
17 procurement subject to the following conditions:

- 18 (1) The Procuring Entity has requested the GPPB  
19 for the use of negotiated procurement of Goods,  
20 Infrastructure Projects or Consulting Services  
21 with utmost necessity and justification;
- 22 (2) The GPPB shall have findings that any of the  
23 existing modes of procurement will be impossible  
24 or defeats the purpose of the procurement;
- 25 (3) The Goods, Infrastructure Projects or Consulting  
26 Services are better identified by the Procuring

1 Entity on its distinctiveness and uniqueness to a  
2 procurement program, activity or project; and

3 (4) Other circumstances that may be identified by  
4 the GPPB which justifies the addition of a new  
5 type of negotiated procurement that will address  
6 the concerns of one (1) or more government  
7 agencies.

8 SEC. 36. *Direct Sales.* – A mode of procurement of  
9 non-CSEs where a Procuring Entity directly purchases  
10 from a supplier that has satisfactorily delivered non-CSEs  
11 to another government agency under a completed contract.  
12 Direct sales may only be resorted to when all of the  
13 following conditions are met:

14 (a) The procurement contract by the original  
15 government agency that procured the non-CSEs was  
16 awarded through bidding;

17 (b) The government agency that originally procured  
18 the non-CSEs has inspected and accepted the same, and  
19 has issued a certification that the supplier has  
20 satisfactorily performed its obligations under the contract;

21 (c) The procurement for the same non-CSEs by the  
22 Procuring Entity shall only be initiated once within six (6)  
23 months from the acceptance of the non-CSEs by the  
24 original government agency;

25 (d) The contract to be executed between the  
26 Procuring Entity and the supplier must be within the

1 amount of the contract executed with the original  
2 government agency, and that the supplier must offer the  
3 non-CSEs to the Procuring Entity at the same or lower  
4 unit price offered to the original government agency; and

5 (e) The supplier agreed to the terms offered by the  
6 Procuring Entity and remains legally, technically, and  
7 financially capable to undertake the contract with the  
8 Procuring Entity.

9 For purposes of this provision, the original  
10 government agency shall provide a copy of the relevant  
11 procurement documents and papers with the Procuring  
12 Entity for procurement, budgeting, accounting and  
13 auditing purposes.

14 *SEC. 37. Direct Procurement for Science, Technology*  
15 *and Innovation.* – A mode of procurement where the  
16 Procuring Entity may procure the following goods and  
17 services directly from a legally, technically and financially  
18 capable manufacturer or supplier, or from a qualified  
19 startup business:

20 (a) Supplies, materials, equipment, and related  
21 services to be used actually, exclusively, and directly in the  
22 conduct of research and development projects or activities;

23 (b) Goods which include products of a commissioned  
24 task by a Procuring Entity which was processed,  
25 developed, and manufactured in satisfaction of its needs  
26 and requirements. These include: (1) pre-commercial goods

1 and services that involve early market engagement to  
2 stimulate the development of new goods and services that  
3 meet specific government needs; and (2) goods to be  
4 manufactured by qualified startup businesses alongside  
5 the thrust to develop and support new and startup  
6 businesses.

7 Unless otherwise indicated in a written agreement,  
8 the intellectual property rights and ownership over the  
9 commissioned goods developed and manufactured  
10 pursuant to this provision shall belong to the Procuring  
11 Entity, and no manufacturing or sale thereof can be  
12 performed by the supplier;

13 (c) Other analogous goods to the foregoing.

14 The GPPB, in coordination with the National  
15 Innovation Council (NIC), shall develop procurement  
16 policies encompassing the entire research, innovation, and  
17 enterprise ecosystem. To foster innovation, relevant  
18 government agencies shall expedite the release of Goods  
19 used in and documents necessary for science, technology,  
20 and innovation.

21 *SEC. 38. Video Recording of All Procurement-Related*  
22 *Conferences for Competitive Bidding.* – To enhance the  
23 transparency of the procurement process, the Procuring  
24 Entity shall keep a video recording of all procurement-  
25 related conferences for Competitive Bidding, which  
26 includes pre-procurement conference, pre-bid conference,

1 bid opening, and other meetings of the BAC. All  
2 procurement-related conferences for Competitive Bidding  
3 shall not commence without a video recording initiated by  
4 the BAC. The Procuring Entity shall also livestream the  
5 preliminary examination of the bids and the opening of the  
6 bids to the public on its website, social media account, or  
7 any other form of livestreaming services.

8 The mandatory video recording shall only apply for  
9 the procurement of Goods costing above Ten million pesos  
10 (P10,000,000.00), Infrastructure Projects costing above  
11 Twenty million pesos (P20,000,000.00), and Consulting  
12 Services costing above Five million pesos (P5,000,000.00)  
13 using Competitive Bidding as the mode of procurement.

14 The Procuring Entity shall ensure that copies of the  
15 video recording shall be stored for not less than five (5)  
16 years and shall be made available to the public upon  
17 request and payment of a fee.

18 When national security is involved, the HoPE shall  
19 decide whether or not to video record all procurement  
20 related conferences, taking into consideration the nature,  
21 classification, sensitivity, and confidentiality thereof.

22 The GPPB is authorized to adjust the threshold  
23 amounts and the storage period as may be deemed  
24 appropriate.

25 SEC. 39. *Prohibition on Splitting of Government*  
26 *Contracts.* – In using any of the modes of procurement

1 under Article IV of this Act, the Procuring Entity shall  
2 ensure that this does not result in splitting of government  
3 contracts, which involves dividing or breaking up of  
4 contracts into smaller quantities and amounts, or dividing  
5 contract implementation into artificial phases or sub-  
6 contracts for the purpose of evading or circumventing the  
7 requirements of this Act and its IRR: *Provided*, That  
8 procurement per unit, by lot or package, is allowed subject  
9 to the available budget, required quantity, product  
10 availability, delivery sites, geographical location and  
11 market capacity.

12 SEC. 40. *Procurement of CSE.* – All NGAs, GOCCs,  
13 GFIs, SUCs, and LGUs shall only procure their CSE from  
14 PS-DBM, subject to its availability. In cases of  
15 unavailability of stock, or for purposes of efficiency,  
16 practicality, and/or economic viability, Procuring Entities  
17 may procure their CSEs from other sources, subject to  
18 guidelines to be issued by the GPPB.

19 Due to the efficiency and economy of bulk purchasing,  
20 the PS-DBM may deal directly with manufacturers or  
21 exclusive distributors subject to legal, technical and  
22 financial requirements ensuring that products are obtained  
23 from reliable sources, of the best quality, and at the most  
24 advantageous price for the whole of government. Access to  
25 goods and equipment in economic lot sizes may likewise be

1 achieved by PS-DBM through consignment or any  
2 appropriate contractual arrangement.

3 For purposes of this section, consignment shall refer  
4 to an arrangement whereby the consignor gives actual or  
5 constructive possession of Goods, equipment and services  
6 to the consignee without transfer of ownership and  
7 disbursement of government funds between consignee and  
8 consignor, and such Goods, equipment and services are to  
9 be sold by the consignee for and on account of the consignor  
10 at terms advantageous to the government. The consignee  
11 shall remit the proceeds of the sale to the consignor, net of  
12 service fees, if applicable. The PhilGEPS electronic  
13 marketplace may be used as a consignment platform for  
14 Goods and equipment.

15 PS-DBM, which is tasked with the centralized  
16 procurement of CSE for the government in accordance with  
17 Letter of Instruction (LOI) No. 755, series of 1978, E.O. No.  
18 359, series of 1989, and Administrative Order No. 17,  
19 series of 2011, shall develop the parameters in the  
20 identification, expansion, and the definition of  
21 requirements and specifications of CSEs through the  
22 conduct of market scoping, market survey and market  
23 availability.

## ARTICLE V

## BIDS AND AWARDS COMMITTEE

1  
2  
3       SEC. 41. *The BAC and its Composition.* – Each  
4 Procuring Entity shall establish one (1) or several BACs as  
5 warranted by the volume and complexity of the  
6 procurement projects and to ensure the efficient and  
7 effective conduct of its procurement, as determined by the  
8 HoPE.

9       Each BAC shall have five (5) or seven (7) members, at  
10 the discretion of the HoPE. It shall be chaired by at least a  
11 third ranking permanent official of the Procuring Entity or  
12 in the absence thereof, a permanent official of the next  
13 lower rank other than the duly authorized representative  
14 of the HoPE. The members of the BAC shall be designated  
15 by the HoPE. However, in no case shall the HoPE or the  
16 approving authority be a member of the BAC and the Chief  
17 Accountant cannot be a regular member of the BAC.

18       Unless sooner removed for a cause, the members of  
19 the BAC shall have a fixed term of one (1) year reckoned  
20 from the date of designation, renewable at the discretion of  
21 the HoPE: *Provided*, That no member of the BAC shall  
22 serve for more than three (3) consecutive terms, except  
23 when allowed by the HoPE. In case of resignation,  
24 retirement, separation, transfer, reassignment, removal, or  
25 death, the replacement shall serve only for the unexpired  
26 term: *Provided*, That in case of leave or suspension, the



1 replacement shall serve only for the duration of the leave  
2 or suspension. For justifiable causes to be expressed in  
3 writing, a member shall be suspended or removed by the  
4 HoPE. For transfer of knowledge and experience,  
5 membership in the BAC shall allow for staggered  
6 designations, to be identified in the IRR.

7       SEC. 42. *Functions of the BAC.* – The BAC shall have  
8 the following functions:

9       (a) Recommend to the HoPE the use of any of the  
10 modes of procurement as provided in Article IV of this Act;

11       (b) Publish and/or post the invitation to bid;

12       (c) Conduct pre-procurement and pre-bid  
13 conferences;

14       (d) Determine the eligibility of prospective bidders;

15       (e) Receive bids;

16       (f) Conduct the evaluation of bids;

17       (g) Undertake post-qualification proceedings;

18       (h) Recommend award of contracts to the HoPE or  
19 the duly authorized representative: *Provided*, That in the  
20 event the HoPE shall disapprove such recommendation,  
21 such disapproval shall be based only on valid, reasonable,  
22 and justifiable grounds to be expressed in writing, copy  
23 furnished the BAC;

24       (i) Recommend the imposition of sanctions in  
25 accordance with Article XX;

1 (j) Prepare a procurement monitoring report that  
2 shall be approved and submitted by the HoPE to the GPPB  
3 on a semestral basis. The contents and coverage of this  
4 report shall be provided in the IRR; and

5 (k) Perform such other related functions as may be  
6 necessary, including the creation of a TWG from a pool of  
7 technical, financial, and/or legal experts to assist in the  
8 procurement process. The HoPE shall be informed of the  
9 creation of a TWG.

10 SEC. 43. *Observers.* – To enhance the transparency of  
11 the process, the BAC shall, in all stages of the procurement  
12 process, invite, in addition to the representative of the  
13 COA, at least two (2) observers to sit in its proceedings:  
14 one (1) from a duly recognized private group in a sector or  
15 discipline relevant to the procurement at hand, and the  
16 other from a civil society organization (CSO) or people’s  
17 organization (PO), as the case may be: *Provided,* That they  
18 do not have any direct or indirect interest in the contract to  
19 be bid out. The private group or CSO or PO shall be duly  
20 registered with the SEC or the CDA, as the case may be,  
21 and the observers therefrom shall meet the following  
22 qualifications:

23 (a) Knowledge, experience or expertise in  
24 procurement or in the subject matter of the contract bid;

25 (b) Absence of actual or potential conflict of interest  
26 in the contract to be bid out; and

1 (c) Any other relevant criteria that may be  
2 determined by the GPPB under the IRR:

3 *Provided, further,* That the head of the sector,  
4 discipline or organization duly certifies that the observer is  
5 a member in good standing. Each observer shall make a  
6 separate report on the conduct of the public bidding, its  
7 procedures, conditions, and problems, if any, which shall  
8 be submitted to the HoPE, the PhilGEPS and the COA.  
9 The GPPB shall prescribe the form of the report.

10 The GPPB shall maintain a registry or roster of  
11 qualified observers for the benefit of the Procuring Entities  
12 and shall have the authority to determine additional  
13 qualifications of the observers.

14 SEC. 44. *Procurement Unit.* – There shall be a  
15 procurement unit, division, or office in each Procuring  
16 Entity which shall serve as Secretariat to the BAC and  
17 perform other functions related to procurement as may be  
18 delegated by the HoPE. The creation of the procurement  
19 unit, division, or office shall be subject to the standards  
20 and guidelines prescribed by the DBM.

21 SEC. 45. *Honoraria.* – The Procuring Entity may  
22 grant payment of honoraria to all members of the BAC,  
23 regardless of position, TWG, and ad hoc Secretariat, in an  
24 amount not to exceed thirty percent (30%) of their  
25 respective basic monthly salaries, subject to availability of  
26 funds, which may be sourced from fees collected by the

1 BAC in relation to its procurement activities. The DBM  
2 shall promulgate the necessary guidelines for this purpose  
3 and may determine other sources of funds to implement  
4 the grant of honoraria.

5 SEC. 46. *Professionalization of Government*  
6 *Procurement Practitioners.* – In order to build a cadre of  
7 public procurement professionals, the DBM shall create  
8 procurement positions in the government based on the  
9 qualification standards recommended by the GPPB and  
10 approved by the Civil Service Commission (CSC). The  
11 GPPB shall ensure the professionalization of procurement  
12 practitioners and for this purpose, it shall develop the  
13 following:

14 (a) A competency framework to identify the skills,  
15 knowledge, and attribute of each of the procurement  
16 positions;

17 (b) A certification framework to upscale procurement  
18 competencies and ensure continued professional  
19 development;

20 (c) A code of ethics for public procurement  
21 professionals; and

22 (d) An inclusive capacity development program in  
23 order to enhance accountability of all procurement  
24 practitioners, both from the public and private sectors,  
25 promote supplier diversity, promote competition, and  
26 optimize efficiency and value for money.

1           Moreover, the Professional Regulation Commission  
2 (PRC), in consultation with the GPPB, shall establish,  
3 administer, and regulate a professional licensing program  
4 and the continuing education of public procurement  
5 professionals as a requirement for the holding of a  
6 procurement position in government.

7   ARTICLE VI

8                                 PREPARATION OF BIDDING DOCUMENTS

9           SEC. 47. *Form and Content of Bidding Documents.* –

10       The Bidding Documents shall be prepared by the Procuring  
11       Entity following the standard forms and manuals  
12       prescribed by the GPPB. The Bidding Documents shall  
13       include the following:

14           (a) Approved Budget for the Contract;

15           (b) Invitation to bid/request for expression of  
16       interest;

17           (c) Instructions to Bidders, including criteria for  
18       eligibility, bid evaluation and post-qualification, the weight  
19       assigned to each criterion and the quality-price ratio if  
20       awarded to the most economically advantageous  
21       responsive bid (MEARB), as well as the date, time and  
22       place of the pre-bid conference (where applicable),  
23       submission of bids and opening of bids;

24           (d) Terms of Reference;

25           (e) Scope of work, where applicable;

26           (f) Eligibility Requirements;

- 1 (g) Plans and Technical Specifications;
- 2 (h) Form of Bid, Price Form, and List of Goods or  
3 Bill of Quantities;
- 4 (i) Delivery Time or Completion Schedule;
- 5 (j) Form and Amount of Bid Security;
- 6 (k) Form and Amount of Performance Security and  
7 Warranty;
- 8 (l) Form of Contract, and General and Special  
9 Conditions of Contract; and
- 10 (m) Additional documentary requirements or  
11 specifications necessary to complete the information  
12 required for the bidders to prepare and submit their  
13 respective bids.

14 Based on specific needs, the end-user unit or  
15 implementing unit of the Procuring Entity shall be  
16 responsible for the preparation of all documents necessary  
17 for the procurement activity including, but not limited to,  
18 the technical specifications, scope of work, or terms of  
19 reference.

20 *SEC. 48. Access to Information.* – In all stages of the  
21 preparation of the Bidding Documents, the Procuring  
22 Entity shall ensure equal access to information. Prior to  
23 their official release, no aspect of the Bidding Documents  
24 shall be divulged or released to any prospective bidder or  
25 person having direct or indirect interest in the project to be

1 procured, or to any party, except those officially authorized  
2 in the handling of the documents.

3 In procurements involving and affecting national  
4 security, the disclosure of the specific components of the  
5 procurement documents, such as the technical  
6 specifications, requirements, and components, shall be  
7 dependent upon the HoPE, having due regard to the  
8 nature, classification, sensitivity, and confidentiality of the  
9 relevant documents vis-a-vis the purpose and reason for  
10 the request.

## 11 ARTICLE VII

### 12 INVITATION TO BID

13 SEC. 49. *Pre-Procurement Conference.* – Prior to the  
14 issuance of the Invitation to Bid, the BAC is mandated to  
15 hold a pre-procurement conference on each and every  
16 procurement, except those contracts below a certain level  
17 or amount specified in the IRR, in which case the pre-  
18 procurement conference is optional.

19 In procurements involving and affecting national  
20 security, the pre-procurement conference shall be  
21 dependent upon the HoPE, having due regard to the  
22 nature, classification, sensitivity, and confidentiality of the  
23 Goods, Infrastructure Projects, and Consulting Services  
24 being procured.

25 The pre-procurement conference shall assess the  
26 readiness of the procurement in terms of confirming the

1 certification of availability of funds, as well as reviewing  
2 all relevant documents in relation to their adherence to the  
3 law. This shall be attended by the BAC, the end-user unit  
4 or implementing unit, or officials who prepared the bidding  
5 documents and the draft invitation to bid. Consultants, if  
6 any, may likewise attend the pre-procurement conference,  
7 as necessary.

8 For the procurement of Goods and Infrastructure  
9 Projects, the BAC, based on the recommendation of the  
10 end-user unit, shall finally determine whether the contract  
11 will be awarded to the Lowest Calculated Responsive Bid  
12 (LCRB) or the MEARB. The GPPB is authorized to adopt  
13 other award criterion, such as, but not limited to, the most  
14 advantageous responsive bid, in the procurement of Goods  
15 and Infrastructure Projects consistent with the fit-for-  
16 purpose procurement approach. The specific terms and  
17 conditions of such award criterion shall be specified in the  
18 guidelines to be issued by the GPPB.

19 The MEARB, as an award criterion, may be used  
20 where the consideration of assigning weights for the  
21 technical and financial aspects of the project is more  
22 appropriate to recognize both the qualitative and economic  
23 values of the bid.

24 The period for the conduct of pre-procurement  
25 conference shall be provided in the IRR.



1           SEC. 50. *Publication and Contents of the Invitation to*  
2 *Bid.* – In line with the principle of transparency and  
3 competitiveness and to ensure the widest possible  
4 dissemination thereof, all invitations to bid shall be  
5 published continuously by the Procuring Entity, for seven  
6 (7) calendar days in the PhilGEPS, in any conspicuous  
7 place in the premises of the Procuring Entity, and in the  
8 website or social media platforms of the Procuring Entity,  
9 if available, or such other channels as may be authorized  
10 by the GPPB. For justifiable reasons, Procuring Entities  
11 that cannot publish procurement opportunities in its  
12 website, social media platform, or such other channels  
13 authorized by the GPPB shall publish its invitation to bid,  
14 at least once, in a newspaper of general nationwide  
15 circulation.

16           In procurements involving and affecting national  
17 security, publication shall be dependent upon the HoPE,  
18 having due regard to the nature, classification, sensitivity,  
19 and confidentiality of the Goods, Infrastructure Projects,  
20 and Consulting Services being procured.

21           The details and mechanics of implementation shall be  
22 provided in the IRR.

23           The Invitation to Bid shall contain, among others:

24           (a) A brief description of the subject matter of the  
25 procurement;

1 (b) A general statement on the criteria to be used by  
2 the Procuring Entity for the eligibility check, the  
3 examination and evaluation of Bids, and post-qualification:  
4 *Provided*, That in the case of procurement of Consulting  
5 Services, the invitation to bid shall also contain the criteria  
6 for the shortlisting of prospective bidders;

7 (c) For the procurement of Goods and Infrastructure  
8 Projects, whether the contract will be awarded to the  
9 LCRB or the MEARB;

10 (d) If the contract is to be awarded to the MEARB,  
11 the criterion to be used in assessing the bid, the weight or  
12 score assigned by the Procuring Entity to each criteria, and  
13 the quality-price ratio to determine the award;

14 (e) The date, time and place of the deadline for the  
15 submission and receipt of the eligibility requirements, the  
16 pre-bid conference, if any, the submission and receipt of  
17 bids, and the opening of bids;

18 (f) The ABC to be bid;

19 (g) The source of funds;

20 (h) The period of availability of the Bidding  
21 Documents, and the place where these may be secured;

22 (i) The contract duration; and

23 (j) Such other necessary information deemed  
24 relevant by the Procuring Entity.

25 SEC. 51. *Pre-bid Conference*. – At least one (1) pre-bid  
26 conference shall be conducted for each procurement, unless

1 otherwise provided in the IRR. Subject to the approval of  
2 the BAC, a pre-bid conference may also be conducted upon  
3 the written request of any prospective bidder.

4 The pre-bid conference(s) shall be held at least twelve  
5 (12) calendar days before the deadline for receipt of bids to  
6 allow prospective bidders to adequately prepare their bids,  
7 which shall be specified in the IRR.

8 For purposes of transparency, efficiency, and  
9 competitiveness, Procuring Entities may guide prospective  
10 bidders in the understanding and accomplishment of the  
11 necessary documents to support their participation in the  
12 procurement process: *Provided*, That in procurements  
13 involving and affecting national security, pre-bid  
14 conference shall be dependent upon the HoPE, having due  
15 regard to the nature, classification, sensitivity, and  
16 confidentiality of the Goods, Infrastructure Projects, and  
17 Consulting Services being procured.

## 18 ARTICLE VIII

### 19 RECEIPT AND OPENING OF BIDS

20 SEC. 52. *Eligibility Requirements for the Procurement*  
21 *of Goods, Infrastructure Projects, and Consulting Services.*

22 – The BAC or, under special circumstances specified in the  
23 IRR, its duly designated organic office shall require the  
24 submission of the prospective bidder’s valid and updated  
25 PhilGEPS Certificate of Registration and Membership to  
26 ensure that the bidder is technically, legally, and

1 financially capable to undertake the proposed project for  
2 the procurement of Goods, Infrastructure Projects, and  
3 Consulting Services within the period set forth in the  
4 Invitation to Bid.

5 A prospective bidder may be allowed to submit its  
6 eligibility requirements electronically. However, said  
7 bidder shall later on certify under oath as to the  
8 correctness of the statements made and the completeness  
9 and authenticity of the documents submitted.

10 For procurement of Goods and Infrastructure  
11 Projects, joint ventures may participate: *Provided*, That  
12 the primary purpose of each member of the joint venture  
13 must be similar or related to the requirement of the project  
14 to be bidden out; *Provided, further*, That each member of  
15 the joint venture shall be jointly and severally liable to the  
16 Procuring Entity in cases of breach or failure to comply  
17 with the requirements of the project.

18 The documents submitted to support the issuance of  
19 the PhilGEPS Certificate of Registration and Membership  
20 shall be subject to validation by the BAC during post-  
21 qualification.

22 The bidder shall ensure that its Certificate of  
23 Registration and Membership are current and updated.  
24 The failure to update its Certificate with the current and  
25 updated supporting documents shall result in the  
26 automatic suspension of the bidder's certificate.

1           SEC. 53. *Short-Listing for Consulting Services.* – The  
2 eligible prospective bidders for the procurement of  
3 Consulting Services shall be evaluated using numerical  
4 ratings on the basis of the short-listing requirements  
5 prescribed for the Competitive Bidding concerned, within  
6 the period stated in the Invitation to Bid to determine the  
7 short-list of bidders that shall be allowed to submit their  
8 respective bids.

9           SEC. 54. *Submission and Receipt of Bids.* – A bid  
10 shall have two (2) components, namely the technical and  
11 financial components, which should be in separate sealed  
12 envelopes, and which shall be submitted simultaneously.  
13 The bids shall be received by the BAC on such date, time,  
14 and place specified in the Invitation to Bid. The deadline  
15 for the receipt of bids shall be fixed by the BAC, providing  
16 sufficient time to complete the bidding process and giving  
17 the prospective bidders sufficient time to study and  
18 prepare their bids. The deadline shall also consider the  
19 urgency of the procurement involved.

20           Bids submitted after the deadline shall not be  
21 accepted.

22           Notwithstanding the provisions of this section and  
23 Section 53 of this Act, the GPPB shall adopt technological  
24 advances to enhance the procurement process, and  
25 leverage emerging technologies and innovative procedures

1 for the submission, receipt, and opening of bids through  
2 the PhilGEPS.

3       SEC. 55. *Modification and Withdrawal of Bids.* –  
4 Bidders may modify their bids: *Provided*, That this is done  
5 before the deadline for the receipt of bids. The modification  
6 shall be submitted in a sealed envelope duly identified as a  
7 modification of the original bid and stamped received by  
8 the BAC.

9       Bidders may, through a letter, withdraw their bids or  
10 express their intention not to participate in the bidding  
11 before the deadline for the receipt of bids. In such case,  
12 they shall no longer be allowed to submit another bid for  
13 the same contract either directly or indirectly.

14       SEC. 56. *Bid Security.* – All Bids under modes of  
15 procurement to be determined in the IRR shall be  
16 accompanied by a bid security, which shall serve as a  
17 guarantee that, after receipt of the Notice of Award, the  
18 winning bidder shall enter into contract with the Procuring  
19 Entity within the stipulated time and furnish the required  
20 performance security. The specific amounts and allowable  
21 forms of the bid security shall be prescribed in the IRR:  
22 *Provided*, That sectors enumerated under Section 76 of this  
23 Act may be allowed to post such other forms such as bid  
24 securing declaration.

25       SEC. 57. *Bid Validity.* – Bids and Bid securities shall  
26 be valid for such reasonable period of time indicated in the

1 Bidding Documents. The duration for each undertaking  
2 shall take into account the time involved in the process of  
3 bid evaluation and award of contract.

4 SEC. 58. *Bid Opening.* – The BAC shall publicly open  
5 all bids at the time, date, and place specified in the Bidding  
6 Documents: *Provided*, That it shall be held not later than  
7 one (1) calendar day after the deadline for the submission  
8 and receipt of Bids. The minutes of the bid opening shall be  
9 made available to the public upon written request and  
10 payment of a specified fee.

## 11 ARTICLE IX

### 12 BID EVALUATION

13 SEC. 59. *Preliminary Examination of Bids.* – Prior to  
14 bid evaluation, the BAC shall examine first the technical  
15 components of the bids using “pass/fail” criteria to  
16 determine whether all required documents are present.  
17 Only bids that are determined to contain all the bid  
18 requirements of the technical component shall be  
19 considered for opening and evaluation of their financial  
20 component.

21 SEC. 60. *Ceiling for Bid Prices.* – The ABC shall be  
22 the upper limit or ceiling for the Bid prices. Bid prices that  
23 exceed this ceiling shall be disqualified outright from  
24 further participating in the bidding. There shall be no  
25 lower limit to the amount of the award.

1           SEC. 61. *Bid Evaluation for the Procurement of Goods*  
2 *and Infrastructure Projects.* – For the procurement of  
3 Goods and Infrastructure Projects, the BAC shall evaluate  
4 the financial component of the bids.

5           For contracts to be awarded to the LCRB, the bids  
6 that passed the preliminary examination shall be ranked  
7 from lowest to highest in terms of their corresponding  
8 calculated prices. The bid with the lowest calculated price  
9 shall be referred to as the Lowest Calculated Bid (LCB).

10          For contracts to be awarded to the MEARB, the BAC  
11 shall evaluate the bid using a predetermined quality-price  
12 ratio. The quality component shall be assessed on the  
13 basis of criteria that may include qualitative,  
14 environmental, and/or social aspects linked to the subject  
15 matter of the contract. These may comprise the following:

16           (a) Quality and technical merit including technical  
17 competence and a credible track record;

18           (b) Aesthetic and functional design and  
19 characteristics;

20           (c) Approach and methodology;

21           (d) Accessibility;

22           (e) Tools and equipment;

23           (f) Social, environmental, economic, and innovative  
24 characteristics;

25           (g) Organization, qualification, and experience of  
26 employees or staff assigned to perform the contract;



- 1 (h) On-going contracts and work commitments;  
2 (i) After-sales service and technical assistance;  
3 (j) Delivery conditions, such as delivery period and  
4 delivery process;  
5 (k) Disposal measures; or  
6 (l) Other relevant criteria in relation to the subject  
7 Goods or Infrastructure Projects to be procured.

8 The BAC shall specify in the Invitation to Bid the  
9 quality-price ratio and the criteria for assessing the quality  
10 component. The bidder with the best overall score using  
11 the quality-price ratio shall be referred to as the Most  
12 Economically Advantageous Bid (MEAB). The quality and  
13 price proposals shall be given corresponding weights. The  
14 price proposal shall be given a minimum weight of fifteen  
15 percent (15%) up to a maximum of forty percent (40%).

16 The entire evaluation process for the procurement of  
17 Goods and Infrastructure Projects shall be completed  
18 within seven (7) calendar days from the deadline for  
19 receipt of proposals.

20 *SEC. 62. Bid Evaluation of Short-Listed Bidders for*  
21 *Consulting Services.* – For the procurement of Consulting  
22 Services under a quality-based evaluation procedure, the  
23 Bids of the short-listed bidders shall be evaluated and  
24 ranked using numerical ratings in accordance with the  
25 evaluation criteria stated in the Bidding Documents, which  
26 shall include factors such as, but not limited to, experience,

1 performance, quality of personnel, price, and methodology.  
2 The Bids shall be ranked from highest to lowest in terms of  
3 their corresponding calculated ratings. The Bid with the  
4 highest calculated rating shall be the Highest Rated Bid  
5 (HRB). The BAC shall invite the bidder concerned for  
6 negotiation and/or clarification on the following items:  
7 financial proposal submitted by the bidder, terms of  
8 reference, scope of services, methodology and work  
9 program, personnel to be assigned to the job,  
10 services/facilities/data to be provided by the Procuring  
11 Entity concerned, and provisions of the contract. When  
12 negotiations with the first-in-rank bidder fails, the  
13 financial proposal of the second rank bidder shall be  
14 opened for negotiations: *Provided*, That the amount  
15 indicated in the financial envelope shall be made as the  
16 basis for negotiations and the total contract amount shall  
17 not exceed the amount indicated in the envelope and the  
18 ABC. Whenever necessary, the same process shall be  
19 repeated until the bid is awarded to the winning bidder.

## 20 ARTICLE X

### 21 POST-QUALIFICATION

22 SEC. 63. *Objective and Process of Post-qualification.* –  
23 Post-qualification is the stage where the bidder with the  
24 LCB, or the MEAB, in the case of Goods and Infrastructure  
25 Projects, or the HRB, in the case of Consulting Services,  
26 undergoes verification and validation whether it has

1 passed all the requirements and conditions as specified in  
2 the bidding documents.

3 If the bidder with the LCB or HRB passes all the  
4 criteria for post-qualification, its Bid shall be considered  
5 the LCRB, in the case of Goods and Infrastructure Projects  
6 or the Highest Rated Responsive Bid (HRRB), in the case  
7 of Consulting Services.

8 If the bidder with the MEAB passes the verification  
9 and validation by the BAC and TWG of each bid  
10 component, to which any weight or score is given during  
11 evaluation, as well as all the criteria for post-qualification,  
12 its bid shall be considered the MEARB. The quality and  
13 price components, the corresponding numerical weights,  
14 and the procedures for the determination of the MEARB  
15 shall be provided in the IRR.

16 However, if a bidder fails to meet any of the  
17 requirements or conditions, it shall be post-disqualified  
18 and the BAC shall conduct the post-qualification on the  
19 bidder with the second LCB or HRB, or the MEAB with the  
20 second highest score. The same procedure shall be  
21 repeated until the LCRB, HRRB, or the MEARB, as the  
22 case may be, is finally determined.

23 In all cases, the contract shall be awarded only to the  
24 bidder with the LCRB, HRRB, or MEARB, as the case may  
25 be.

1           The post-qualification process shall be completed in  
2 not more than twelve (12) calendar days from the  
3 determination of the LCB/HRB/MEAB. In exceptional  
4 cases, the post-qualification period may be extended by the  
5 HoPE.

6           SEC. 64. *Failure of Bidding.* – There shall be a failure  
7 of bidding in competitive bidding, limited source bidding,  
8 or competitive dialogue if:

9           (a) No bids are received; or

10          (b) all bidders are declared ineligible; or

11          (c) No bid qualifies as the LCRB, HRRB, or MEARB;  
12           or

13          (d) Whenever the bidder with the LCRB, HRRB, or  
14 MEARB, as the case may be, refuses, without justifiable  
15 cause, to accept the award of contract.

16           Under any of the above instances, the contract shall  
17 be re-published or reposted and re-bid. The BAC shall  
18 observe the same process and set the new periods  
19 according to the same rules followed during the first  
20 bidding. After the second failed bidding, however, the BAC  
21 may resort to negotiated procurement as provided for in  
22 Section 35 of this Act.

23           SEC. 65. *Single Calculated/Rated/Economically*  
24 *Advantageous and Responsive Bid Submission.* – A Single  
25 Calculated/Rated/Economically Advantageous Responsive

1 Bid shall be considered for award if it falls under any of the  
2 following circumstances:

3 (a) If after publication, only one prospective bidder  
4 applies for eligibility check, and meets the eligibility  
5 requirements or criteria, after which it submits a bid,  
6 which is found to be responsive to the bidding  
7 requirements;

8 (b) If after publication, more than one prospective  
9 bidder applies for eligibility check, but only one bidder  
10 meets the eligibility requirements or criteria, after which it  
11 submits a bid which is found to be responsive to the  
12 bidding requirements; or

13 (c) If after the eligibility check, more than one  
14 bidder meets the eligibility requirements, but only one  
15 bidder submits a bid, and its bid is found to be responsive  
16 to the bidding requirements.

17 In all instances, the Procuring Entity shall ensure  
18 that the ABC reflects the most advantageous prevailing  
19 price for the government.

## 20 ARTICLE XI

### 21 AWARD, IMPLEMENTATION, AND TERMINATION OF THE 22 CONTRACT

23 SEC. 66. *Notice and Execution of Award.* – Within a  
24 period not exceeding ten (10) calendar days from the  
25 determination and declaration by the BAC of the LCRB,  
26 HRRB, or MEARB, as the case may be, and the

1 recommendation of the award, the HoPE or the duly  
2 authorized representative shall approve or disapprove the  
3 said recommendation. In case of approval, the HoPE or the  
4 duly authorized representative shall immediately issue the  
5 Notice of Award to the bidder with the LCRB, HRRB, or  
6 MEARB.

7         The winning bidder shall formally enter into contract  
8 with the Procuring Entity within ten (10) calendar days  
9 from the receipt of the notice of award. When further  
10 approval of higher authority is required, the approving  
11 authority for the contract shall be given a maximum period  
12 of fifteen (15) calendar days from receipt of the contract to  
13 approve or disapprove it.

14         In the case of GOCCs, the concerned board shall take  
15 action on the said recommendation within twenty (20)  
16 calendar days from receipt thereof. The prescribed periods  
17 for execution and/or approval of contracts may be extended  
18 for reasons beyond the control of the Procuring Entity or  
19 the approving authority, or for other justifiable causes.

20         In the event that the approving authority shall  
21 disapprove the contract, such disapproval shall be based  
22 only on valid, reasonable, and justifiable grounds to be  
23 expressed in writing. A copy of the decision to disapprove  
24 the contract shall likewise be furnished to the BAC.

25         The Procuring Entity shall issue the Notice to  
26 Proceed to the winning bidder not later than three (3)

1 calendar days from the date of approval of the contract by  
2 the appropriate authority. All notices called for by the  
3 terms of the contract shall be effective only at the time of  
4 receipt thereof by the contractor.

5       SEC. 67. *Period of Action on Procurement Activities.* –

6 The period from the opening of bids up to the award of  
7 contract shall not exceed sixty (60) days.

8       The GPPB is authorized to adjust the period as may  
9 be deemed appropriate: *Provided*, That such adjustment  
10 shall not exceed ninety (90) days.

11       All members of the BAC shall be on a jury duty type  
12 of assignment until the Notice of Award is issued by the  
13 HoPE in order to complete the entire procurement process  
14 at the earliest possible time.

15       SEC. 68. *Performance Security.* – Prior to the signing  
16 of the contract, the winning bidder shall, as a measure of  
17 guarantee for the faithful performance of and compliance  
18 with its obligations under the contract prepared in  
19 accordance with the Bidding Documents, be required to  
20 post a performance security in such form and amount as  
21 may be specified by the GPPB: *Provided*, That sectors  
22 enumerated under Section 76 of this Act may be allowed to  
23 post other forms such as performance securing declaration.

24       The IC shall identify the surety companies that may  
25 be tapped to issue surety and/or performance bonds. The  
26 list of surety companies identified by the IC shall include

1 only those whose surety business is ready to provide  
2 callable-on-demand surety contracts, where the Procuring  
3 Entity can claim outright on the surety contract and  
4 receive the proceeds thereof upon default of the bidder. The  
5 performance security posted by the winning bidder must  
6 remain effective until final acceptance by the Procuring  
7 Entity.

8       SEC. 69. *Failure to Enter into Contract and Post*  
9 *Performance Security.* – If for justifiable causes, the bidder  
10 with the LCRB, HRRB, or MEARB, as the case may be,  
11 fails, refuses, or is otherwise unable to enter into contract  
12 with the Procuring Entity, or if the bidder fails to post the  
13 required performance security within the period stipulated  
14 in the Bidding Documents, the BAC shall disqualify the  
15 said bidder and shall undertake post-qualification for the  
16 next-ranked LCB, HRB, or MEAB. This procedure shall be  
17 repeated until an award is made. However, if no award is  
18 possible, the contract shall be subjected to a new bidding.

19       In the case of failure to post the required  
20 performance security, the bid security shall be forfeited  
21 without prejudice to the imposition of sanctions prescribed  
22 under Article XX.

23       SEC. 70. *Reservation Clause.* – The HoPE reserves the  
24 right to reject any and all Bids, declare a failure of bidding,  
25 or not award the contract in the following situations:



1 (a) If there is prima facie evidence of collusion  
2 between appropriate public officers or employees of the  
3 Procuring Entity, or between the BAC and any of the  
4 bidders, or if the collusion is between or among the bidders  
5 themselves, or between a bidder and a third party,  
6 including any act which restricts, suppresses or nullifies or  
7 tends to restrict, suppress or nullify competition;

8 (b) If the BAC is found to have failed in following the  
9 prescribed bidding procedures; or

10 (c) For any justifiable and reasonable ground where  
11 the award of the contract will not redound to the benefit of  
12 the government in the following instances: (1) if the  
13 physical and economic conditions have significantly  
14 changed so as to render the project no longer economically,  
15 financially, or technically feasible, as determined by the  
16 HoPE; (2) if the project is no longer necessary, as  
17 determined by the HoPE; or (3) if the source of funds for  
18 the project has been withheld or reduced through no fault  
19 of the Procuring Entity.

20 *SEC. 71. Contract Implementation and Termination. –*

21 The rules and guidelines for the implementation and  
22 termination of contracts awarded pursuant to the  
23 provisions of this Act shall be prescribed in the IRR.

## ARTICLE XII

## SUSTAINABLE PUBLIC PROCUREMENT

1  
2  
3       SEC. 72. *Sustainable Public Procurement.* – All  
4 Procuring Entities shall establish a sustainable public  
5 procurement program to achieve value for money on a  
6 whole life basis not only to meet their specific  
7 organizational needs but for the benefit of the society and  
8 the economy, while reducing adverse environmental  
9 impact.

10       SEC. 73. *Green Public Procurement Strategy.* – Green  
11 Public Procurement is an approach whereby Procuring  
12 Entities seek to procure Goods, Infrastructure Projects,  
13 and Consulting Services with reduced environmental  
14 impact through their lifecycle.

15       As part of strategic procurement planning and in  
16 support of the Philippines' commitment to accelerate  
17 climate action and strengthen disaster resilience,  
18 Procuring Entities shall integrate and implement green  
19 practices, as well as environmentally relevant criteria or  
20 requirements, in the design and specifications of their  
21 procurement projects.

22       To further promote Green Public Procurement,  
23 sustainability of products, materials or structures with  
24 green specifications shall be given greater weight in the  
25 evaluation of bids.

1           The GPPB shall ensure the incorporation and  
2 implementation of the concepts of sustainability and green  
3 public procurement in the activities of the government.  
4 The green public procurement strategy shall be  
5 implemented in phases, taking into account the readiness  
6 of both the government agencies as well as green product  
7 suppliers.

8           SEC. 74. *Development of a Green Local Market.* – The  
9 DTI, in consultation with relevant government agencies  
10 and the private sector, shall develop a cost-efficient  
11 validation and certification program for green products to  
12 attract green investments and improve the competition in  
13 government procurement.

14           SEC. 75. *Inclusive Procurement Program.* – To provide  
15 equal opportunities to the vulnerable and marginalized  
16 sectors, as well as microenterprises, social enterprises, and  
17 startups, Procuring Entities shall encourage active  
18 participation of the registered sectors in all procurement  
19 activities, giving weight to inclusivity in programs  
20 involving gender and ethnic equity, poverty reduction and  
21 respect to fundamental labor standards. This program  
22 shall likewise be considered by the Procuring Entity when  
23 an appropriation law earmarks an amount for projects  
24 specifically contracted out to any of these sectors.

25           The GPPB shall develop procurement policies that  
26 engender an enabling environment for meaningful

1 competition across all bidders and incorporate social  
2 considerations and gender parity in the procurement of  
3 Goods, Infrastructure Projects, and Consulting Services. It  
4 shall also issue the policy guidelines on how Procuring  
5 Entities can implement gender responsive approaches in  
6 public procurement in relation to project planning,  
7 eligibility and selection criteria, contract performance, and  
8 grounds for exclusion/suspension/blacklisting.

9       SEC. 76. *Registration of Certain Sectors.* – The GPPB  
10 shall maintain a registry of entities belonging to the  
11 following sectors:

12       (a) Farmers as certified by the Department of  
13 Agriculture (DA);

14       (b) Fisherfolk as certified by the Bureau of Fisheries  
15 and Aquatic Resources (BFAR);

16       (c) Persons with disabilities as certified by the  
17 National Council for Disability Affairs (NCDA) pursuant to  
18 Republic Act No. 7277, otherwise known as the “Magna  
19 Carta for Disabled Persons”, as amended;

20       (d) Solo parents as certified by the Department of  
21 Social Welfare and Development (DSWD);

22       (e) Microenterprises and social enterprises as  
23 certified by the Micro, Small and Medium Enterprises  
24 Development (MSMED) Council;

25       (f) Startups, spin-offs and other form of entity  
26 involved in science, technology, and innovation activities as

1 certified by the DTI, DICT, NIC or the DOST, as may be  
2 applicable;

3 (g) Cooperatives duly registered with the CDA  
4 pursuant to Republic Act No. 6938 otherwise known as the  
5 “Cooperative Code of the Philippines”, as amended; and

6 (h) Other relevant sectors as may be determined by  
7 the GPPB to ensure inclusivity and diversity in the  
8 procurement process.

9 *SEC. 77. Exemptions and Other Forms of Support.* –  
10 The GPPB, after due consultation with the DA, BFAR,  
11 NCDA, DSWD, MSMED Council, DTI, DICT, NIC, DOST,  
12 Commission on Higher Education (CHED), and CDA shall  
13 prescribe instances for outright exemption and other forms  
14 of support for the sectors mentioned in the preceding  
15 section as may be provided for in the IRR.

### 16 ARTICLE XIII

#### 17 DOMESTIC AND FOREIGN PROCUREMENT

18 *SEC. 78. Procurement of Domestic and Foreign Goods.*  
19 – Consistent with the country’s obligations under  
20 international treaties or agreements, Goods may be  
21 obtained from domestic or foreign sources and the  
22 procurement thereof shall be open to all eligible suppliers,  
23 manufacturers and distributors.

24 *SEC. 79. Domestic Preference.* – Subject to the  
25 provisions of Republic Act No. 11981 or the “Tatak Pinoy  
26 (Proudly Filipino) Act”, the Procuring Entity shall give

1 priority and preference to Philippine products and services:  
2 *Provided*, That the preference and priority for Philippine  
3 products shall be guaranteed upon all levels of the  
4 procurement process, including raw materials, ingredients,  
5 supplies or fixtures.

6 The Procuring Entity shall award to the domestic  
7 bidder if the bid is not more than twenty-five percent (25%)  
8 in excess of the lowest foreign bid. The margin of  
9 preference provided herein shall be subject to a periodic  
10 review and adjustment by the GPPB, as may be necessary.

11 The priority and preference established herein may  
12 be waived should any of the following conditions be  
13 present:

14 (a) when domestic production is insufficient or  
15 unavailable in the required commercial quantities;

16 (b) when the specific or desired quality is not met;

17 (c) when the priority and preference will result in  
18 inconsistencies with the Philippines' obligations under  
19 international agreements; and

20 (d) other analogous circumstances.

## 21 ARTICLE XIV

### 22 LEASE OF MOVABLE PROPERTIES

23 SEC. 80. *Lease Contracts*. – The lease of movable  
24 properties is also subject to government procurement using  
25 the most applicable mode of procurement. Movable

1 properties refer to those properties defined under Articles  
2 416, 417, and 418 of the New Civil Code of the Philippines.

### 3 ARTICLE XV

#### 4 DISCLOSURE OF RELATIONS

5 SEC. 81. *Disclosure of Relations.* – In addition to the  
6 proposed contents of the Invitation to Bid as mentioned  
7 under Section 50 of this Act, all bidding documents shall be  
8 accompanied by a sworn affidavit of the bidder that he or  
9 she, any partner, member of the board, or officer of the  
10 juridical entity, director, or any corporate officer of their  
11 corporation is not related to the HoPE, the members of the  
12 BAC, the TWG, and the BAC Secretariat, the head of the  
13 Project Management Office or the end-user unit or  
14 implementing unit, and the project consultants of the  
15 Procuring Entity, or of the procurement agent, whichever  
16 is applicable, by consanguinity or affinity up to the third  
17 civil degree. In order to determine the ultimate beneficiary  
18 and prevent collusion, the ultimate beneficial ownership of  
19 an entity shall be disclosed by the bidder. Failure to  
20 comply with the aforementioned provision shall be a  
21 ground for the automatic disqualification of the Bid in  
22 consonance with Section 59 of this Act. For this reason,  
23 relation to the aforementioned persons within the third  
24 civil degree of consanguinity or affinity shall automatically  
25 disqualify the bidder from participating in the  
26 procurement of contracts of the Procuring Entity,

1 notwithstanding the act of such persons inhibiting  
2 themselves from the procurement process.

3       SEC. 82. *Declaration of Beneficial Ownership.* –  
4 Notwithstanding the provisions of Republic Act No. 10173,  
5 legal entities like corporations, partnerships, private sector  
6 organizations, foundations, and associations that  
7 participate in procurement projects shall safeguard the  
8 government from all acts that undermine a transparent,  
9 fair and competitive procurement process. The beneficial  
10 ownership information of the suppliers, manufacturers,  
11 distributors, contractors or consultants shall be a  
12 requirement to participate in government procurement.  
13 The GPPB shall maintain an online registry of beneficial  
14 ownership information of bidders established for  
15 government procurement which shall be accessible to the  
16 public.

## 17                                   ARTICLE XVI

### 18                                   PROTEST MECHANISM

19       SEC. 83. *Protests on Decisions of the BAC.* – Decisions  
20 of the BAC in all stages of procurement may be protested  
21 to the HoPE. For this purpose, the GPPB shall establish an  
22 electronic filing system for bidders to submit their protests  
23 after paying a non-refundable protest fee via electronic  
24 payment channels within the system. The amount of the  
25 protest fee, which shall be a reasonable amount in  
26 proportion to the ABC but not to exceed Five million pesos



1 (P5,000,000.00), and the periods during which the protests  
2 may be filed and resolved shall be specified in the IRR:  
3 *Provided, however,* That a prior request for reconsideration  
4 should have been filed by the party concerned to the BAC  
5 and the same has been resolved.

6 The HoPE shall resolve the filed protest and issue a  
7 decision through the system. If a bidder chooses to appeal  
8 the decision, it can do so before the Government  
9 Procurement Adjudication Tribunal, utilizing the same  
10 filing system.

11 SEC. 84. *Resolution of Protests.* – The protests shall  
12 be resolved strictly on the basis of records of the BAC.

13 The decision of the HoPE shall be final and executory  
14 for small procurements: procurement of Goods costing  
15 Twenty million pesos (P20,000,000.00) and below,  
16 procurement of Infrastructure Projects costing Fifty  
17 million pesos (P50,000,000.00) and below, and procurement  
18 of Consulting Services costing Ten million pesos  
19 (P10,000,000.00) and below.

20 The Regional Trial Court shall have jurisdiction over  
21 final and executory decisions of the HoPE. Court actions  
22 shall be governed by Rule 65 of the 2019 amendments to  
23 the 1997 Rules of Civil Procedure.

24 In cases where the amounts are in excess of the  
25 specified thresholds, the decisions of the HoPE shall  
26 become final and executory ten (10) days after receipt of a

1 copy thereof by the parties, unless, within the same period,  
2 an appeal to the Government Procurement Adjudication  
3 Tribunal has been perfected.

4       SEC. 85. *Non-interruption of the Bidding Process.* – In  
5 no case shall any protest taken from any decision treated  
6 in this Article stay or delay the bidding process. Protests  
7 must first be resolved before any award is made.

8       SEC. 86. *The Government Procurement Adjudication*  
9 *Tribunal.* – An independent quasi-judicial body is hereby  
10 created under the Office of the President, to be known as  
11 the Government Procurement Adjudication Tribunal  
12 (GPAT), which shall exercise exclusive jurisdiction over all  
13 decisions of the HoPE on protest cases, as well as matters  
14 related to blacklisting. The decision of the GPAT shall be  
15 rendered within thirty (30) days from the date the case is  
16 submitted for resolution, and shall be appealable to the  
17 Court of Appeals.

18       Nothing in this Act shall be interpreted to prejudice  
19 or prohibit the Office of the Ombudsman from exercising  
20 its duties, functions, and powers as provided under the  
21 1987 Constitution, Republic Act No. 6770, otherwise  
22 known as the “Ombudsman Act of 1989”, and/or any  
23 relevant rules and regulations pursuant thereto.

24       The decisions of the GPAT shall be published in its  
25 website and must be accessible to the public.

1           SEC. 87. *Prohibition on the Issuance of Temporary*  
2 *Restraining Orders, Preliminary Mandatory Injunctions.* –

3 No court, except the Supreme Court, shall issue any  
4 temporary restraining order, preliminary injunction, or  
5 preliminary mandatory injunction against the government,  
6 or any of its subdivisions, officials, or any person or entity,  
7 whether public or private acting under the government  
8 direction, to restrain, prohibit or compel the procurement,  
9 bidding or awarding of contracts for Goods, Infrastructure  
10 Projects, and Consulting Services of the government;  
11 commencement, execution, implementation, operation of  
12 any such contract; termination or rescission of any such  
13 contract; and the undertaking or authorization of any other  
14 lawful activity necessary for such contract.

15           This prohibition shall apply in all cases, disputes or  
16 controversies instituted by a party, including, but not  
17 limited to, cases filed by bidders or those claiming to have  
18 rights through such bidders involving such contract. This  
19 prohibition shall not apply when the matter is of extreme  
20 urgency involving a constitutional issue, such that unless a  
21 temporary restraining order is issued, grave injustice and  
22 irreparable injury will arise. The applicant shall file a  
23 bond, in an amount to be fixed by the court, which bond  
24 shall accrue in favor of the government if the court should  
25 finally decide that the applicant was not entitled to the  
26 relief sought.

## ARTICLE XVII

## SETTLEMENT OF DISPUTES

1  
2  
3       SEC. 88. *Dispute Resolution.* – Any and all disputes  
4 arising from the implementation of a contract covered by  
5 this Act may be submitted to arbitration or other forms of  
6 alternative dispute resolution in the Philippines according  
7 to the provisions of Republic Act No. 9285, otherwise  
8 known as the “Alternative Dispute Resolution Act of 2004”:  
9 *Provided,* That construction disputes that are within the  
10 competence and jurisdiction of the Construction Industry  
11 Arbitration Commission to resolve shall be referred  
12 thereto.

13       To ensure efficiency in the procurement process,  
14 parties to the dispute are encouraged to select the most  
15 expeditious mode of dispute resolution.

## ARTICLE XVIII

## CONTRACT PRICES AND WARRANTIES

16  
17       SEC. 89. *Contract Prices.* – For the given scope of  
18 work in the contract as awarded, all bid prices shall be  
19 considered as fixed prices, and therefore not subject to  
20 price escalation during contract implementation. In the  
21 event of an extraordinary increase in prices of specific  
22 components of the Infrastructure Project, price escalation  
23 may be considered, subject to prior approval of the GPPB.  
24 If the cost of construction components increases by more  
25 than ten percent (10%) of the unit price of work items, as  
26

1 determined against the prevailing price indices of the  
2 Philippine Statistics Authority (PSA), a price escalation  
3 may be authorized at a no loss, no-gain basis, using the  
4 appropriate formula prescribed by the GPPB. For the  
5 purpose of this section, the PSA shall ensure that its price  
6 indices are region specific and updated on a monthly basis.

7       SEC. 90. *Warranty.* – (a) For the procurement of  
8 Goods, in order to assure that manufacturing defects shall  
9 be corrected by the supplier, manufacturer, or distributor,  
10 as the case may be, for a specific time after performance of  
11 the contract, a warranty shall be required from the  
12 contract awardee for such period of time as may be  
13 provided in the IRR, the obligation for which shall be  
14 covered by either retention money in the amount  
15 equivalent to a percentage of every progress payment, or a  
16 special bank guarantee equivalent to a percentage of the  
17 total contract price, to be provided in the IRR. The said  
18 amounts shall only be released after the lapse of the  
19 warranty period: *Provided*, That the Goods supplied are  
20 free from defects and all the conditions imposed under the  
21 contract have been fully met.

22       (b) For the procurement of Infrastructure Projects,  
23 the contractor shall assume full responsibility for the  
24 contract work from the time project construction  
25 commenced up to a reasonable period as defined in the  
26 IRR, taking into consideration the scale and coverage of

1 the project from its final acceptance by the government,  
2 and shall be held responsible for any damage or  
3 construction of works except those occasioned by force  
4 majeure. The contractor shall be fully responsible for the  
5 safety, protection, security, and convenience of its  
6 personnel, third parties, and the public at large, as well as  
7 the works, equipment, installation and the like to be  
8 affected by its construction work and shall be required to  
9 put up a warranty security in the form of cash, bank  
10 guarantee, letter of credit, Government Service Insurance  
11 System bond, or callable surety bond.

12 The contractor shall undertake the repair works, at  
13 its own expense, of any defect or damage to the  
14 Infrastructure Projects on account of the use of materials  
15 of inferior quality, defects in the construction, or due to any  
16 violation of the terms of the contracts within ninety (90)  
17 days from the time the HoPE has issued an order to  
18 undertake repair. In case of failure or refusal to comply  
19 with this mandate, the government shall undertake such  
20 repair works and shall be entitled to full reimbursement of  
21 expenses incurred therein upon demand.

22 Any contractor who fails to comply with the  
23 preceding paragraph shall suffer perpetual disqualification  
24 from participating in any public bidding and its property or  
25 properties shall be subject to attachment or garnishment

1 proceedings to recover the costs. All payables of  
2 government in its favor shall be offset to recover the costs.

### 3 ARTICLE XIX

#### 4 THE GOVERNMENT PROCUREMENT POLICY BOARD

5 SEC. 91. *Organization and Functions.* – The  
6 Government Procurement Policy Board (GPPB) shall be  
7 the central body that sets strategic directions and makes  
8 policy decisions regarding all matters affecting public  
9 procurement, having due regard to the country's regional  
10 and international obligations, and is tasked to lead the  
11 nation's efforts in advancing public procurement reforms in  
12 accordance with this Act. The Board shall:

13 (a) Formulate and amend, whenever necessary, the  
14 IRR of this Act, associated issuances and government  
15 procurement manuals, Philippine Bidding Documents and  
16 standard forms for procurement, and issue policy papers to  
17 ensure that the procurement process is streamlined and  
18 responsive to the needs of the government. In line with its  
19 digitalization efforts, the GPPB shall establish an online  
20 automated process to provide timely responses to inquiries  
21 related to the implementation of this Act;

22 (b) Establish and implement the professionalization  
23 program provided in this act; and

24 (c) Establish and implement a strategic procurement  
25 monitoring program that uses data analytics to enhance

1 procurement planning and evidence-based policymaking as  
2 provided under the section on procurement data analytics.

3 The GPPB shall be composed of the Secretary of the  
4 DBM as Chairperson, and the Secretary of the National  
5 Economic and Development Authority (NEDA) as  
6 Alternate Chairperson, with the following as members: the  
7 Secretaries, or duly authorized representatives of the  
8 Departments of Public Works and Highways, National  
9 Defense, Education, Interior and Local Government, PS-  
10 DBM, Transportation, and a representative from the  
11 private sector to be appointed by the President of the  
12 Republic of the Philippines upon the recommendation of  
13 the GPPB. The GPPB may invite a representative from the  
14 COA to serve as a resource person.

15 In the performance of its functions the GPPB shall be  
16 supported by a Technical Support Office (TSO), an  
17 attached agency to the DBM. The TSO shall be headed by  
18 a Director General with a rank equivalent to an  
19 Undersecretary and supported by Deputy Director  
20 Generals with a rank equivalent to an Assistant Secretary,  
21 to be appointed by the President, as endorsed by the  
22 Secretary of the DBM, all of whom should be of good moral  
23 character, honesty, probity, and unquestionable integrity.  
24 The Secretary of the DBM shall appoint the officials and  
25 employees of the TSO for ranks lower than the Deputy  
26 Director General. The existing officials and employees



1 shall be retained in the GPPB-TSO, without loss of  
2 seniority rights and with the same entitlements and  
3 privileges.

4 In addition to the powers granted under this Act, the  
5 GPPB shall absorb all the powers, functions and  
6 responsibilities of the Procurement Policy Board created  
7 under E.O. No. 359, series of 1989. All affected functions of  
8 the Infrastructure Committee of the NEDA Board are  
9 hereby transferred to the GPPB.

10 The GPPB may establish an Inter-agency Technical  
11 Working Group/s (IATWG/s) to provide subject matter  
12 expertise to the GPPB in the formulation and review of  
13 policies, rules, and regulations related to government  
14 procurement. The IATWG/s, in particular, shall endorse  
15 policy recommendations for the GPPB's consideration and  
16 approval. The IATWG/s shall consist of representatives  
17 from the economic services, social services, agriculture,  
18 health, education, construction, energy, environment,  
19 information and communications technology, research and  
20 development, and other sectoral groups as determined by  
21 the GPPB, to guarantee that the procurement policies are  
22 inclusive and promote good governance.

## 23 ARTICLE XX

### 24 CRIMINAL AND CIVIL LIABILITY

25 SEC. 92. *Prohibited Acts.* – The following acts  
26 committed by public officers are prohibited:

1 (a) Opening any sealed bid including, but not limited  
2 to, bids that may have been submitted through the  
3 electronic system and any and all documents required to be  
4 sealed or divulging their contents to any prospective  
5 bidder, person, or any party having direct or indirect  
6 interest in the project to be procured, prior to the  
7 appointed time for the public opening of bids or other  
8 documents;

9 (b) Delaying, without justifiable cause, the screening  
10 for eligibility, opening of Bids, evaluation and post  
11 evaluation of Bids, and awarding of contracts beyond the  
12 prescribed periods of action provided for in the IRR;

13 (c) Unduly influencing or exerting undue pressure  
14 on any member of the BAC or any officer or employee of  
15 the Procuring Entity to take a particular bidder, or  
16 allowing oneself to be unduly influenced or pressured;

17 (d) Splitting of contracts which exceed procedural  
18 purchase limits and competitive bidding;

19 (e) Abusing the exercise of the power of the HoPE or  
20 his or her duly authorized representative to reject any and  
21 all bids with manifest preference to any bidder;

22 (f) Simulation of procurement eligibility  
23 requirements or strategic procurement planning activities;  
24 or

25 (g) All other acts or omissions with the intention of  
26 not complying with the mandatory provisions of this Act.

1           SEC. 93. *Administrative Liability of Public Officers.* –

2   Without prejudice to the criminal and civil liabilities under  
3   Republic Act No. 3019, otherwise known as the “Anti-Graft  
4   and Corrupt Practices Act”, and other penal laws, any  
5   person found to have committed any of the acts in the  
6   preceding section shall be liable administratively with all  
7   the accessory penalties for government employees even if  
8   no criminal prosecution is instituted against him.

9           SEC. 94. *Jurisdiction.* – Jurisdiction over the offenses

10   defined under this Article shall belong to the appropriate  
11   courts, according to laws existing at the time of the  
12   commission of the offenses.

13           Notwithstanding Article 22 of the Revised Penal

14   Code or any law to the contrary, the administrative, civil,  
15   and/or criminal liability of any person, corporation, or any  
16   other entity for any unlawful act committed prior to the  
17   effectivity of this Act shall not be diminished, modified, nor  
18   affected in any way by its enactment.

19           SEC. 95. *Preventive Suspension.* – The head of agency

20   may preventively suspend any member of the TWG or the  
21   Secretariat, or the BAC and other officials and employees  
22   involved if there are strong reasons or prima facie evidence  
23   showing that the officials or employees concerned are  
24   guilty of the charges filed against them under Article XX of  
25   this Act or for dishonesty as defined by the Civil Service  
26   Laws. In all cases, procedural and substantive due process

1 as mandated by the Constitution and Civil Service Laws,  
2 rules and regulations, shall be strictly observed.

3       SEC. 96. *Lifting of Suspension and Removal of*  
4 *Administrative Disabilities.* – Lifting of preventive  
5 suspension pending administrative investigation, as well  
6 as removal of administrative penalties and disabilities,  
7 shall be in accordance with the provisions of Sections 52  
8 and 53, Chapter 7 (Civil Service Commission), Book V of  
9 E.O. No. 292 otherwise known as the “Administrative Code  
10 of 1987”.

11       SEC. 97. *Civil Liability in Case of Conviction.* –  
12 Without prejudice to administrative sanctions that may be  
13 imposed in proper cases, a conviction under this Act or  
14 Republic Act No. 3019 shall carry with it civil liability,  
15 which may either consist of restitution for the damage  
16 done, or the forfeiture in favor of the government of any  
17 unwarranted benefit derived from the act or acts in  
18 question, or both, at the discretion of the courts.

19       SEC. 98. *Liquidated Damages.* – All contracts  
20 executed in accordance with this Act shall contain a  
21 provision on liquidated damages which shall be payable in  
22 case of breach thereof. The amount thereof shall be  
23 specified in the IRR.

## ARTICLE XXI

## SUSPENSION AND BLACKLISTING

SEC. 99. *Administrative Liability of Private Entities.* –

Without prejudice to criminal and civil liabilities including their accessory penalties, if any, under this Act and applicable laws, administrative liability attaches to private entities, such as suppliers, contractors or consultants, that are subjected to any of the following penalties:

(a) Any appropriate corrective measure, depending on the severity of the offense considering its disadvantages to the GOP, shall be imposed in accordance with the guidelines of the GPPB;

(b) Suspension shall be imposed for offenses committed under Section 100 of this Act. Thus, the entity is prohibited from participating in any procurement of the Procuring Entity concerned for a given period; or

(c) Blacklisting shall be imposed in case offenses occur under Sections 101 and 102. Consequently, the entity shall be disqualified from participating in all government procurements for a given period or perpetually, as the case may be.

SEC. 100. *Imposition of Suspension.* – The HoPE, subject to the authority delegated to the BAC, if any, shall impose the penalty of suspension for one (1) year for the first offense, and suspension of two (2) years for the second offense, for any of the following offenses:

1 (a) refusing or failing to post the required  
2 performance security within the prescribed time;

3 (b) withdrawing a Bid, or refusing to accept an  
4 award, or refusing or failing to enter into contract with the  
5 Procuring Entity without justifiable cause, after the  
6 approval of the HoPE for having been the declared LCRB,  
7 MEARB, or HRRB as the case may be;

8 (c) refusing to clarify or validate in writing its Bid  
9 during post-qualification within a period of seven (7)  
10 calendar days from receipt of the request for clarification.

11 (d) causing the delay, without justifiable cause, of  
12 the screening for eligibility, opening of Bids, evaluation  
13 and post evaluation of Bids, and awarding of contracts;

14 (e) for the renewal of contracts for regular and  
15 recurring services, refusal of the service provider to accept  
16 the notice of renewal or failure to submit its updated  
17 documentary requirements for the renewal of contract  
18 without any justifiable reason;

19 (f) delivering of Goods of unsatisfactory or inferior  
20 quality as may be provided in the contract;

21 (g) rendering poor performance by the consultant of  
22 one's service. Poor performance shall be as follows:

23 (1) defective design resulting in substantial corrective  
24 works in design and/or construction;

25 (2) failure to deliver critical outputs due to fault or  
26 negligence of the consultant;

1 (3) specifying materials which are inappropriate,  
2 substandard, or way above acceptable standards;  
3 and

4 (4) allowing defective workmanship or works by the  
5 winning bidder being supervised by the  
6 consultant; or

7 (h) rendering poor performance by the winning bidder  
8 or unsatisfactory quality and/or progress of work. Poor  
9 performance shall be as follows:

10 (1) negative slippage of fifteen percent (15%) and  
11 above within the critical path of the project due  
12 entirely to the fault or negligence of the winning  
13 bidder; and

14 (2) quality of materials and workmanship not  
15 complying with the approved specifications  
16 arising from the fault or negligence of the  
17 winning bidder.

18 Moreover, the bid security or the performance  
19 security posted by the entity concerned shall also be  
20 forfeited.

21 SEC. 101. *Imposition of Blacklisting.* – The HoPE may  
22 impose the penalty of blacklisting of one (1) year  
23 prohibition for the first offense, or two (2) year prohibition  
24 for the second offense for any of the following offenses:

1 (a) Committing three (3) or more of any of the acts  
2 imposed with suspension, as provided under the preceding  
3 section;

4 (b) Using force, fraudulent machinations, coercion,  
5 undue influence or pressure on any member of the BAC or  
6 any officer or employee of the Procuring Entity to take a  
7 particular action for its own favor or gain, or to the  
8 disadvantage of a particular bidder;

9 (c) Agreeing with two or more bidders and  
10 submitting different Bids as if they were bonafide, when  
11 they knew that one or more of them was so much higher  
12 than the other that it could not be honestly accepted and  
13 that the contract will surely be awarded to the pre-  
14 arranged lowest Bid;

15 (d) Using the name of another for purposes of  
16 participating in any procurement activity;

17 (e) Submitting eligibility requirements and Bids  
18 containing false information or falsified documents or the  
19 concealment of such information that will materially alter  
20 the outcome of eligibility screening or any stage of the  
21 procurement;

22 (f) Maliciously submitting different bids through  
23 two or more persons, corporations, partnerships or any  
24 other business entity in which it has interest to create the  
25 appearance of competition that does not in fact exist so as  
26 to be declared as the winning bidder;



1 (g) Submission of beneficial ownership information  
2 containing false entries;

3 (h) Unauthorized accessing of the contents of any  
4 Bid submitted to the Procuring Entity before the opening  
5 of Bids;

6 (i) Entering into an agreement with other bidder/s  
7 which call upon one to refrain from bidding for  
8 procurement contracts, or which call for withdrawal of bids  
9 already submitted, or which are otherwise intended to  
10 secure an undue advantage to any of the bidders;

11 (j) Failing to faithfully disclose its relationship,  
12 regardless of the time of its discovery, with the HoPE,  
13 members of the BAC, the TWG, and the BAC secretariat,  
14 the head of the Procurement Management Office (PMO) or  
15 the end-user unit or implementing unit, and the project  
16 consultants of the Procuring Entity, or of the procurement  
17 agent, whichever is applicable, by consanguinity or affinity  
18 up to the third civil degree pursuant to the section on  
19 disclosure of relations;

20 (k) Terminating the contract due to the default or  
21 unlawful acts of the bidder supplier, contractor or  
22 consultant;

23 (l) Engaging in any documented unsolicited attempt  
24 to unduly influence the outcome of the bidding;

25 (m) Employing schemes which stifle or suppress any  
26 procurement activity;

1 (n) Assigning or subcontracting of the contract or  
2 any part thereof or substitution of key personnel named in  
3 the proposal without prior written approval by the  
4 Procuring Entity;

5 (o) Willful or deliberate abandonment or non-  
6 performance of the project or contract by the winning  
7 bidder resulting to substantial breach thereof without  
8 lawful and/or just cause; or

9 (p) In case it is determined prima facie that the  
10 winning bidder has engaged, before or during  
11 implementation of the contract, in the following unlawful  
12 deeds and behaviors relative to contract acquisition and  
13 implementation:

14 (1) corrupt, fraudulent, collusive and coercive  
15 practices;

16 (2) drawing up or using forged documents; or

17 (3) using adulterated materials, means or methods,  
18 or engaging in production contrary to rules of  
19 science or the trade.

20 Moreover, the bid security or the performance  
21 security posted by the entity concerned shall be forfeited.

22 SEC. 102. *Imposition of Blacklisting with Perpetual*  
23 *Disqualification.* – The HoPE shall impose blacklisting  
24 with perpetual disqualification based on any of the  
25 following grounds:

1 (a) Committing a third offense imposed with  
2 blacklisting under this Act by the same Procuring Entity,  
3 or a combination of three (3) violations imposed with  
4 blacklisting by the Procuring Entity and other Procuring  
5 Entities, as posted on the GPPB portal; or

6 (b) Failing to comply with the provision on warranty  
7 that requires to repair any noted defect or damage to the  
8 Infrastructure Project due to the use of materials of  
9 inferior quality within ninety (90) days from the issuance  
10 of the order by the HoPE to undertake such repairs.

11 Moreover, the bid security or the performance  
12 security posted by the entity concerned shall be forfeited.

13 SEC. 103. *Suspension Pending Blacklisting*  
14 *Proceedings.* – During the pendency of the blacklisting  
15 proceedings, the bidder shall be automatically suspended  
16 from participating in the current procurement activity  
17 being undertaken by the Procuring Entity concerned.

18 The suspension order shall be immediately lifted in  
19 case the HoPE dismissed the case.

20 SEC. 104. *Status of Suspended or Blacklisted Person.*  
21 – Before the issuance of a blacklisting order, the erring  
22 bidder may participate in the procurement of any  
23 government project except in the Procuring Entities where  
24 it is suspended: *Provided*, That if the blacklisting order is  
25 issued prior to the date of the Notice of Award, the  
26 blacklisted person shall not be qualified for award and

1 such contract shall be awarded to another bidder. It is the  
2 responsibility of the Procuring Entity to upload to the  
3 portal of the GPPB the suspension order or blacklisting  
4 order, as the case may be, within seven (7) calendar days  
5 after its respective issuance.

6 The issuance of a suspension or blacklisting order  
7 shall not prejudice any contract awarded prior thereto:  
8 *Provided*, That the offenses which brought about the  
9 suspension or blacklisting are not connected to the  
10 awarded contract.

11 SEC. 105. *Initiation of Action.* – The BAC or the HoPE  
12 may, *motu proprio*, commence the administrative  
13 proceedings for corrective measures, suspension or  
14 blacklisting, at any stage of the procurement or contract  
15 implementation, upon prima facie determination that a  
16 bidder or prospective bidder has committed any of the  
17 grounds provided for in the sections on suspension and  
18 blacklisting of this Act. Any bidder or prospective bidder  
19 may also initiate the suspension and blacklisting  
20 proceedings.

21 At the option of the Procuring Entities, a reasonable  
22 fee may be required for initiating the suspension and  
23 blacklisting proceedings.

24 SEC. 106. *Extent of Administrative Sanctions.* – The  
25 penalties of suspension and blacklisting shall be applied  
26 against any entity to which the suspended or blacklisted

1 person has a controlling interest; and any beneficial owner  
2 of the suspended or blacklisted person.

3  
4 ARTICLE XXII

5 LEGAL ASSISTANCE AND INDEMNIFICATION PACKAGE FOR  
6 BAC MEMBERS AND SUPPORT STAFF

7 SEC. 107. *Private Legal Assistance.* – All members of  
8 the BAC, TWG, and Secretariat, are hereby authorized to  
9 engage the services of private lawyers or external counsel  
10 immediately upon receipt of notice that an administrative,  
11 civil or criminal action, suit or proceeding is filed against  
12 them in connection with the performance of their functions  
13 and duties. The lawyer’s fee shall be part of the  
14 indemnification package for the members of the BAC,  
15 TWG, and Secretariat, subject to the provisions of the  
16 preceding section.

17 SEC. 108. *Indemnification Package.* – The GPPB shall  
18 establish an equitable indemnification package for public  
19 officials providing services in the BAC, TWG, and  
20 Secretariat, which may be in the form of free legal  
21 assistance, liability insurance, and other forms of  
22 protection and indemnification for all costs and expenses  
23 reasonably incurred by such persons in connection with  
24 any administrative, civil or criminal action, suit or  
25 proceeding to which they may be, or have been made, a  
26 party by reason of the performance of their functions or

1 duties, unless they are finally adjudged in such action or  
2 proceeding to be liable for gross negligence or grave  
3 misconduct or grave abuse of discretion.

4 In the event of a settlement or compromise,  
5 indemnification shall be confined only on matters covered  
6 by the settlement: *Provided*, That the public officials to be  
7 indemnified have not committed gross negligence or grave  
8 misconduct in the performance of their functions and  
9 duties.

10 The members of the BAC, TWG, and Secretariat shall  
11 also be entitled to medical assistance for injuries incurred  
12 in the performance of their functions.

### 13 ARTICLE XXIII

#### 14 FINAL PROVISIONS

15 SEC. 109. *Appropriations*. – The amount necessary for  
16 the initial implementation of this Act shall be charged  
17 against the current year's available appropriations.  
18 Thereafter, such sums as may be necessary for the  
19 implementation of this Act shall be included in the annual  
20 General Appropriations Act.

21 SEC. 110. *Whole-of-Government Approach*. – In order  
22 to effectively achieve the objectives of this Act and to scale  
23 up professionalization of government procurement  
24 practitioners, the GPPB shall provide sustained training,  
25 capacity-building, and support to stakeholders in the  
26 government procurement process such as education,

1 training, seminars, and workshops, in areas such as modes  
2 of procurement, streamlined processes, supply chain  
3 management and logistics including warehousing, and  
4 digitalization.

5 The HoPE, members of the BAC, and TWG shall  
6 undergo an executive course on procurement while the  
7 BAC secretariat shall undergo annual training programs.

8 Pursuant thereto, all branches and instrumentalities  
9 of the government, its departments, bureaus, offices and  
10 agencies, including SUCs, GOCCs, GFIs, and LGUs shall  
11 allocate a portion of their capacity development funds to  
12 send their BAC members, BAC Secretariats, and TWGs to  
13 training. The capacity-building program shall include the  
14 development of skills of government agencies in  
15 understanding and implementing the government's green  
16 public procurement strategy through the following:

17 (a) conduct of relevant training needs assessment of  
18 the public sector;

19 (b) provision of technical assistance to suppliers,  
20 particularly the micro enterprises; and

21 (c) conduct of public awareness campaigns on green  
22 procurement, among others.

23 The GPPB shall establish partnerships with SUCs or  
24 other educational institutions in providing training  
25 programs. It shall establish standards for accreditation of  
26 said institutions.

1           The Procuring Entity, through the HoPE, shall  
2 submit periodic progress reports to the GPPB on the status  
3 of its capacity development. Reportorial requirements  
4 prescribed under this Act shall take into consideration  
5 reports required under other laws related to procurement,  
6 with the view to harmonizing and achieving efficiencies in  
7 the preparation of these reports.

8           SEC. 111. *Oversight Committee.* – There is hereby  
9 created a Joint Congressional Oversight Committee to  
10 oversee the implementation of this Act for a period not  
11 exceeding five (5) years from the effectivity of this Act. The  
12 Committee shall be composed of the Chairperson of the  
13 Senate Committee on Finance, Chairperson of the Senate  
14 Committee on Constitutional Amendments and Revision of  
15 Laws, and two (2) members thereof appointed by the  
16 Senate President, and the Chairperson of the House  
17 Committee on Appropriations, the Chairperson of the  
18 House Committee on Revision of Laws, and two (2)  
19 members thereof to be appointed by the Speaker of the  
20 House of Representatives. The minority group in the  
21 Senate and the House of Representatives shall each have  
22 one seat in the joint Congressional Oversight Committee.  
23 It shall submit its report and recommendation to the  
24 Senate President and the Speaker of the House of  
25 Representatives within five (5) years from its organization.



1           SEC. 112. *Mandatory Review.* – The Congress shall  
2     conduct a mandatory review of this Act at least once every  
3     five (5) years and as often as it may deem necessary.

4           SEC. 113. *Implementing Rules and Regulations and*  
5     *Standard Forms.* – Within one hundred eighty (180) days  
6     from the promulgation of this Act, the necessary rules and  
7     regulations for the proper implementation of its provisions  
8     shall be formulated by the GPPB. For a period not later  
9     than ninety (90) days upon the approval of the IRR, the  
10    standard forms for procurement shall be formulated and  
11    approved.

12          SEC. 114. *Transitory Provision.* – Prior to the  
13    effectivity of the IRR of this Act, the provisions of Republic  
14    Act No. 9184 and its IRR shall remain in force and effect in  
15    order to ensure the continued implementation of programs,  
16    activities, and projects.

17          The GPPB and all HoPE, Procuring Entities, and the  
18    BACs affected by this Act shall be given a three-year (3)  
19    transitory period from the approval of the standard forms  
20    for procurement, to fully comply with the requirements of  
21    this Act.

22          SEC. 115. *Reportorial Requirements.* – The GPPB  
23    shall, upon approval of the IRR and the standard  
24    procurement forms, effect the publication of the same, in  
25    accordance with existing laws, rules, and regulations.

1 Upon approval, the same shall also be posted on the  
2 website of the GPPB.

3 Thereafter, the GPPB, through its TSO, shall send  
4 written notices when the said documents have been posted  
5 on its website to the Office of the President, the Senate of  
6 the Philippines, and the House of Representatives.

7 SEC. 116. *Repealing Clause.* – Republic Act No. 9184  
8 otherwise known as the “Government Procurement Reform  
9 Act”, and Commonwealth Act No. 138 are hereby repealed.  
10 All other laws, acts, presidential decrees, executive orders,  
11 presidential proclamations, issuances, rules and  
12 regulations, or parts thereof which are contrary to or  
13 inconsistent with any of the provisions of this Act are  
14 hereby repealed, amended, or modified accordingly.

15 SEC. 117. *Separability Clause.* – If any portion or  
16 provision of this Act is subsequently declared invalid or  
17 unconstitutional, other provisions hereof which are not  
18 affected thereby shall remain in full force and effect.

19 SEC. 118. *Effectivity.* – This Act shall take effect  
20 fifteen (15) days following its publication in the *Official*  
21 *Gazette* or in two (2) newspapers of general circulation.

Approved,