



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Manila

097. DPWH
09-16-2019

September 12, 2019

DEPARTMENT MEMORANDUM)
)
CIRCULAR NO. 70)
Series of 2019 09.16.19)

FOR / TO : Undersecretaries
Assistant Secretaries
Service Directors
Bureau Directors
Regional Directors
Heads of UPMOs
District Engineers
BAC Chairpersons and Members
This Department

For information and guidance, attached is a copy of **GPPB RESOLUTION No. 20-2019**, re: **"APPROVING THE DELISTING OF MOTOR VEHICLES IN THE LIST OF COMMON-USE SUPPLIES AND EQUIPMENT OF THE PROCUREMENT SERVICE."**

A copy of said Resolution may also be downloaded from the **DPWH website: <http://dpwhweb>**. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

MARICHU A. PALAFOX, CESO III
Assistant Secretary for Support Services

Encl: GPPB Resolution No. 20-2019

Cc: Office of the Secretary

12.1.1 CGSC/EDY/MNC/MVSG



APPROVING THE DELISTING OF MOTOR VEHICLES IN THE LIST OF COMMON-USE SUPPLIES AND EQUIPMENT OF THE PROCUREMENT SERVICE

WHEREAS, Republic Act (RA) No. 9184, otherwise known as the “Government Procurement Reform Act”, took effect on 26 January 2003, while its 2016 revised Implementing Rules and Regulations (IRR) took effect on 28 October 2016;

WHEREAS, Section 63 of RA No. 9184 and its 2016 revised IRR authorizes the Government Procurement Policy Board (GPPB) to formulate public procurement policies, rules and regulations, and amend, whenever necessary, its IRR;

WHEREAS, Section 53(e) of RA No. 9184 allows the purchase of Goods from another agency of the Government, such as the Procurement Service (PS), which is tasked with the centralized procurement of commonly used Goods for the government in accordance with Letter of Instructions (LOI) No. 755, series of 1978 and Executive Order (EO) No. 359, series of 1989;

WHEREAS, Section 63 of RA No. 9184 provides, among others, that the GPPB shall absorb all the powers, functions and responsibilities of the Procurement Policy Board (PPB) created under EO No. 359, series of 1989;

WHEREAS, Item 3 of LOI No. 755 directs the Procurement Council, with the assistance of the PS, to identify supplies, materials, and such other items, including equipment and construction materials, which can be economically purchased through a centralized procurement;

WHEREAS, Section 2 of EO No. 359 mandates the PPB (now the GPPB) to promulgate rules and regulations, which shall be the basis for the procurement operation of the PS and other government agencies;

WHEREAS, Section 6 of Administrative Order (AO) No. 17, series of 2011 provides that the PS shall strengthen its operations and regularly conduct a survey to determine other products commonly purchased by procuring entities for inclusion to the list of Common-Use Supplies and Equipment (CSE);

WHEREAS, Section 6 of AO No. 17 likewise mandates the GPPB to conduct a periodic evaluation of the effectiveness of the performance of the centralized procurement system in terms of economy and efficiency pursuant to Section 2 of EO No. 359;

WHEREAS, on 18 October 2018, the GPPB issued Resolution No. 21-2018 approving the inclusion in the list of CSEs: (a) Motor vehicles to be used for: (i) the exercise of executive functions; (ii) transport of personnel, equipment, supplies, products and materials; (iii) transport of sick and/or injured persons; (iv) patrol operations; (v) fire-fighting operations; and (b) Other vehicles to be identified by the Secretary of Budget and Management, except motor vehicles used exclusively for the internal and external safety or defense of the State, and requiring highly-specialized and customized specifications;

WHEREAS, Section 9 of AO No. 14, series of 2018 mandates the Department of Budget and Management (DBM) and the GPPB to issue rules and regulations on the specific

guidelines on the approval of requests for acquisition of motor vehicles, and the typology, classification and specifications of motor vehicles and on the centralized procurement of motor vehicles, respectively;

WHEREAS, on 4 March 2019, the DBM issued Budget Circular No. 2019-2 which provides the specific guidelines on allowable engine displacements of motor vehicles that may be purchased by government agencies and the approving authorities for the acquisition of motor vehicles;

WHEREAS, on 22 April 2019, the GPPB issued Resolution No. 08-2019 authorizing the DBM and the PS to issue specific procedural process for the operationalization of a centralized procurement of motor vehicles;

WHEREAS, on 16 May 2019, the DBM issued Budget Circular No. 2019-3 which provides the guidelines on implementing the centralized procurement of motor vehicles pursuant to AO No. 14, series of 2017;

WHEREAS, the GPPB-Technical Support Office (TSO) received several queries from various procuring entities, particularly from the local government units, on how they can procure motor vehicles covered by the centralized procurement without having to go through the PS given the urgency of their need for motor vehicles and considering that most of their requirements are not available yet with the PS;

WHEREAS, the GPPB-TSO has also been receiving queries on the procedure for them to avail of the centralized procurement of motor vehicles given the lack of internal guidelines on the implementation of the centralized procurement of motor vehicles;

WHEREAS, during a meeting with Secretary Wendel E. Avisado of the DBM, he raised the numerous complaints of procuring entities on the capacity and readiness of the PS to undertake the centralized procurement of motor vehicles;

WHEREAS, in light thereof the GPPB-TSO during the 6th GPPB Regular Meeting proposed to delist the motor vehicles used for: (i) the exercise of executive functions; (ii) transport of personnel, equipment, supplies, products and materials; (iii) transport of sick and/or injured persons; (iv) patrol operations; and (v) fire-fighting operations from the list of CSE of the PS so that procuring entities are able to undertake their own procurement of motor vehicles;

WHEREAS, the GPPB, after careful review and deliberation, resolved to approve the following:

1. Delist the motor vehicles used for: (i) the exercise of executive functions; (ii) transport of personnel, equipment, supplies, products and materials; (iii) transport of sick and/or injured persons; (iv) patrol operations; and (v) fire-fighting operations from the list of common-use supplies and equipment of the Procurement Service; and
2. Inform the Office of the President, through the Executive Secretary, of the said action of the GPPB pursuant to Section 6 of AO No. 17, series of 2011 which mandates the GPPB to conduct periodic evaluation of the effectiveness of the performance of the centralized procurement system in terms of economy and efficiency;

NOW, THEREFORE, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested on **US**, by law and other executive issuances, hereby **RESOLVE**, to confirm, adopt, and approve, as **WE** hereby confirm, adopt, and approve the following:

1. **DELIST** the motor vehicles used for: (i) the exercise of executive functions; (ii) transport of personnel, equipment, supplies, products and materials; (iii) transport of sick and/or injured persons; (iv) patrol operations; and (v) fire-fighting operations from the list of common-use supplies and equipment of the Procurement Service; and
2. **INFORM** the Office of the President, through the Executive Secretary, of the said action of the GPPB pursuant to Section 6 of AO No. 17, series of 2011 which mandates the GPPB to conduct periodic evaluation of the effectiveness of the performance of the centralized procurement system in terms of economy and efficiency.

This Resolution shall take effect immediately.

APPROVED this 5th day of September 2019 at Manila City, Philippines.

SGD

**DEPARTMENT OF BUDGET AND
MANAGEMENT**

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

SGD

DEPARTMENT OF EDUCATION

DEPARTMENT OF ENERGY

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DEPARTMENT OF FINANCE

DEPARTMENT OF HEALTH

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**DEPARTMENT OF INFORMATION AND
COMMUNICATION TECHNOLOGY**

**DEPARTMENT OF INTERIOR AND LOCAL
GOVERNMENT**

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**DEPARTMENT OF NATIONAL
DEFENSE**

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INDUSTRY**

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PRIVATE SECTOR REPRESENTATIVE