



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

097.70124
09-16-2019

September 10, 2019

DEPARTMENT MEMORANDUM

CIRCULAR NO.
Series of 2019

68

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. 14-2019, re: "APPROVING THE ISSUANCE OF THE CIRCULAR ON THE IMPLEMENTATION OF EARLY PROCUREMENT ACTIVITIES AND AMENDING SECTIONS 7.5, 7.6 AND 20.1(c)(i) OF THE 2016 REVISED IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 9184, THE AFFECTED CLAUSES IN THE GENERIC PROCUREMENT MANUALS, AND THE ANNUAL PROCUREMENT PLAN AND PROCUREMENT MONITORING REPORT FORMATS."**

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. 14-2019

Cc: Office of the Secretary

12.1.1 CGSC/EDY/MNC/MVSG

**APPROVING THE ISSUANCE OF THE CIRCULAR ON THE IMPLEMENTATION OF
EARLY PROCUREMENT ACTIVITIES AND AMENDING SECTIONS 7.5, 7.6 AND
20.1(c)(i) OF THE 2016 REVISED IMPLEMENTING RULES AND REGULATIONS OF
REPUBLIC ACT NO. 9184, THE AFFECTED CLAUSES IN THE GENERIC
PROCUREMENT MANUALS, AND THE ANNUAL PROCUREMENT PLAN AND
PROCUREMENT MONITORING REPORT FORMATS**

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 7.6 of the 2016 revised IRR of RA No. 9184 states that “to facilitate the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services, even pending approval of the General Appropriations Act (GAA), corporate budget or appropriations ordinance, as the case may be, and notwithstanding Section 7.2 hereof, the procuring entity (PE) may undertake the procurement activities short of award. xxx No award of contract shall be made until the GAA, corporate budget or appropriations ordinance, as the case may be, has been approved or enacted”;

WHEREAS, Department of Budget and Management (DBM) Circular Letter No. 2018-8, dated 30 July 2018, provides, among others, that all government entities shall undertake Early Procurement Activities (EPA), from October to December 2018, upon the submission of the Fiscal Year (FY) 2019 National Expenditure Program;

WHEREAS, GPPB Resolution No. 27-2018, dated 20 December 2018, approved the issuance of a circular to guide PEs in the award of contract undertaken through EPA under a reenacted budget;

WHEREAS, Section 20 of the General Provisions of the GAA, FY 2019 states that “notwithstanding the mandatory timelines under RA No. 9184 and its revised IRR, agencies are authorized to undertake early procurement activities, from pre-procurement conference until post-qualification of bids, as soon as the proposed national budget is submitted to Congress. However, agencies may only proceed with the issuance of the notice of award of contract upon approval or enactment of their respective appropriations and issuance of budget authorization document and based on the amount authorized therein”;

WHEREAS, in light of the various issuances and rules on early procurement, the GPPB-Technical Support Office (TSO) recognized the need to consolidate and harmonize the same to ensure the proper implementation of early procurement activities;

WHEREAS, on 23 May 2019, during the Joint Meeting of the GPPB and the Inter-Agency Technical Working Group (IATWG), the GPPB-TSO presented its proposed Guidelines on Early Procurement Activities which the Board resolved to approve subject to the inclusion of additional comments from members of the Board and IATWG;

WHEREAS, during the 3rd IATWG Regular Meeting held on 13 June 2019, the IATWG agreed to recommend to the GPPB the approval of the amended and additional provisions in the Guidelines on Early Procurement Activities;

WHEREAS, on 17 July 2019, during the 6th GPPB Regular Meeting, the GPPB fully adopted the recommendations of the IATWG and resolved to approve the Guidelines on Early Procurement Activities including the amendments in Sections 7.5, 7.6 and 20.1(c)(i) of the 2016 revised IRR of RA No. 9184, the affected clauses in the Generic Procurement Manuals (GPMs), and the Annual Procurement Plan (APP) and Procurement Monitoring Report (PMR) formats;

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 issuance of the Circular on the Implementation of Early Procurement Activities including the amendments in Sections 7.5, 7.6 and 20.1(c)(i) of the 2016 revised IRR of RA No. 9184, the affected clauses in the GPM, and the APP and PMR formats, copies of which are hereto attached as Annexes "A" and "B", and made an integral part hereof.

This Resolution shall take effect immediately.

APPROVED this 17th day of July 2019 at Manila City, Philippines.

SGD

**DEPARTMENT OF BUDGET AND
MANAGEMENT**

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

SGD

DEPARTMENT OF EDUCATION

SGD

DEPARTMENT OF ENERGY

DEPARTMENT OF FINANCE

DEPARTMENT OF HEALTH

SGD

**DEPARTMENT OF INFORMATION AND
COMMUNICATION TECHNOLOGY**

**DEPARTMENT OF INTERIOR AND LOCAL
GOVERNMENT**

SGD

**DEPARTMENT OF NATIONAL
DEFENSE**

**DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

SGD

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

SGD

**DEPARTMENT OF TRADE AND
INDUSTRY**

SGD

DEPARTMENT OF TRANSPORTATION

PRIVATE SECTOR REPRESENTATIVE



ANNEX “A”

Unit 2506 Raffles Corporate Center,
F. Ortigas Jr. Road, Ortigas Center,
Pasig City, Philippines 1605

CIRCULAR 06-2019
17 July 2019

TO : Heads of Departments, Bureaus, Offices and Agencies of the National Government, including State Universities and Colleges, Government-Owned or Controlled Corporations, Government Financial Institutions, and Local Government Units

SUBJECT : Guidelines on the Implementation of Early Procurement Activities (EPA)

1. SCOPE AND APPLICATION

- 1.1 The Guidelines on Early Procurement Activities shall apply to Departments, Bureaus, Offices and Agencies of the National Government including State Universities and Colleges, Government-owned and/or Controlled Corporations (GOCCs), Government Financial Institutions, and Local Government Units (LGUs).
- 1.2 This Guidelines shall cover all types of procurement for goods, infrastructure projects and consulting services funded out of or by the General Appropriations Act (GAA), appropriations ordinance, corporate budget, or loan agreement in case of Foreign-Assisted Projects (FAPs).
- 1.3 A Procurement Project shall refer to a specific or identified procurement covering goods, infrastructure project or consulting services. A Procurement Project shall be described, detailed, and scheduled in the Project Procurement Management Plan prepared by the agency which shall be consolidated in the procuring entity's Annual Procurement Plan (APP).
- 1.4 EPA is applicable for Procurement Projects undertaken through Competitive Bidding and Alternative Methods of Procurement, **except** for the following:
 - 1.4.1 Repeat Order (Sec. 51);
 - 1.4.2 Shopping (Sec. 52);
 - 1.4.3 Negotiated Procurement- Emergency Cases (Sec. 53.2);
 - 1.4.4 Negotiated Procurement- Take-Over of Contracts (Section 53.3); and
 - 1.4.5 Negotiated Procurement - Small Value Procurement (Sec. 53.9).
- 1.5 Procurement Projects to be funded from lump-sum funds in the National Expenditure Program (NEP) wherein the recipients and the corresponding amounts have not been identified or approved, such as contingent funds, are **excluded** from the conduct of EPA, except those to be funded from:

- 1.5.1 the Local Government Support Fund administered by the Department of Interior and Local Government; and
- 1.5.2 the Budgetary Support to Government Corporations administered by the Department of Budget and Management (DBM).

2. PREPARATORY ACTIVITIES

- 2.1 The procuring entity (PE) shall complete all the appropriate preparatory activities such as, but not limited to, cost-benefit analysis, feasibility studies, market research, and detailed engineering designs, regulatory clearances and right of way acquisitions for civil works projects prior to the approval of the indicative APP.
- 2.2 The indicative APP must be duly approved by the Head of the Procuring Entity (HoPE) and submitted to:
 - 2.2.1 the DBM in case of national government agencies and GOCCs;
 - 2.2.2 the respective governing boards for further approval in case of GOCCs under the Governance Commission for GOCCs(GCG) and submission to the latter; or
 - 2.2.3 the *Sanggunian* in case of LGUs.
- 2.3 The indicative APP shall be posted on the agency's Transparency Seal pursuant to DBM Circular Letter No. 2018- 8 dated 30 July 2018.
- 2.4 As clarified under Government Procurement Policy Board (GPPB) Circular 05-2018 dated 18 May 2018, the Certificate of Availability of Funds shall not be required prior to the commencement of EPA.
- 2.5 The PE shall expressly provide in the bidding documents and through PhilGEPS posting that the Procurement Project is undertaken through EPA. The PE shall likewise ensure that the prospective bidders are properly informed, through the bidding documents and during the pre-bid conference, of all the implications of a Procurement Project undertaken through EPA. This shall include, but not limited to the:
 - 2.5.1 rules and procedure of EPA;
 - 2.5.2 fixed price rule in procurement;
 - 2.5.3 extension of the bid validity and security;
 - 2.5.4 validity of the eligibility requirements prior to the award of contract;
 - 2.5.5 conditions of award; and
 - 2.5.6 date of earliest delivery.

3. IMPLEMENTING GUIDELINES

- 3.1 EPA shall refer to the conduct of procurement activities, from posting of the procurement opportunity, if required, until recommendation of the Bids and Awards Committee (BAC) to the HoPE as to the award of the contract, for goods to be delivered, infrastructure projects to be implemented and consulting services to be rendered in the following fiscal year, pending approval of their respective funding sources.

- 3.2 The award of contract for Procurement Projects undertaken through EPA may be made only upon:
 - 3.2.1 approval and effectivity of their respective funding sources, to wit: (i) GAA; (ii) Corporate Budget; (iii) Appropriations Ordinance; or (iv) loan agreement in the case of FAPs; or
 - 3.2.2 the reenactment of the previous year's budget which constitutes the current year's authorized budget, when authorized by the Constitution, law or rules.
- 3.3 PEs are encouraged to undertake EPA to ensure the timely delivery of goods, implementation of infrastructure projects and rendition of consultancy services.
 - 3.3.1 The conduct of EPA for nationally-funded Procurement Projects may commence as early as the submission of the NEP to Congress, usually in July. No EPA may be conducted without an indicative APP duly approved by the HoPE and the Multi-Year Contracting Authority (MYCA) issued by the DBM, in the case of multi-year projects.
 - 3.3.2 For Procurement Projects funded by corporate and local funds, the EPA may be undertaken from the time the proposed corporate or local budget has been submitted to the approving authority.
 - 3.3.3 In the case of Foreign-Assisted Projects, the same may commence:
 - 3.3.3.1 from the approval of the National Economic and Development Authority (NEDA) Board as evidenced by the official notice of approval issued by the NEDA Secretariat to the implementing agency; or
 - 3.3.3.2 upon issuance of a document or instrument issued by the foreign donor or financing institution explicitly stating that a loan is to be made available to the Philippines, usually through the Department of Finance, or any of its agencies or instrumentalities with borrowing authority pending final approval of the loan.
- 3.4 Rules for Procurement Projects to be funded from a Source Agency and Implemented by a Recipient Agency.
 - 3.4.1 For Procurement Projects that are included in the budget of an agency (source agency) but shall be released directly to another agency (recipient agency) pursuant to a special provision in the NEP, the special provision shall be the basis of the recipient agency to conduct EPA.

Such projects shall be included in the indicative APP of the recipient agency.

For example:

Funds for the Basic Educational Facilities project under the Department of Education (DepEd) but is directly released to the Department of Public Works and Highways (DPWH), which shall implement the project.
Funds for the Farm-to-Market Road Projects of the Department of Agriculture also directly released to the DPWH, which shall implement the project.

3.4.2 For Procurement Projects funded in the budget of an agency (source agency) but to be implemented by another agency (recipient agency), a Memorandum of Understanding (MOU) between them shall be the basis of the recipient agency for the conduct of EPA. The MOU shall state that the source agency:

3.4.2.1 has proposed funds in the NEP for a Procurement Project;

3.4.2.2 identifies the recipient agency as the implementing unit for the said Procurement Project; and

3.4.2.3 authorizes the recipient agency to undertake EPA for the said Procurement Project.

Such Procurement Projects shall be included in the indicative APP of the recipient agency.

The MOU required above is limited to the conduct of EPA and is different from the Memorandum of Agreement that may be required for the actual implementation of the Procurement Project under a special or general provision in the GAA, rules of the source or recipient agency, or budgeting, accounting and auditing rules and regulations.

3.4.3 For Procurement Projects funded by forthcoming sub-allotments from the Central Office (CO) or Centrally-Managed Items, the written approval, in whatever form, from the CO identifying the implementing unit therefor with the corresponding amount and authorizing the conduct EPA shall be the basis for the conduct of said activity.

3.5 The source and recipient agencies shall ensure that any and all conditions or documents required to be met or submitted as a prerequisite for the release of funds or sub-allotment thereof shall be timely prepared to enable the implementing agency to award the contract within the prescribed period.

4. BID VALIDITY

The PE may request the bidders to extend the validity of their bid securities beyond one hundred twenty (120) calendar days, prior to their expiration, if the funding source for the Procurement Project has yet to be approved and made effective.

A change in the form of the bid security is allowed if this is made prior to the expiration of the bid validity sought to be extended.

If the bidder refuses to extend the bid validity, the PE shall reject the bid submitted by said bidder.

5. PROCUREMENT TIMELINES

The conduct of EPA from posting to recommendation of the BAC to the HoPE as to the award of the contract shall observe the mandatory timelines set forth in the 2016 revised Implementing Rules and Regulations (IRR) of Republic Act No. (RA) No. 9184, including the period for re-bidding which shall be within fifteen (15) days after each

declaration of failure of bidding, which may be extended up to thirty (30) days upon approval of the HoPE.

6. REVISION OF THE INDICATIVE APP BEFORE AWARD OF CONTRACT

6.1. As soon as the funding source for the Procurement Project has been approved, regardless of the stage of the EPA, the indicative APP shall be revised and approved in accordance with Section 7.2 of the 2016 revised IRR of RA No. 9184.

6.2. Upon approval of the APP and the commencement of the running of the period to award the contract and complete the procurement process, the HoPE may approve or disapprove the recommendation of the BAC.

In case of approval, the HoPE shall issue the Notice of Award to the Lowest Calculated Responsive Bid or Highest Rated Responsive Bid, as the case may be, and thereafter sign the contract.

In case of disapproval, the HoPE shall notify the BAC and the bidder in writing of such decision and the grounds thereof which shall be any of the grounds provided for under Section 41 of the 2016 revised IRR of RA No. 9184.

6.3. The final approved APP shall be submitted to the GPPB on or before the end of January of the budget year, and shall be posted in accordance with Executive Order No. 662, series of 2007, as amended (refer to Appendix 1 for the revised APP form for the conduct of EPA).

7. AWARD OF CONTRACT

7.1. Notwithstanding the mandatory procurement timelines provided in Section 37 of RA No. 9184, Procurement Projects undertaken through EPA may be awarded upon approval and effectivity of the GAA, reenacted budget, appropriations ordinance, corporate budget or loan agreement, as the case may be.

For example:

Agency A's Approved Budget for the Contract (ABC) for its procurement of heavy duty shredders is 1 Million Pesos as authorized in the NEP and after undertaking EPA the contract price to be awarded amounts to 1 Million Pesos, Agency A may award the contract upon approval and effectivity of the GAA.

However, in the case of a reenacted budget, the PE may only award the contract for Recurring Procurement Projects and not for new Procurement Projects. Recurring Procurement Projects shall refer to Procurement Projects included in the previous year's budget which has been reenacted in or for the current year.

7.2. If the amount authorized for a Procurement Project has been reduced, the PE may still make an award if the contract price to be awarded is within the amount

authorized in the GAA, reenacted budget, appropriations ordinance, corporate budget, or loan agreement regardless of the posted ABC.

For example:

Agency A's ABC for its procurement of printers is 1.2 Million Pesos as authorized in the NEP and after undertaking EPA the contract price to be awarded is 1 Million Pesos. If the budget is reduced to 1 Million Pesos, Agency A may award the contract because the contract price to be awarded is within the amount authorized.

- 7.3. The HoPE shall not award any Procurement Project if the amount therefor has been withdrawn or in the event the amount authorized in the GAA, reenacted budget, appropriations ordinance, corporate budget, or loan agreement is lower than the amount of contract to be awarded.

For example:

- a. Agency A's ABC for its procurement of LED lighting system for its auditorium is 1.5 Million Pesos as authorized in the NEP and after undertaking EPA the contract price to be awarded is 1.3 Million Pesos. If the budget is withdrawn, Agency A shall NOT award the contract pursuant to Sec. 41(c) (iii) of the 2016 revised IRR of RA No. 9184.
 - b. Agency A's ABC for its procurement of desktop computers is 1 Million Pesos as authorized in the NEP and after undertaking EPA the contract price to be awarded is PhP 900,000. If the budget is reduced to PhP 800,000, Agency A shall NOT award the contract pursuant to Sec. 41(c) (iii) of the 2016 revised IRR of RA No. 9184.
- 7.4. In all instances, the HoPE has the authority to exercise the reservation clause under Section 41 of RA No. 9184, which grants the HoPE the right not to award the contract if, for any justifiable and reasonable ground, the award of the contract will not redound to the benefit of the government.
- 7.5. Notwithstanding the approval and effectivity of the GAA, reenacted budget, appropriations ordinance, corporate budget or loan agreement, as the case may be, PEs shall not award contracts for Procurement Projects requiring Special Allotment Release Order or Sub-Allotment Release Order until the same has been issued, secured or released.

8. TOLLING OR SUSPENSION OF THE PERIOD

- 8.1. Pursuant to Section 85 of Presidential Decree No. 1445 or the State Audit Code, no contract involving the expenditure of public funds shall be entered into unless there is an appropriation. Accordingly, pending approval and effectivity of the GAA, corporate budget or appropriations ordinance, or the loan agreement in the case of FAPs, the following periods shall be tolled or suspended:

- 8.1.1 the fifteen-day (15 day) period for the HoPE to approve the Resolution of the BAC and to issue the Notice of Award provided under Section 37; and
 - 8.1.2 the three-month (3-month) period within which to complete the procurement process, from the opening of bids up to the award of contract, under Section 38 of RA No. 9184.
- 8.2. The period of time for the award of contract and termination of the procurement process, as the case may be, shall begin to run again upon the approval and effectivity of the GAA, reenacted budget, appropriations ordinance, corporate budget or loan agreement, as the case may be.

It shall not commence anew but rather, grants the HoPE the balance of the remaining period to award the contract or terminate the procurement process.

For example:

The BAC conducted the Bid Opening on 30 July and the BAC issued a Resolution recommending award of the contract on **11 October**.

The 3-month period to complete the procurement process and the 15-day period for the HoPE to approve the contract are suspended beginning **12 October**.

The HoPE has **seventeen (17) days** to complete the procurement process from the approval and effectivity of the funding source. This is the period remaining from the 3-month period to complete the procurement process, i.e., 90 days less 73 days (or the period covering July 30 to October 11).

If the approval and effectivity of the GAA is 1 January, the 3-month period to complete the procurement process and the 15-day period for the HoPE to approve the contract shall run again and the HoPE has (i) **15 days or until 16 January** to award; and (ii) **17 days or until 18 January** to complete the procurement process.

9. MONITORING

9.1 Annual Procurement Plan.

Projects undertaken through EPA shall be reported in the APP under a column separate from the regular procurement activities (refer to Appendix 1 for the revised APP form for the conduct of EPA).

9.2 Procurement Monitoring Report.

Awards made under EPA shall be reported in the Procurement Monitoring Report (PMR) under a column separate from the regular procurement activities (refer to Appendix 2 for the revised PMR form for the conduct of EPA).

9.3 Agency Procurement Compliance and Performance Indicators (APCPI).

Under Indicator 9 on Compliance with Procurement Timeframes under Pillar III of the APCPI, the PE's compliance shall be adjusted considering the tolling of the periods as allowed.

10. EFFECTIVITY

This Circular shall take effect immediately.

SGD
LAURA B. PASCUA
GPPB Chairperson Alternate

REVISED ANNUAL PROCUREMENT PLAN

(Name of Agency) Annual Procurement Plan for FY

GUIDE TO PREPARE APP		APP COLUMN HEADER/S			
STEP 1	In the Code column, kindly indicate the PAP Code. Please refer to the code indicated in the technical budget posted in the DBM website. For GOCCs and LGUs, indicate the procuring entity's internal numbering system.	Code (PAP)			
STEP 2	For the Procurement Project column, please align descriptions of projects with budget documents and ensure clarity and accuracy in describing each procurement project.	Procurement Project			
STEP 3	For PMO/End-User, please indicate the PMO/End-User unit who will implement/utilize the procurement project. Multiple end-user units are allowed only if the procurement activity was consolidated by the BAC to procure requirements of the end-user units.	PMO/End-User			
STEP 4	For Mode of Procurement and Schedule for Each Procurement Activity, all modes of procurement are available as a dropdown list and requirements for a specific schedule for Ads/Post of IB/REI, Sub/Open of Bids, Notice of Award, and/or Contract Signing are automatically identified thru the MS Excel formula. Note that for Foreign-funded procurement, please use Others - Foreign-funded procurement as the Mode of Procurement.	Schedule for Each Procurement Activity			
STEP 5	Kindly indicate a specific period (dates, month, quarter) when each Procurement Activity will be done. Please refer to our website: http://www.gppb.gov.ph/timelines/timelines.htm for the specific periods for each activity.	Mode of Procurement	Ads/Post of IB/REI	Sub/Open of Bids	Notice of Award
STEP 6	Note: For SVP, IB/REI is similar to RFQ. Ads/Post of IB/REI for Shopping 52.1(b) and NP-SVP (53.9) needs to be posted in PhilGEPS for ABCs above 50k. Notice of Award posting in PhilGEPS is mandatory for all Alternative Modes only for ABCs above 50k.				
STEP 7	For Source of Funds, a dropdown list is available. If the Source of Funds the PE will use is not included, please indicate "Others" and specify under the Remarks column.	Source of Funds			
STEP 8	For Estimated Budget (PhP), kindly fill out either MOOE or CO columns only. Total ABC column is not editable, but will automatically compute for the total MOOE and CO components of the project. This breakdown is needed for tracking purposes. Finally, please ensure that amounts indicated are aligned with budget documents.	Estimated Budget (PhP)			
STEP 9	Before submission to the GPPB, ensure that the Head of the Procuring Entity (HoPE) approves/signs the APP.				

GENERAL INFORMATION

#1	All Cells with Fill Color Orange needs to be filled out by the Agency. This is a visual reminder of blank or improperly filled out cells.
#2	To ensure that automated indicator which procurement activity needs to be filled out with specific periods, PE must copy entire Excel row with the mode of procurement for the specific procurement project and paste on the last sample row "Negotiated Procurement-53.13" in the template.
#3	If PE wishes to edit formatting and design of borders, fonts, among others of the APP template, it is suggested to utilize the automated formulas in the template before copying contents and reformatting.
#4	Per Section of 3.1.1 of DBM Circular No. 2015-7, the Approved Budget for the Contract (ABC) shall be "the amount reflected in the MYOA". Hence, the ABC in the Annual Procurement Plan (APP) shall be the full amount stated in the MYOA with remarks added on how much will be actually disbursed for that particular fiscal year. Moreover, the Procurement Monitoring Report (PMR) should also reflect full amount in the MYOA if the entire contract was awarded within the fiscal year. Thus, for succeeding years, actual disbursements from the MYOA need not be reflected in the APP's and PMRs, unless current contract with MYOA is terminated and a new procurement activity is undertaken.

DEFINITIONS

1. PROGRAM (BESF) – A homogeneous group of activities necessary for the performance of a major purpose for which a government agency is established, for the basic maintenance of the agency's administrative operations or for the provisions of staff support to the agency's administrative operations or for the provisions of staff support to the agency's line functions.
2. PROJECT (BESF) – Special agency undertakings which are to be carried out within a definite time frame and which are intended to result in some pre-determined measure of goods and services.
3. PMO/End User - Unit as proponent of project
4. Mode of Procurement - Competitive Bidding and Alternative Methods including: selective bidding, direct contracting, repeat order, shopping, and negotiated procurement.
5. Schedule for Each Procurement Activity - Major procurement activities (advertising/posting; submission and receipt/opening of bids; award of contract; contract signing).
6. Source of Funds - Whether GoP, Foreign Assisted or Special Purpose Fund
7. Estimated Budget - Agency approved estimate of project costs
8. Remarks - brief description of project

ANNEX B
(Name of Agency) Procurement Monitoring Report as of month/day/year

Recommended for Approval by:

BAC Chairperson

Prepared Prepared by:

BAC Secre BAC Secretariat

**2016 REVISED IMPLEMENTING RULES AND REGULATIONS (IRR)
 OF REPUBLIC ACT (RA) NO. 9184**

ORIGINAL	AMENDED
<p>Section 7.5</p> <p>The ABC as reflected in the approved APP shall be at all times consistent with the appropriations for the project authorized in the GAA, continuing, and automatic appropriations, the corporate budget, and the appropriations ordinance, as the case may be.</p>	<p>Section 7.5</p> <p><u>Except for procurement projects undertaken through early procurement activities (EPA), the ABC as reflected in the approved APP shall be at all times consistent with the appropriations for the project authorized in the GAA, continuing, and automatic appropriations, the corporate budget, and the appropriations ordinance, as the case may be.</u></p> <p><u>For EPA, the posted ABC may be higher than the approved budget as long as the contract price to be awarded is within the amount authorized in the GAA, reenacted budget, appropriations ordinance, corporate budget, or loan agreement, as the case may be.</u></p>
<p>Section 7.6</p> <p>To facilitate the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services, even pending approval of the GAA, corporate budget or appropriations ordinance, as the case may be, and notwithstanding Section 7.2 hereof, the Procuring Entity may undertake the procurement activities short of award.</p> <p>NGAs, SUCs, Constitutional Commissions or Offices are encouraged to start their procurement activities immediately after the National Expenditure Program (NEP) has been submitted by the President to Congress, provided that the HoPE has approved the</p>	<p>Section 7.6</p> <p>To facilitate the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services, even pending approval of the General Appropriations Act, corporate budget, <u>appropriations ordinance, or the loan agreement in the case of FAPs,</u> as the case may be, and notwithstanding Section 7.2 hereof, the Procuring Entity may undertake <u>EPA.</u></p> <p><u>Procuring Entities are encouraged to undertake EPA to ensure the timely delivery of goods, implementation of infrastructure projects and rendition of consultancy services. The conduct of EPA for nationally-funded</u></p>

<p>corresponding indicative APP. This will facilitate the awarding of procurement contracts after the enactment of the GAA, enabling the timely implementation and completion of programs and projects.</p> <p>For a contract with a period not exceeding one (1) year, the ABC shall be based on the amount in the indicative APP as included in the proposed national budget submitted by the President to Congress; for GOCCs, on budget levels as proposed to the governing board; or for LGUs, on budget levels as proposed in the executive budget submitted to the <i>Sanggunian</i>. In the case of multi-year contracts, for which a MYOA or an equivalent document is required, the ABC shall be the amount reflected in the MYOA or equivalent document.</p> <p>No award of contract shall be made until the GAA, corporate budget or appropriations ordinance, as the case may be, has been approved or enacted.</p>	<p><u>procurement projects may commence as early as the submission of the NEP to Congress, usually in July. No EPA may be conducted without an indicative APP duly approved by the HoPE and the MYCA issued by the DBM, in the case of multi-year projects.</u> This will facilitate the awarding of procurement contracts <u>upon approval and effectivity of their respective funding sources or the reenactment of the previous year's budget which constitutes the current year's authorized budget, when authorized by the Constitution, law or rules.</u></p> <p><u>For EPA, the indicative APP shall be based on the ABC in the proposed national budget submitted by the President to Congress; for GOCCs, on budget levels as proposed to the governing board; for LGUs, on budget levels as proposed in the executive budget submitted to the <i>Sanggunian</i>; and for foreign-assisted projects (FAPS), on the document issued by the foreign donor or financing institution explicitly stating that a loan is to be made available to the Philippines or any of its agencies or instrumentalities with borrowing authority.</u></p> <p>No award of contract shall be made until the <u>approval and effectivity of the GAA, corporate budget, appropriations ordinance, or the loan agreement in the case of FAPs.</u></p> <p><u>Notwithstanding the approval and effectivity of the GAA, reenacted budget, appropriations ordinance, corporate budget or loan agreement, Procuring Entities shall not award contracts for procurement projects requiring Special Allotment Release Order or Sub-Allotment Release Order until the same has been issued, secured or released.</u></p>
<p>Section 20.1</p> <p>...</p> <p>...</p> <p>c) Determine the readiness of the procurement at hand, including, among other aspects, the following:</p>	<p>Section 20.1</p> <p>...</p> <p>...</p> <p>c) Determine the readiness of the procurement at hand, including, among other aspects, the following:</p>

<p>i) availability of appropriations and programmed budget for contract. For the purpose of pre-procurement conference, pending the approval or enactment of the GAA, corporate budget or appropriations ordinances, as the case may be, the certification of availability of funds refers to the amount in the indicative APP consistent with the NEP, or MYOA or its equivalent document, the proposed corporate budget or executive budget, in accordance with Section 7.6 of this IRR on procurement activities short of award;</p>	<p>i) availability of appropriations and programmed budget for contract. For the purpose of pre-procurement conference, pending the approval or enactment of the GAA, corporate budget or appropriations ordinances, as the case may be, the certification of availability of funds refers to the amount in the indicative APP consistent with the NEP, or MYOA or its equivalent document, the proposed corporate budget or executive budget, in accordance with Section 7.6 of this IRR on procurement activities short of award; <u>The availability of appropriations. In the case of EPA, the inclusion of the procurement project in the proposed funding source, i.e., the GAA, appropriations ordinance, corporate budget, or loan agreement, as the case may be.</u></p>
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GENERIC PROCUREMENT MANUAL VOLUME II
Manual of Procedures for the Procurement of Goods and Services

ORIGINAL	AMENDED
<p>What should a Pre-procurement Conference achieve?</p> <p>A pre-procurement conference should: (2016 IRR, Section 20.1)</p> <p>...</p> <p>...</p> <p>3. Determine the readiness of the procurement at hand, including among other aspects, the following: i) availability of appropriations and programmed budget for the contract;...</p>	<p>What should a Pre-procurement Conference achieve?</p> <p>A pre-procurement conference should: (2016 IRR, Section 20.1)</p> <p>...</p> <p>...</p> <p>3. Determine the readiness of the procurement at hand, including, among other aspects, the following: 1) availability of appropriations and programmed budget for contract. For the purpose of pre-procurement conference, pending the approval or enactment of the GAA, corporate budget or appropriations ordinances, as the case may be, the certification of availability of funds refers to the amount in the indicative APP consistent with the NEP, or MYOA or its equivalent document, the proposed corporate budget or executive budget, in accordance with Section 7.6 of this IRR on procurement activities short of award; <u>The availability of appropriations. In the case of EPA, the inclusion of the procurement project in the proposed funding source, i.e., the GAA, appropriations ordinance, corporate</u></p>

	<u>budget, or loan agreement, as the case may be.</u>
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GENERIC PROCUREMENT MANUAL VOLUME III
Manual of Procedures for the Procurement of Infrastructure Projects

ORIGINAL	AMENDED
What should a Pre-procurement Conference achieve?	What should a Pre-procurement Conference achieve?
A pre-procurement conference should: (2016 IRR, Section 20.1)	A pre-procurement conference should: (2016 IRR, Section 20.1)
...	...
...	...
3. Determine the readiness of the procurement at hand, including among other aspects, the following:	3. Determine the readiness of the procurement at hand, including, among other aspects, the following:
a. Availability of appropriations and programmed budget for the contract; ...	a. availability of appropriations and programmed budget for contract. For the purpose of pre-procurement conference, pending the approval or enactment of the GAA, corporate budget or appropriations ordinances, as the case may be, the certification of availability of funds refers to the amount in the indicative APP consistent with the NEP, or MYOA or its equivalent document, the proposed corporate budget or executive budget, in accordance with Section 7.6 of this IRR on procurement activities short of award; <u>The availability of appropriations. In the case of EPA, the inclusion of the procurement project in the proposed funding source, i.e., the GAA, appropriations ordinance, corporate budget, or loan agreement, as the case may be.</u>

GENERIC PROCUREMENT MANUAL VOLUME IV
Manual of Procedures for the Procurement of Consulting Services

ORIGINAL	AMENDED
What should a Pre-procurement Conference achieve?	What should a Pre-procurement Conference achieve?
A pre-procurement conference should: (2016 IRR, Section 20.1)	A pre-procurement conference should: (2016 IRR, Section 20.1)
...	...
...	...

<p>3. Determine the feasibility of the procurement by ascertaining, among other factors, the availability of the appropriations and programmed budget for the contract, and the adherence of the bidding documents, TOR and other related matters to relevant general procurement guidelines;</p>	<p>3. Determine the readiness of the procurement at hand, including, among other aspects, the following: i) availability of appropriations and programmed budget for contract. For the purpose of pre-procurement conference, pending the approval or enactment of the GAA, corporate budget or appropriations ordinances, as the case may be, the certification of availability of funds refers to the amount in the indicative APP consistent with the NEP, or MYOA or its equivalent document, the proposed corporate budget or executive budget, in accordance with Section 7.6 of this IRR on procurement activities short of award; <u>The availability of appropriations. In the case of EPA, the inclusion of the procurement project in the proposed funding source, i.e., the GAA, appropriations ordinance, corporate budget, or loan agreement, as the case may be.</u></p>
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