

[GPPB RESOLUTION NO. 12-2007, June 29, 2007]

AMENDMENT OF SECTION 53 OF THE IMPLEMENTING RULES AND REGULATIONS PART A OF REPUBLIC ACT 9184 AND PRESCRIBING GUIDELINES ON PARTICIPATION OF NON-GOVERNMENTAL ORGANIZATIONS IN PUBLIC PROCUREMENT

WHEREAS, under Section 23, Article II of the 1987 Constitution, the State shall encourage formation of non-governmental organizations (NGOs), community-based or sectoral organizations that promote the welfare of the nation;

WHEREAS, Republic Act No. 9358, or the Supplemental Budget for FY 2006, and Republic Act No. 9401, or the General Appropriations Act for FY 2007, provides an amount of Two Hundred Fifty Million Pesos (P250,000,000.00) for the construction of school buildings to be made available to NGOs;

WHEREAS, the President's Veto Message dated 17 October 2006 and 22 March 2007 subjects the implementation of the foregoing provisions to guidelines to be issued by the Government Procurement Policy Board (GPPB);

WHEREAS, under Section 63 of the Implementing Rules and Regulations Part A (IRR-A) of Republic Act No. (R.A.) 9184, the Government Procurement Policy Board (GPPB) is authorized to formulate and amend public policies, rules and regulations, and amend whenever necessary, the IRR-A of R.A. 9184;

WHEREAS, during the 6th Inter-Agency Technical Working Group (IATWG) Meeting on the 15th day of June at Unit 2506 Raffles Corporate Center, Emerald Avenue, Ortigas Center, Pasig City, the IATWG duly considered and agreed to endorse for the approval of the GPPB the amendment of Section 53 of the IRR-A of R.A. 9184 to include as one of the instances under Negotiated Procurement procedures entering into an agreement with a NGO when an appropriation law or ordinance earmarks a specific amount or project for NGOs;

WHEREAS, the IATWG also deliberated on and agreed to endorse for the approval of the GPPB the proposed Guidelines on NGO Participation in Public Procurement;

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, hereby RESOLVE to confirm, adopt and approve the recommendation of the IATWG, as WE hereby confirm, adopt and approve the amendment to the IRR-A of R.A. 9184 as follows:

Section 53. Negotiated Procurement

Negotiated Procurement is a method of procurement of goods, infrastructure projects, and consulting services, whereby the procuring entity directly negotiates a contract with a technically, legally and financially capable supplier, contractor or consultant only in the following cases:

x x x

- (j) When an appropriation law or ordinance earmarks an amount to be specifically contracted out to Non-Governmental Organizations (NGOs), the procuring entity may enter into a Memorandum of Agreement with an NGO, subject to guidelines to be issued by the GPPB.

FURTHER RESOLVED, as we hereby FURTHER RESOLVE to confirm, adopt, and approve the Guidelines on Non-Governmental Organization in Public Procurement, herein attached as Annex A.

This resolution shall take effect immediately.

Adopted: 29 June 2007

(SGD.) ROLANDO G. ANDAYA, JR.

Secretary

Department of Budget and Management

Also signed by other Representatives of:

DEPARTMENT OF NATIONAL DEFENSE

DEPARTMENT OF EDUCATION

DEPARTMENT OF HEALTH

DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

DEPARTMENT OF FINANCE

DEPARTMENT OF TRADE AND INDUSTRY

DEPARTMENT OF SCIENCE AND TECHNOLOGY

DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

PRIVATE SECTOR REPRESENTATIVE

Attested by:

GUIDELINES ON NON-GOVERNMENTAL ORGANIZATION
PARTICIPATION IN PUBLIC PROCUREMENT

1. POLICY STATEMENT

Section 23, Article II of the Philippine Constitution prescribes that the State shall encourage the participation of Non-Governmental Organizations (NGOs), community-based, or sectoral organizations in the promotion of the welfare of the nation.

As a general rule, all procurement shall be done through competitive public bidding. However, when an appropriation law earmarks an amount for projects to be specifically contracted out to NGOs, it is the intent of Congress to give due preference to NGOs.

2. SCOPE AND APPLICATION

These guidelines prescribe the allowable modes of selecting an NGO in case an appropriation law or ordinance specifically earmarks an amount for projects to be specifically contracted out to NGOs.

These guidelines shall apply to national government, its branches, constitutional offices, departments, bureaus, offices and agencies, including state universities and colleges, government-owned and/or controlled corporations, government financial institutions, and local government units.

3. PURPOSE

These guidelines are formulated to meet the following objectives:

- 3.1 If the procuring entity decides to conduct public bidding, to prescribe the rules and procedures that shall govern public bidding limited to NGOs; and
- 3.2 If the procuring entity decides to enter into negotiated procurement under Section 53 (j) of the Implementing Rules and Regulations Part A (IRR-A) of Republic Act 9184 (R.A. 9184), to provide the necessary steps and procedures in the selection of the NGO.

4. GENERAL GUIDELINES

- 4.1 When an appropriation law or ordinance specifically earmarks an