

[GPPB RESOLUTION NO. 12-2013, May 10, 2013]

**APPROVING THE AMENDMENTS OF SECTIONS 23.6, 24.6, AND
53.5 OF THE REVISED IMPLEMENTING RULES AND
REGULATIONS OF REPUBLIC ACT NO. 9184, AND ITS
ASSOCIATED PROVISIONS IN THE IMPLEMENTING GUIDELINES
ON AGENCY-TO-AGENCY AGREEMENTS**

WHEREAS, Republic Act (RA) No. 9184, otherwise known as the "Government Procurement Reform Act" and its revised Implementing Rules and Regulations (IRR) took effect on 26 January 2003 and 2 September 2009, respectively;

WHEREAS, Section 63(b) of the IRR of RA 9184 authorizes the Government Procurement Policy Board (GPPB) to formulate public procurement policies, rules and regulations, and amend, whenever necessary, the IRR;

WHEREAS, Sections 23.6 and 24.6 of the IRR of RA 9184 provide that government corporate entities (GCEs) may participate in Competitive Bidding activities of procuring entities if they can establish that they are (a) legally and financially autonomous, (b) operate under commercial law, and (c) not dependent agencies of the GOP or the procuring entity;

WHEREAS, considering that GCEs depend on the GOP to some extent, the condition that they should not be dependent agencies of the GOP to be deemed eligible to participate in competitive bidding activities effectively disqualifies all GCEs;

WHEREAS, the GOCC Governance Act of 2011 provides a technical definition of GCEs which may sow confusion as to the intended application of Sections 23.6 and 24.6 of the IRR as to be limited only to the GCEs defined in the GOCC Governance Act of 2011.

WHEREAS, these considerations necessitate appropriate revisions to Sections 23.6 and 24.6 of the IRR in order to properly implement the policy and meet the objectives for which they were adopted;

WHEREAS, Section 53.5 of the IRR of RA 9184, and the Implementing Guidelines on Agency-to-Agency Agreements issued through GPPB Resolution 18-2007, allows the procurement of goods, infrastructure projects, and consulting services, from another agency of the GOP, but excludes Government Owned or Controlled Corporations (GOCCs) incorporated under Batas Pambansa Blg. 68 (non-chartered GOCCs), otherwise known as the "Corporation Code of the Philippines", from being engaged as a servicing agency;

WHEREAS, there is a need to revisit the prohibition on non-chartered GOCCs from being engaged as servicing agency in an Agency to Agency Agreement under Section 53.5 of the IRR of RA 9184 in order to attain a more efficient and streamlined public procurement process;