



ARMED FORCES OF THE PHILIPPINES PROCUREMENT SERVICE

PROCUREMENT GUIDE



2nd Edition (2017)



Management
System
ISO 9001:2008



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*“Whilst the amateur thinks operations,
the professional thinks logistics”*

- **MAJ GEN NORMAN SWARTZGOPF**
US ARMY GENERAL

This handbook is designed to guide the readers on the Procurement System of the Armed Forces of the Philippines in order to provide easy and convenient reference on its underlying processes.

TABLE OF CONTENTS

• AFP Procurement Service (AFPPS) - - - - -	1
• AFPPS Vision, Mission, Capabilities - - - - -	3
• AFPPS Organizational Chart - - - - -	4
• Procurement Centers - - - - -	5
• Philippine Army Contracting Offices - - - - -	6
• Philippine Airforce Contracting Offices - - - - -	8
• Philippine Navy Contracting Offices - - - - -	9
• GHQ/ KBUs/ AFPWSSUs Contracting Offices - - - - -	10
• Bids and Awards Committee (BAC) Secretariats - - - - -	11
• Acronyms and Terminologies - - - - -	14
• Some Significant Provisions of RA 9184 and its IRR - - - - -	15
• APP Preparation Flow Chart for Major Services - - - - -	21
• APP Preparation Flow Chart for Program 4 Units - - - - -	22
• APP Preparation Flow Chart for Key Budgetary Units - - - - -	23
• Procurement Methods - - - - -	24
• Bid, Performance and Warranty Securities - - - - -	25
• Government Procurement Policy Board - - - - -	26
• Head of Procuring Entity - - - - -	27
• Procurement Contract Agreement - - - - -	28
• Philippine Government Electronic Procurement Service - - - - -	29

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TABLE OF CONTENTS

• Competitive Bidding & Public Bidding Flow	33
• Alternative Methods of Procurement	37
- Limited Source	37
- Direct Contracting	38
- Repeat Order	39
- Shopping	40
- Negotiated Procurement	43
• Ordering Agreement and Tie - Breaking Method	50
• Alternative Methods Flow Chart	51
• Documentary requirements for AMP	55
• Bids and Awards Committee	56
• Technical Working Group	57
• Canvass/Contract Committee	58
• Technical Inspection and Acceptance Committee	59
• Pre-Delivery Inspection	60
• Contract Termination and Review Committee	61
• Commission on Audit Common Findings	62
• Commission on Audit Circular 2009-001	63
• Electronic Procurement Monitoring Information System	65
• International Organization for Standardization	67

AFP PROCUREMENT SERVICE

- **16 April 2005** – Armed Forces of the Philippines Procurement Service was organized under GO Nr 402, GHQ AFP dtd 11 Apr 2005
- **DND Department Order Nr 12 dtd 05 April 2006** – the authority /order confirming the creation of AFPPS
- **AFP – Wide Support and Separate Unit (AFPWSSU)** – category of AFPPS
- **The Deputy Chief of Staff for Logistics, J4** – designated office of the CSAFP that directly supervises AFPPS
- AFPPS has the following subordinate units :
 - **Four (4) Procurement Centers (PCs)**
 - **Twenty Eight (28) Contracting Offices (COs)**
 - **Five (5) BAC Secretariats**
 - **Reimbursable Fund Unit (RFU)**
- **RA 9184** – or the “Government Procurement Reform Act” and it’s Implementing Rules and Regulations (IRR) governs all AFPPS procurement transactions
- AFPPS procurement transactions are guided by other related AFP logistics and fiscal letters and directives; auditing and accounting principles; including memos, circulars and orders from the Department of National Defense

AFP PROCUREMENT SERVICE

ISO 9001: 2008 (Quality Management System) Certified – AFPPS is one of the AFP units certified under this system in order to provide genuine procurement reforms, in line with the AFP Transformation Road Map.

- **16 April 2014** – is the date when AFPPS signed a contract agreement with the Development Academy of the Philippines (DAP) with the presence of Mr. Antonio D Kalaw JR, President of the Development Academy of the Philippines
- According to Mr. Antonio D Kalaw JR, President of the Development Academy of the Philippines, during the celebration of the 9th AFPPS Founding Anniversary ***“AFPPS is the first procurement office in the government bureaucracy to be ISO 9001:2008 certified”***
- **16 April 2015** – the date when AFPPS was declared ISO Certified. The Certification was issued by TUV Rheinland Philippines Inc.
- **05 February 2016** – successfully completed the first surveillance audit by TUV Rheinland Philippines, Inc.
- **Electronic Procurement Monitoring Information System (EPMIS)** – a management tool created to protect the interest of the stakeholders that facilitates faster, convenient, reliable, transparent and competitive procurement while adhering to RA 9184 founding principles and its IRR

AFPPS VISION

AFPPS envisions a quality service which adheres to continual improvement through good governance with competent military and civilian personnel targeting a modernized procurement service.

Reference: *Table of Organization and Equipment (TOE) series 2012*

AFPPS MISSION

To organize, train, equip, maintain and sustain Procurement Centers, Contracting Offices, Bids and Awards Committee Secretariats and the RFU in order to support the logistical requirements of the AFP.

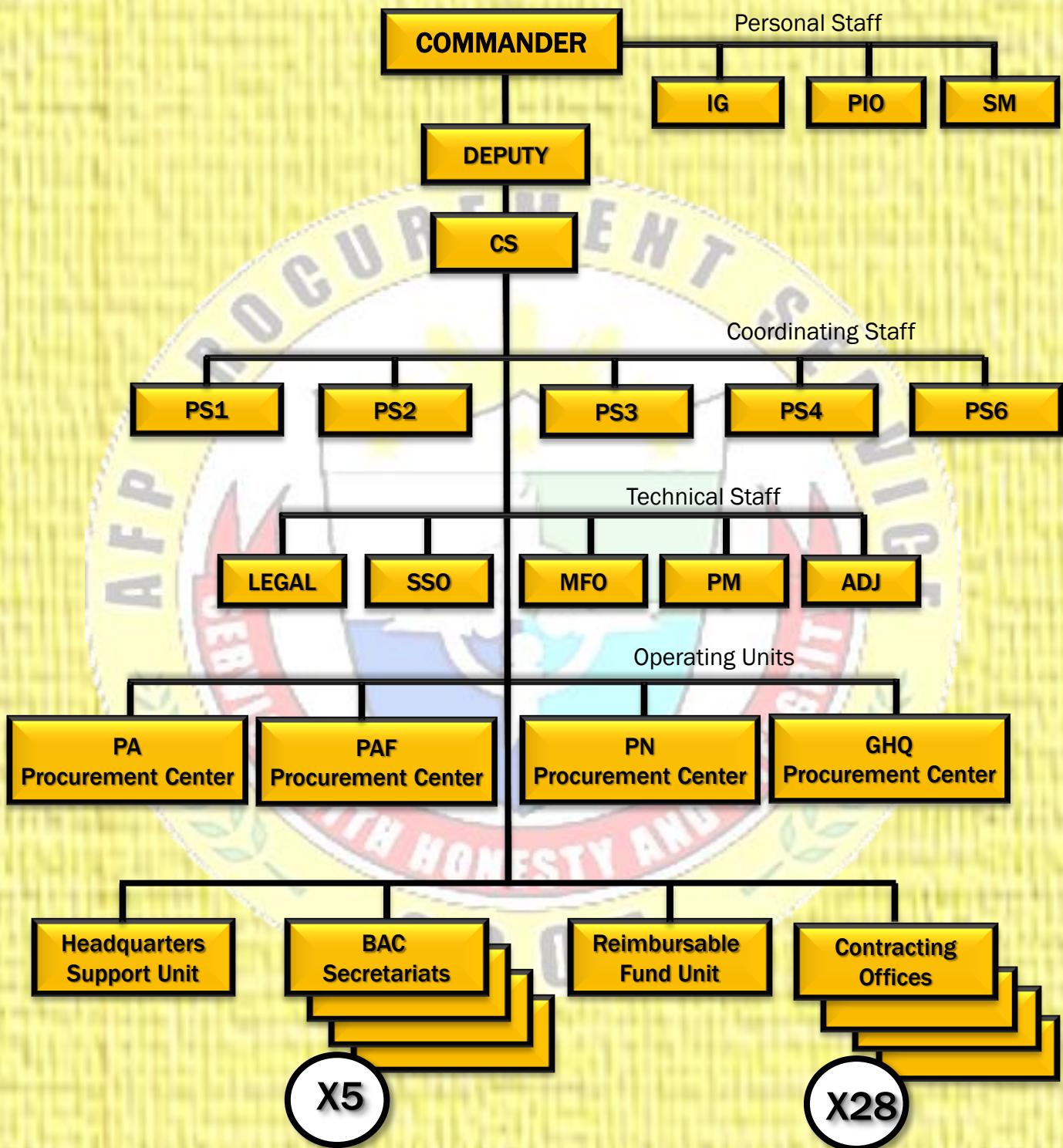
Reference: *Table of Organization and Equipment (TOE) series 2012*

AFPPS CAPABILITIES

- Undertake procurement through alternative modes of procurement;
- Prepare procurement documents for processing by the relevant offices, and for signature by approving authorities;
- Monitor the implementation of contracts, resolutions and other documents in relation to procurement;
- Prepare documents for the payment of duly accepted supplies or services;
- Create, maintain and update the registry of suppliers, contractors and consultants;
- Create, maintain and update price monitoring list of goods and services; Provide admin support to Bids and Awards Committees and administer the GHQ Reimbursable Fund Unit (RFU).

Reference: *Table of Organization and Equipment (TOE) series 2012*

AFPPS ORGANIZATIONAL CHART



PROCUREMENT CENTERS (PCs)

The PCs are located in camps, bases, and stations of the AFP Major Services.

1. GHQ PC



Camp General
Emilio Aguinaldo,
Quezon City

2. PA PC



Fort Andres Bonifacio,
Metro Manila

3. PN PC



Naval Station Jose
Francisco (BNS), Taguig
City, Metro Manila

4. PAF PC



Colonel Jesus Villamor Air
Base, Pasay City, Metro
Manila



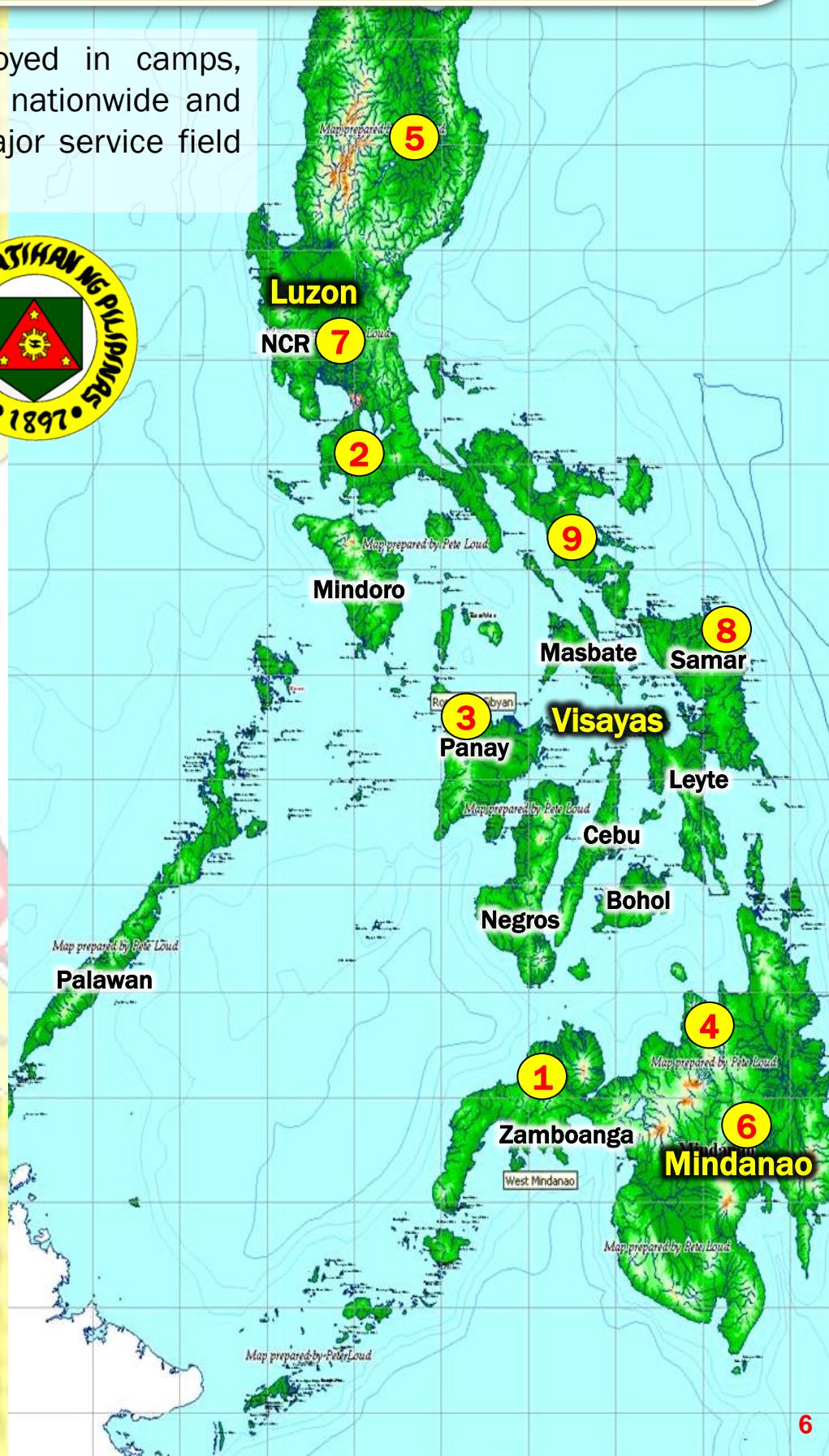
CONTRACTING OFFICES (COs)

The COs are deployed in camps, bases, and stations nationwide and co-located within major service field units.

PA COs



- 101st CO, Camp Sang-an, Pulacan, Zambo Sur
- 102nd CO, Camp Capinpin, Tanay, Rizal
- 103rd CO, Camp Peralta, Jamindan, Capiz
- 104th CO, Camp Evangelista, Cag De Oro City
- 105th CO, Camp Dela Cruz, Upi, Gamu, Isabela
- 106th CO, Camp Siongco, Awang, Datu Odin Sinsuat, Maguindanao
- 107th CO, Fort Magsaysay, Palayan City Nueva Ecija
- 108th CO, Camp Lukban, Catbalogan, Samar
- 109th CO, Camp Angeles, Pili, Camarines Sur



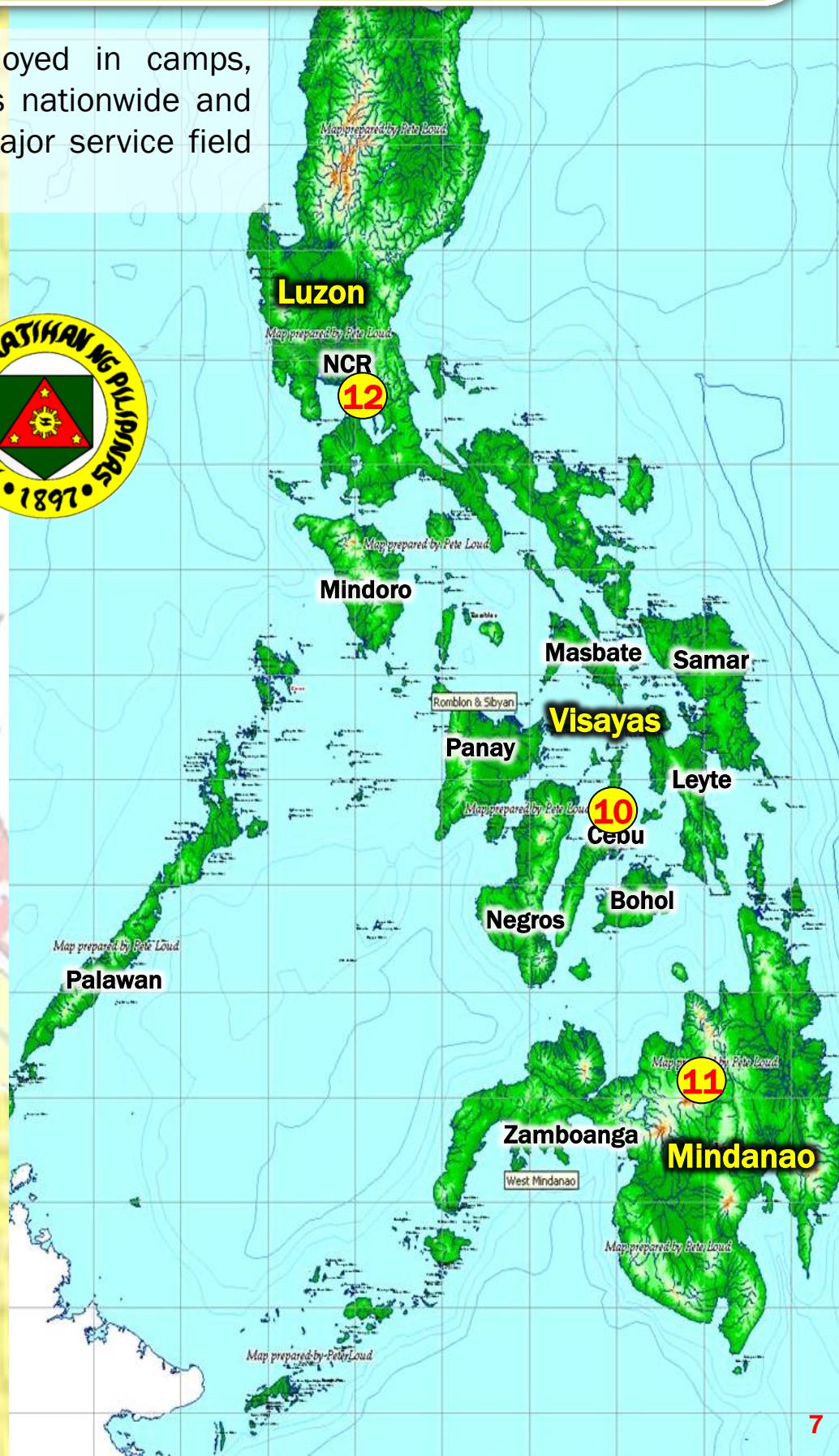
CONTRACTING OFFICES (COs)

The COs are deployed in camps, bases, and stations nationwide and co-located within major service field units.

PA COs (Infrastructure)



- 110th CO,
Camp Lapu-Lapu, Cebu
City, Cebu
- 111th CO,
Camp Natividad, Manolo
Fortich, Bukidnon
- 112th CO,
Camp Atienza, Libis,
Quezon City



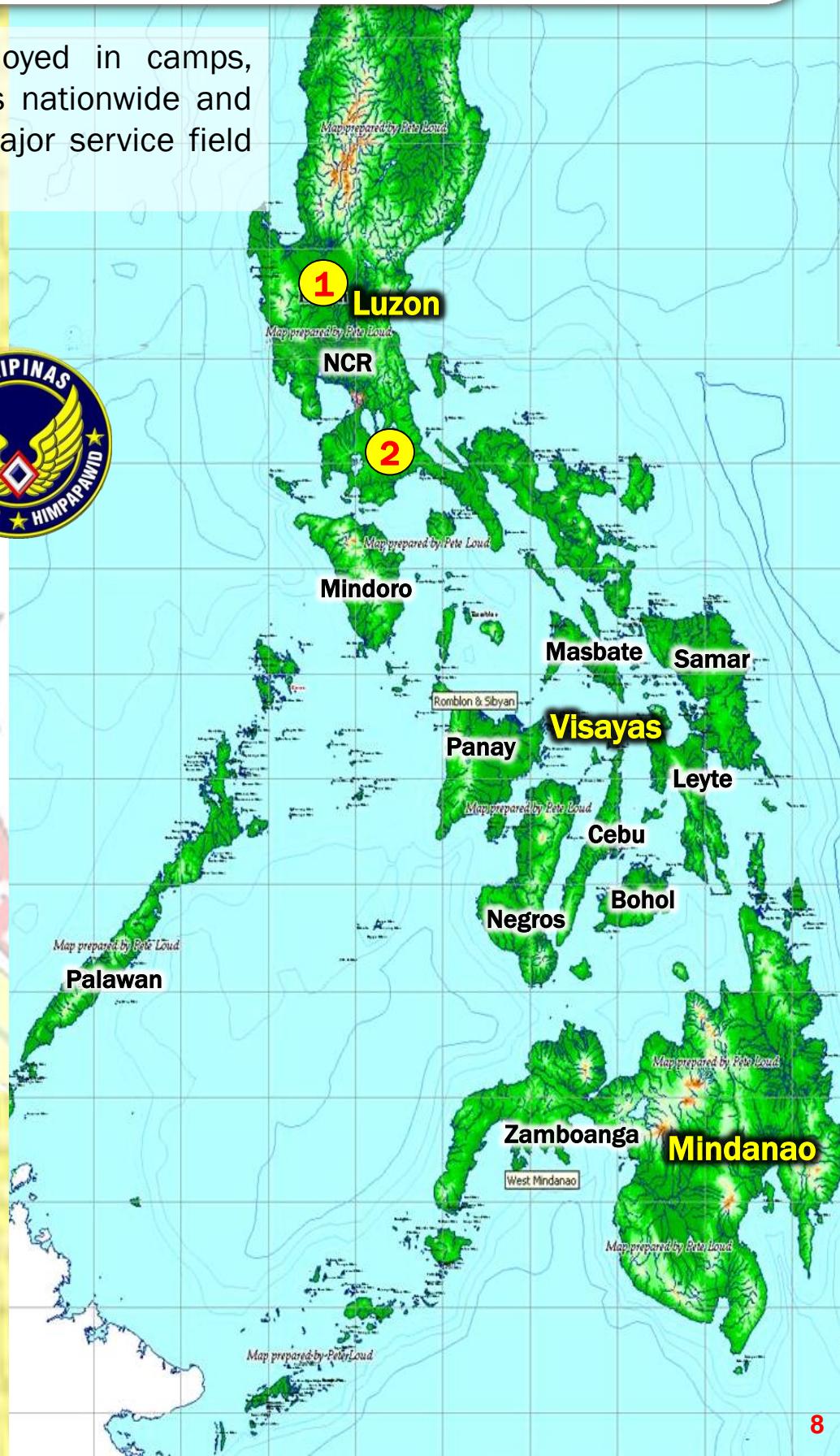
CONTRACTING OFFICES (COs)

The COs are deployed in camps, bases, and stations nationwide and co-located within major service field units.

PAF COs



- 201st CO,
Clark Air Base,
Pampanga
- 202nd CO,
Fernando Air Base, Lipa
City, Batangas



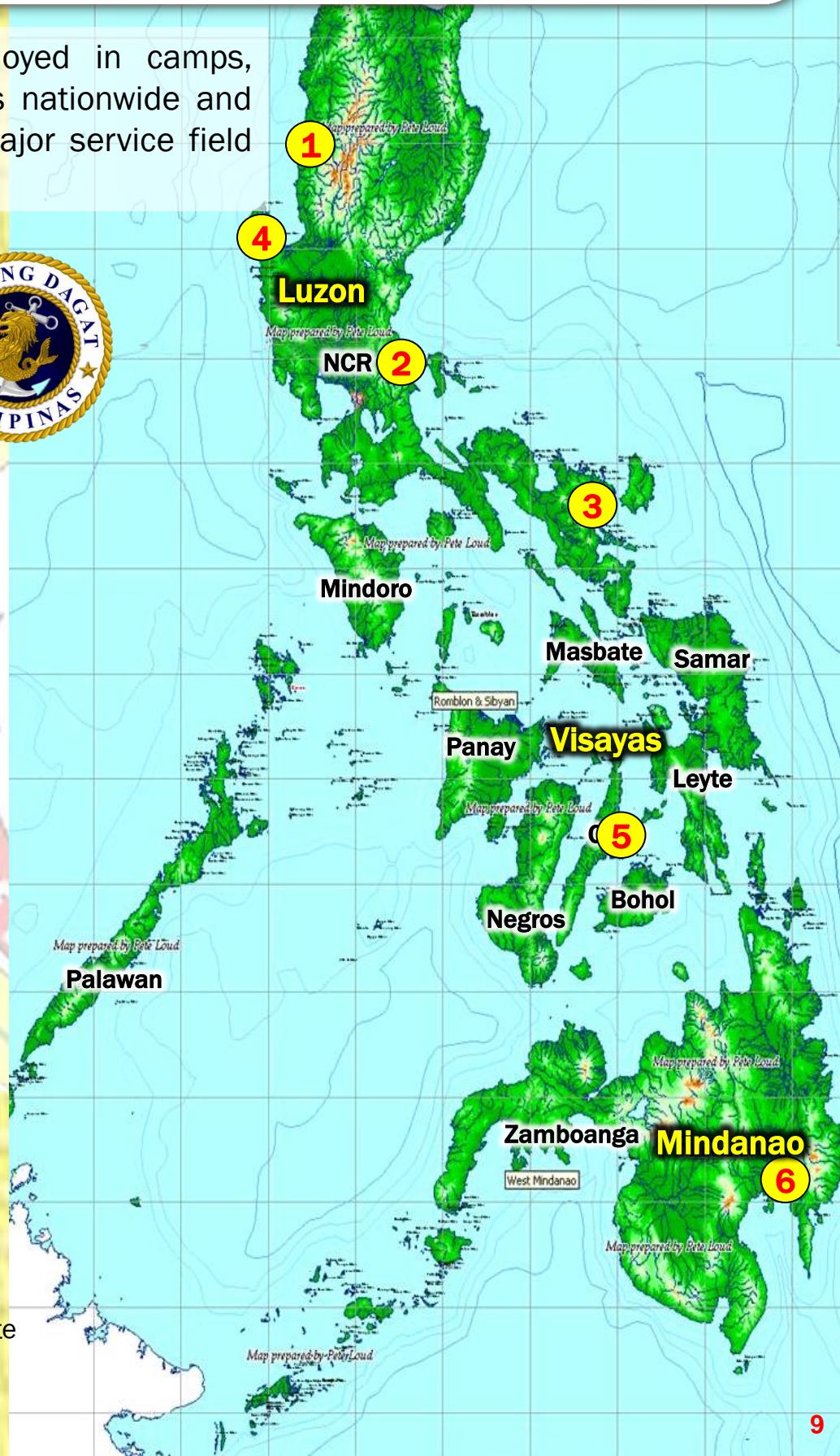
CONTRACTING OFFICES (COs)

The COs are deployed in camps, bases, and stations nationwide and co-located within major service field units.

PN COs



- **301st CO,**
Naval Station Ernesto Ogbinar, Poro Point, San Fernando, La Union
- **302nd CO,**
Naval Station Pascual Ledesma, Fort San Felipe, Cavite City
- **303rd CO,**
Naval Station Julhasan Arasain, Rawis, Legazpi City, Albay
- **304th CO,**
Naval Station Leovigildo Gantioqui, San Antonio, Zambales
- **305th CO,**
BG Benito Ebuen Airbase Lapu-Lapu City, Cebu
- **306th CO,**
Naval Station Felix Apolinario, Panacan, Davao City, Davao Del Norte



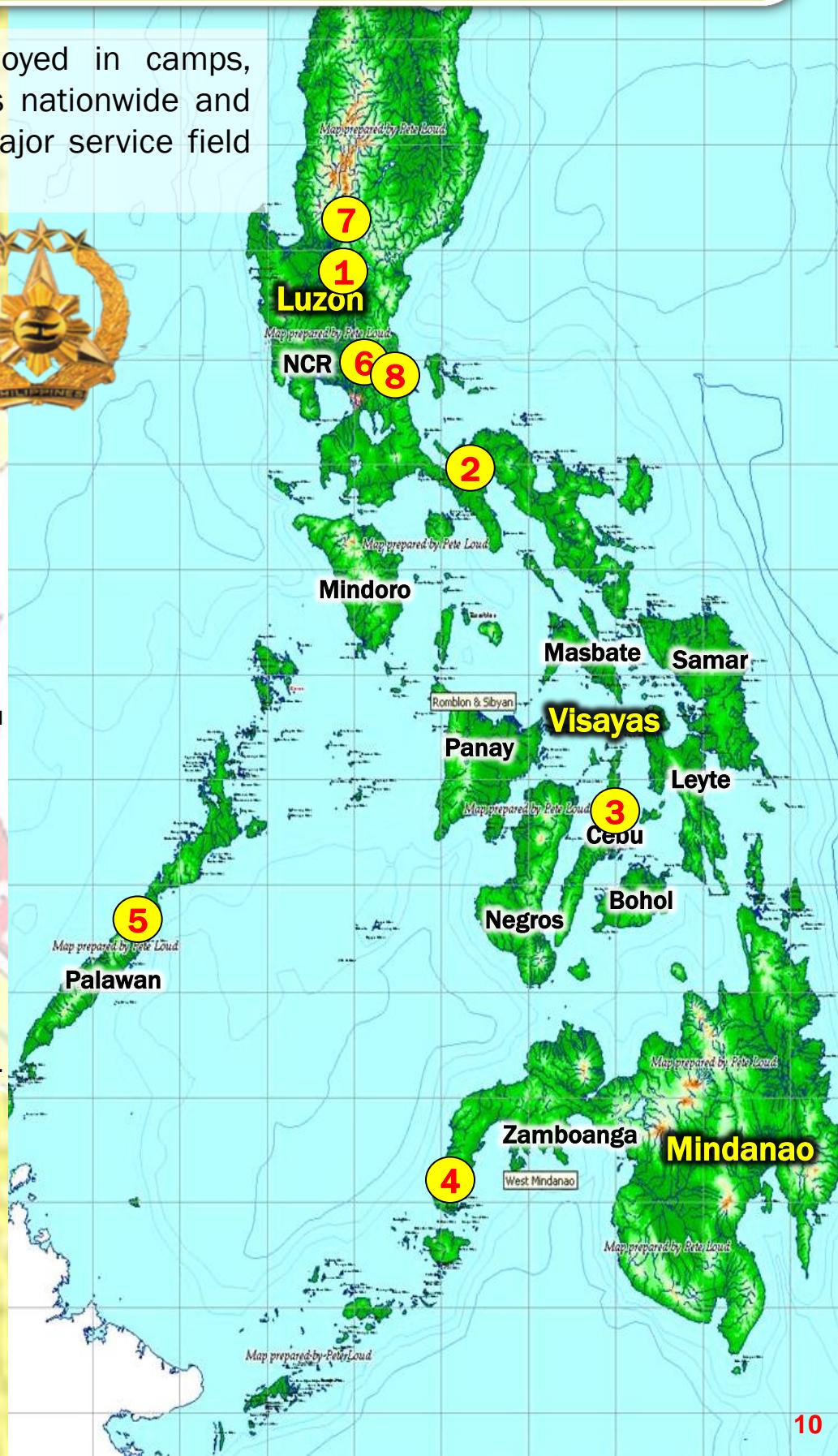
GHQ/ KBUs/ AFPWSSUs COs

The COs are deployed in camps, bases, and stations nationwide and co-located within major service field units.

GHQ/ AFPWSSUs and KBUs



- **401st CO**,
NOLCOM, Camp Aquino,
Tarlac City, Tarlac
- **402nd CO**,
SOLCOM, Lucena City,
Quezon
- **403rd CO**,
CENTCOM, Cebu City, Cebu
- **404th CO**, WESMINCOM,
Zamboanga City,
Zamboanga del Sur
- **405th CO**,
WESCOM, PPC,
Palawan
- **406th CO**,
Camp Victoriano K Luna, V.
Luna Avenue, Quezon City
- **407th CO**,
PMA, Fort Del Pilar,
Baguio City, Benguet
- **408th CO**,
Malacanang Park, Manila



BAC SECRETARIATS

- The BAC Secs are the main administrative support unit of the different BACs.

1. GHQ BAC 1 SEC



Camp General Emilio Aguinaldo, Quezon City

2. GHQ BAC 2 SEC



Camp General Emilio Aguinaldo, Quezon City

3. PA BAC SEC



Fort Andres Bonifacio, Metro Manila

4. PAF BAC SEC



Colonel Jesus Villamor Air Base, Pasay City, Metro Manila

5. PN BAC SEC



Naval Station Jose Francisco (BNS), Taguig, Metro Manila



UNIT	LOCATION
PROCUREMENT CENTERS	
GHQPC	Camp General Emilio Aguinaldo, Quezon City
PAFPC	Colonel Jesus Villamor Air Base, Pasay City
PNPC	Naval Station Jose Francisco, BNS, Taguig City
CONTRACTING OFFICES PHILIPPINE ARMY	
101 st (1ID)	Camp Sang-An, Upper Pulacan Labangan, Zamboanga del Sur
102 nd (2ID)	Camp Capinpin, Tanay, Rizal
103 rd (3ID)	Camp Peralta, Jamindan, Capiz
104 th (4ID)	Camp Evangelista, Cagayan De Oro City
105 th (5ID)	Camp Melchor Dela Cruz, F. Upi Gamu, Isabela
106 th (6ID)	Camp Siongco, Awang DOS, Maguindanao
107 th (7ID)	Fort Magsaysay, Palayan City, Nueva Ecija
108 th (8ID)	Camp Lukban, Catbalogan, Samar
109 th (9ID)	Camp Angeles, Pili, Camarines Sur
110 th (53 rd EBde)	Camp Lapu-Lapu, Cebu City, Cebu
111 th (52 nd EBde)	Camp Natividad, Manolo, Fortich, Bukidnon
112 th (51 st EBde)	Camp Atienza, Libis, Quezon City

UNIT	LOCATION
CONTRACTING OFFICES PHILIPPINE AIR FORCE	
201 st	Clark Air Base, Air Force City, Pampanga
202 nd	Fernando Air Base, Lipa City, Batangas
CONTRACTING OFFICES PHILIPPINE NAVY	
301 st	Naval Station Ernesto R Ogbinar, San Fernando, La Union
302 nd	Naval Base Pascual Ledesma, Sangley Point, Cavite
303 rd	Naval Station Julhasan Arasain Rawis, Legazpi City, Albay
304 th	Naval Station Leovigildo Gantioqui, San Antonio, Zambales
305 th	BGen Benito Ebuen Air Base, Lapu Lapu City, Cebu
306 th	Naval Station Felix Apolinario, Panacan, Davao City, Davao Del Norte
CONTRACTING OFFICES GHQ, AFPWSSUs, KBUs	
401 st	NOLCOM Camp Aquino, Tarlac City, Tarlac
402 nd	SOLCOM Camp Nakar, Lucena City, Quezon
403 rd	CENTCOM Camp Lapu-Lapu, Cebu City, Cebu
404 th	WESMINCOM Camp Navarro, Zamboanga City, Zamboanga Del Sur
405 th	WESCOM Camp Ricarte, Puerto Princesa City, Palawan,
406 th	Camp Victoriano K Luna, V. Luna Avenue, Quezon City
407 th	PMA, Fort Del Pilar, Baguio City, Benguet
408 th	PSG Malacañang Park, Manila

ACRONYMS and TERMINOLOGIES

ACRA	Abstract Of Canvass and Recommendation Award
ACIC	Advice Cheque Issued and Cancelled
AMP	Alternative Methods of Procurement
APP	Annual Procurement Plan
APR	Agency Procurement Request
CAC	Certification of Availability Of Cash
CAAO	Certification of Availability Of Allotment And Obligations
CAF	Certificate of Availability Of Funds
C3	Canvass/Contracting Committee
CFC	Certificate of Funding Chargeability
CIAA	Certificate of Inspection And Acceptance
CTRC	Contract Termination Review Committee
DAO	Defense Acquisition Office
DIIR	Delivered Items Inspection Report
DV	Disbursement Voucher
FAU	Field Accounting Unit
JEV	Journal Entry Voucher
JO/ WO/ PO	Job Order/ Work Order/ Purchase Order
LDDAP-ADA	List Of Due and Demandable Accounts Payable-Advice to Debit Account
LCRB	Lowest Calculated and Responsive Bidder
NOA	Notice Of Award
NCA	Notice of Cash Allocation
NTP	Notice To Proceed
ORS	Obligation Request and Status
PPMP	Project Procurement Management Plan
PS	Performance Security
RDF	Requirement Determination Form
RFQ/RFP	Request For Quotation/Proposal
RIS	Requisition and Issue Slip
SPP	Supplementary Procurement Plan
SOBE	Submission/Opening and Bid Evaluation
TIAC	Technical Inspection and Acceptance Committee
TWG	Technical Working Group
UPR	Unit Purchase Request
WS	Warranty Security

The 2016 Revised Implementing Rules and Regulations of RA 9184

Some significant provisions:

Rule I Section 3. Governing Principles on Government Procurement. The procurement of the GoP shall be governed by these principle:

- a) Transparency in the procurement process and in the implementation of procurement contracts through wide dissemination of bid opportunities and participation of pertinent non-government organizations.
- b) Competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in competitive bidding.
- c) Streamlined procurement process that will uniformly apply to all government procurement. The procurement process shall be simple and made adaptable to advances in modern technology in order to ensure an effective and efficient method.
- d) System of accountability where both the public officials directly or indirectly involved in the procurement process as well as in the implementation of procurement contracts and the private parties that deal with GoP are, when warranted by circumstances, investigated and held liable for their actions relative thereto.
- e) Public monitoring of the procurement process and the implementation of awarded contracts with the end in view of guaranteeing that these contracts are awarded pursuant to the provisions of the Act and this IRR, and that all these contracts are performed strictly according to specifications.

Rule II Section 7.2. No procurement shall be undertaken unless it is in accordance with the approved APP, including approved changes thereto. The APP must be consistent with the duly approved yearly budget of the Procuring Entity and shall bear the approval of the HoPE or second-ranking official designated by the HoPE to act on his behalf.

The 2016 Revised Implementing Rules and Regulations of RA 9184

Some significant provisions :

Rule II Section 7.3.3. In order to hasten project implementation, Procuring Entities which may not have the proficiency or capability to undertake a particular procurement, as determined by the HoPE concerned, may outsource the procurement tasks by:

- a) Requesting other GoP agencies to undertake such procurement for them, through the execution of a memorandum of agreement containing specific arrangements, stipulations and covenants, in accordance with government budgeting, accounting and auditing rules;
- b) Engaging private procurement agents to directly undertake the procurement for them, subject to the guidelines to be issued by the GPPB; or
- c) Recruiting or engaging consultants to assist them directly and/or train their staff in the management of the procurement function.

Rule III Section 8.5.2

All bidders shall upload and maintain in PhilGEPS a current and updated file of the following Class “A” eligibility documents under Sections 23.1(a) and 24.1(a):

- a) Registration Certificate;
- b) Mayor’s/Business Permit or its Equivalent Document;
- c) Tax Clearance;
- d) Philippine Contractors Accreditation Board (PCAB) license and registration; and
- e) Audited Financial Statements.

These documents shall be accompanied by a Sworn Statement in a form prescribed by the GPPB stating that the documents submitted are complete and authentic copies of the original, and all statements and information provided therein are true and correct. Upon receipt of the said documents, the PhilGEPS shall process the same in accordance with the guidelines on the Government of the Philippines – Official Merchants Registry (GoP-OMR)

The 2016 Revised Implementing Rules and Regulations of RA 9184

Some significant provisions :

Rule V Section 14. BAC Secretariat. The HoPE shall create a Secretariat which will serve as the main support unit of the BAC. The Secretariat shall have the following functions and responsibilities:

- a) Provide administrative support to the BAC and the TWG;
- b) Organize and make all necessary arrangements for BAC and the TWG meetings and conferences;
- c) Prepare minutes of meetings and resolutions of the BAC;
- d) Take custody of procurement documents and other records and ensure that all procurements undertaken by the Procuring Entity are properly documented;
- e) Manage the sale and distribution of Bidding Documents to interested bidders;
- f) Advertise and/or post bidding opportunities, including Bidding Documents, and notices of awards;
- g) Assist in managing the procurement processes;
- h) Monitor procurement activities and milestones for proper reporting to relevant agencies when required;
- i) Consolidate PPMPs from various units of the Procuring Entity to make them available for review as indicated in Section 7 of this IRR and prepare the APP; and
- j) Act as the central channel of communications for the BAC with end-user or implementing units, PMOs, other units of the line agency, other government agencies, providers of goods, infrastructure projects, and consulting services, observers, and the general public.

The 2016 Revised Implementing Rules and Regulations of RA 9184

Some significant provisions :

Rule IV Section 10. Competitive Bidding. All procurement shall be done through competitive bidding, except as provided in Rule XVI (Alternative Methods Of Procurement) of this IRR.

Rule VI Section 18. Reference to Brand Names Specifications for the procurement of Goods shall be based on relevant characteristics, functionality and/or performance requirements. Reference to brand names shall not be allowed except for items or parts that are compatible with the existing fleet or equipment of the same make and brand, and to maintain the performance, functionality and useful life of the equipment.

Rule VII Section 21. 2 The Invitation to Bid/Request for Expression of Interest shall provide prospective bidders the following information, among others:

- a) For the procurement of:
 - Goods, the name of the contract to be bid and a brief description of the goods to be procured;
 - Infrastructure Projects, the name and location of the contract to be bid, the project background and other relevant information regarding the proposed contract works, including a brief description of the type, size, major items, and other important or relevant features of the works; and
 - Consulting services, the name of the contract to be bid, a general description of the project and other important or relevant information;
- b) The name of the project, identification and number of lots or items specific to the bidding, as well as the basis of evaluation of the project, lots, or items, where applicable;
- c) A general statement on the criteria to be used by the Procuring Entity for the eligibility check, the short listing of prospective bidders, in the case of the procurement of Consulting Services, the examination and evaluation of bids, post-qualification, and award;

The 2016 Revised Implementing Rules and Regulations of RA 9184

Some significant provisions :

Rule VI Section 17.1. The Bidding Documents shall be prepared by the Procuring Entity following the standard forms and manuals prescribed by the GPPB. The Bidding Documents shall include the following:

- a) ABC;
- b) Invitation to Bid/Request for Expression of Interest;
- c) Eligibility Requirements;
- d) Instructions to Bidders, including scope of bid, documents comprising the bid, criteria for eligibility, bid evaluation methodology/criteria in accordance with the Act, and post-qualification, as well as the date, time and place of the pre-bid conference (where applicable), submission of bids and opening of bids;
- e) Terms of Reference, for Consulting Services;
- f) Scope of work, where applicable;
- g) Plans/Drawings and Technical Specifications;
- h) Form of Bid, Price Form, and List of Goods or Bill of Quantities;
- i) Delivery Time or Completion Schedule;
- j) Form, Amount, and Validity Period of Bid Security;
- k) Form, Amount, and Validity of Performance Security and Warranty; and
- l) Form of Contract and General and Special Conditions of Contract.

The 2016 Revised Implementing Rules and Regulations of RA 9184

Some significant provisions :

Liquidated Damages

For the procurement of goods, infrastructure projects and consulting services, the amount of the liquidated damages shall be at least equal to one-tenth of one percent (0.001) of the cost of the unperformed portion for every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity may rescind the contract, without prejudice to other courses of action and remedies open to it.

Reference: Rule XXII Section 68

Blacklisting

Suspension or blacklisting of suppliers, contractors, or consultants shall be made in accordance with the **Uniform Guidelines for Blacklisting of Manufacturer, Suppliers, Distributors, Contractors and Consultants**. A suspended or blacklisted supplier, contractor or consultant shall not be allowed to participate in all procurement opportunities of the government for the duration of the suspension or blacklisting, regardless of the modality of procurement employed by the Procuring Entity.

Reference: Annex H, IV General Guidelines, N

APP Preparation Flowchart for Major Service (Programs 1, 2 and 3)

Activities	Coy/Bn Levels/Bde Hqs & its Equivalent in PAF & PN	Division Level/SOCOM & its Equivalent in PAF & PN	Major Service 4s	Major Service BACs	Major Service Cmdrs	Timeline
Requirement Determination						3 rd to 4 th Qtr of Prev Yr
Preparation of Unit's RDFs IAW the initial proposed APB	1					Jan - Feb
Consolidation & Evaluation of Units PPMPs for submission to Major Service 4s		2				Apr - May
Consolidation Review & Validation of PPMPs vis-à-vis APB			3			May
1. Collate PPMPs into one (1) APP 2. Review /validates the APP 3. Issue BAC Resolution				4		June - July
Review and concur for submission to Major Service Commanders			5			
Approval of APP					6	August

References:

- Annex A of the STL from the DCS for Logistics, J4 dated 02 August 2013 Subject: Amendment to Letter Directive dated 11 July 2013, Subject: Approval of APP and SPP
- STL from the DCS for Logistics, J4 dated 06 May 2016, Subject: Strict Observance of Timeline for Approval of APP and SPP

APP Preparation Flowchart for Program 4 Units

Activities	GHQ Units/Offices, UCs & AFPWSSUs	DCS for Logistics, J4	GHQ BAC 2	VCSA FP	Timeline
Requirement Determination					3 rd to 4 th Qtr of Prev Yr
Preparation of Unit's RDFS IAW the initial proposed APB	1				Jan - Feb
Consolidation Review & Validation of PPMPs vis-à-vis APB		2			Mar - May
1. Collate PPMPs into one (1) APP 2. Review /validates the APP 3. Issue BAC Resolution		3			June - July
Review and concur for submission to VCSA FP		4			
Approval of APP		5			August

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graph TD
    1((1)) --> 2((2))
    2 --> 3((3))
    3 --> 4((4))
    4 --> 5((5))

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References:

- Annex B of the STL from the DCS for Logistics, J4 dated 02 August 2013 Subject: Amendment to Letter Directive dated 11 July 2013, Subject: Approval of APP and SPP
- STL from the DCS for Logistics, J4 dated 06 May 2016, Subject: Strict Observance of Timeline for Approval of APP and SPP

APP Preparation Flowchart for Key Budgetary Units (KBUs)

Activities	KBU Units/ Offices	KBU 4s	GHQ BAC2	DCS for Logistics, J4	VCSA FP	Timeline
Requirement Determination	1					3 rd to 4 th Qtr of Prev Yr
Preparation of Unit's RDFs IAW the proposed APB		2				Jan - Feb
Evaluation, Review & Validation of Office/ Units PMPMs vis-à-vis APB for consolidation into one APP						Mar – May
1. Review /validates the APP 2. Issue BAC Resolution		3				June - July
Review and concur for submission VCSA FP				4		
Approval of APP					5	August

References:

- Annex C of the STL from the DCS for Logistics, J4 dated 02 August 2013 Subject: Amendment to Letter Directive dated 11 July 2013, Subject: Approval of APP and SPP
- STL from the DCS for Logistics, J4 dated 06 May 2016, Subject: Strict Observance of Timeline for Approval of APP and SPP

REPUBLIC ACT 9184 (2016)

PROCUREMENT METHODS

Method	Goods	Infra	Consulting Services
Competitive Bidding	✓	✓	✓
Limited Source Bidding	✓		✓
Direct Contracting	✓		
Repeat Order	✓		
Shopping	✓		
Negotiated Procurement	✓	✓	✓

REPUBLIC ACT 9184 (2016)

Bid, Performance and Warranty Securities

Alternative Method of Procurement	Performance Security (PS)	Warranty Security (WS)
Direct Contracting	✗	✓
Repeat Order	✗	✓
Two Failed Biddings	✓	✓ In no case shall WS be required in the procurement of Consulting Services
Emergency Cases	Procuring Entity may require PS depending on the nature of the procurement project. However, for Infrastructure Projects, PS is required.	Procuring Entity may require WS depending on the nature of the procurement project. In no case shall WS be required in the procurement of Consulting Services.
Take-Over Contracts	✓	✓
Adjacent/Contiguous	✓	For Infrastructure Projects, WS is required
Small Value Procurement	Procuring Entity may require PS depending on the nature of the procurement project. However, for Infrastructure Projects, PS is required.	Procuring Entity may require WS depending on the nature of the procurement project. In no case shall WS be required in the procurement of Consulting Services.

GOVERNMENT PROCUREMENT POLICY BOARD



- As a primary aspect of the Philippine Government's public procurement reform agenda, the GPPB was established by virtue of R.A. 9184 as an independent inter-agency body that is impartial, transparent and effective, with private sector representation. As established in Section 63 of R.A. 9184, the GPPB shall have the following duties and responsibilities:

- (a) To protect national interest in all matters affecting public procurement, having due regard to the country's regional and international obligations;
- (b) To formulate and amend public procurement policies, rules and regulations, and amend, whenever necessary, this IRR;
- (c) To prepare a generic procurement manual and standard bidding forms for procurement;
- (d) To ensure the proper implementation by Procuring Entities of the Act, this IRR and all other relevant rules and regulations pertaining to public procurement;
- (e) To establish a sustainable training program to develop the capacity of Government procurement officers and employees, and to ensure the conduct of regular procurement training programs by and for Procuring Entities; and
- (f) To conduct an annual review of the effectiveness of the Act and recommend any amendments thereto, as may be necessary.

HEAD OF PROCURING ENTITY (HoPE)

“Refers to:

- i. the head of the agency or body, or his duly authorized official, for NGAs...;
- ii. the governing board or its duly authorized official, for GOCCs, GFIs and SUCs; or
- iii. the local chief executive, for LGUs...”

Reference: Annex “I” Part II Definition of Terms No. 5

AFP Designation of HOPE:

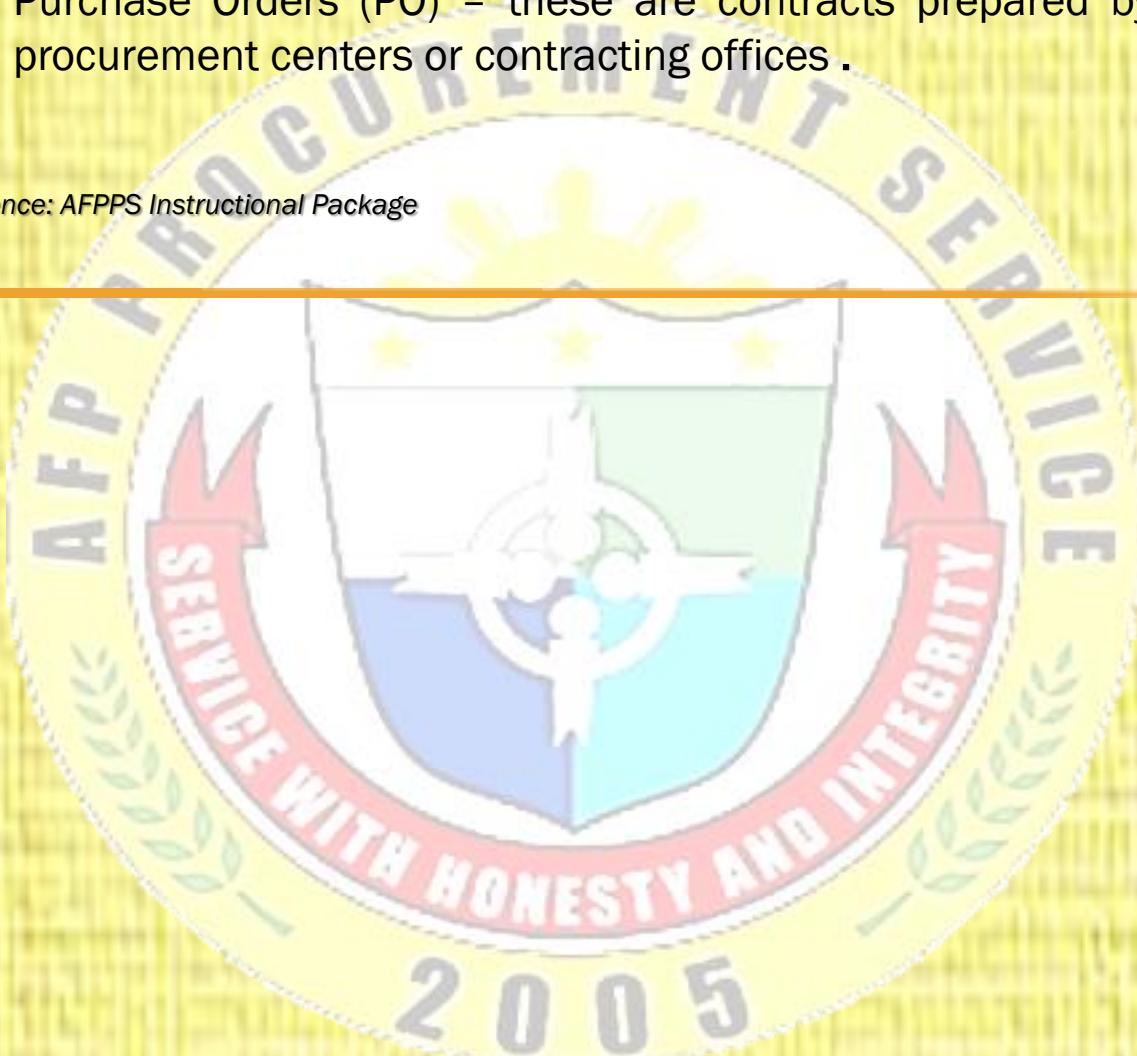
DESIGNATED HOPE	PROCUREMENT UNIT
Chief of Staff, AFP	Programs 1 - 4
Vice Chief of Staff, AFP	Programs 4
Commanding General, Philippine Army	Programs 1
Commanding General, Philippine Air Force	Programs 2
Flag Officer-In-Command, Philippine Navy	Programs 3

PROCUREMENT CONTRACT AGREEMENT

A contract is the written legal agreement between two (2) or more parties which is categorized into two (2) types:

1. Full Contracts - these are contracts prepared by AFPPS/TWG. It maybe thru public bidding, negotiation or direct contracting.
2. Purchase Orders (PO) – these are contracts prepared by the procurement centers or contracting offices .

Reference: AFPPS Instructional Package



PHILIPPINE GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM

The Philippine Government Electronic Procurement System (PhilGEPS) – is a single portal that serve as the primary source of information on all Philippine government procurement, Managed by the PS-DBM under the supervision of the GPPB.



Admin Order No. 17 Dtd 28 July 2011

“Directing the use of the procurement service and PhilGEPS in procurement activities in accordance with RA9184 and improving the operations of the procurement service”

Admin Order No. 17 Dtd 28 July 2011

Section 5. Use of PhilGEPS

All government procuring entities are mandated to use PhilGEPS in its procurement activities, and shall post all opportunities, notices, awards, and contracts in it as the central portal of government procurement transactions in accordance with RA9184 & its IRRs.

Philippine Government Electronic Procurement System (PhilGEPS) Registration

Manufacturers, suppliers, distributors, contractors, and/or consultants are mandated to register with the PhilGEPS and provide a PhilGEPS Registration number in the following alternative methods of procurement as a condition for award of the contract :

- a) Section 50 – Direct Contracting;
- b) Section 52.1(b) – Shopping for ordinary office supplies and equipment not available in DBM-PS;
- c) Section 53.3 – Take Over of Contracts (Only for New Bidders, if any.) ;
- d) Section 53.6 – Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services;
- e) Section 53.7 – Highly Technical Consultants;
- f) Section 53.9 – Small Value Procurement; and
- g) Section 53.10 – Lease of Real Property and Venue.

Advertisement and Posting of Procurement Opportunity

For the following alternative methods, procurement opportunity [e.g. , Request for Quotation (RFQ) or Request for Proposal (RFP)] shall be posted in:

- The Philippine Government Electronic Procurement System (PhilGEPS) website,
- the website of the Procuring Entity concerned, if available, and
- at any conspicuous place reserved for this purpose in the premises of the Procuring Entity for a period of at least three (3) calendar days:
 - 1) **Section 52.1(b) – Shopping** for ordinary office supplies and equipment not available in the Department of Budget and Management-Procurement Service (DBM-PS), for projects with Approved Budget for the Contract (ABC) above Fifty Thousand Pesos (P 50,000.00);
 - 2) **Section 53.1 – Two Failed Biddings**; and
 - 3) **Section 53.9 – Small Value Procurement**, for projects with ABC above Fifty Thousand Pesos (P 50,000.00);

Advertisement and Posting of Procurement Opportunity

General Guidelines:

Para IV(B) (Prohibition on Splitting of Government Contracts) under ANNEX H of IRR of RA 9184 (2016)

Splitting of Government Contracts, which means the division or breaking up of government contracts into smaller quantities and amounts, or dividing contract implementation into artificial phases or sub-contracts for the purpose of evading or circumventing the requirements of R.A. 9184 and its IRR, particularly the necessity of competitive bidding and the requirements for the alternative methods of procurement, is prohibited..

General Guidelines:

Para IV(K) (Mandatory Review) under ANNEX H of IRR of RA 9184 (2016).

The BAC shall conduct a mandatory review and evaluation of the terms, conditions, specifications, cost estimates in the RFQ or RFP, if none or less than the required number of quotations or proposals are received, despite the extension of deadline for the third time.

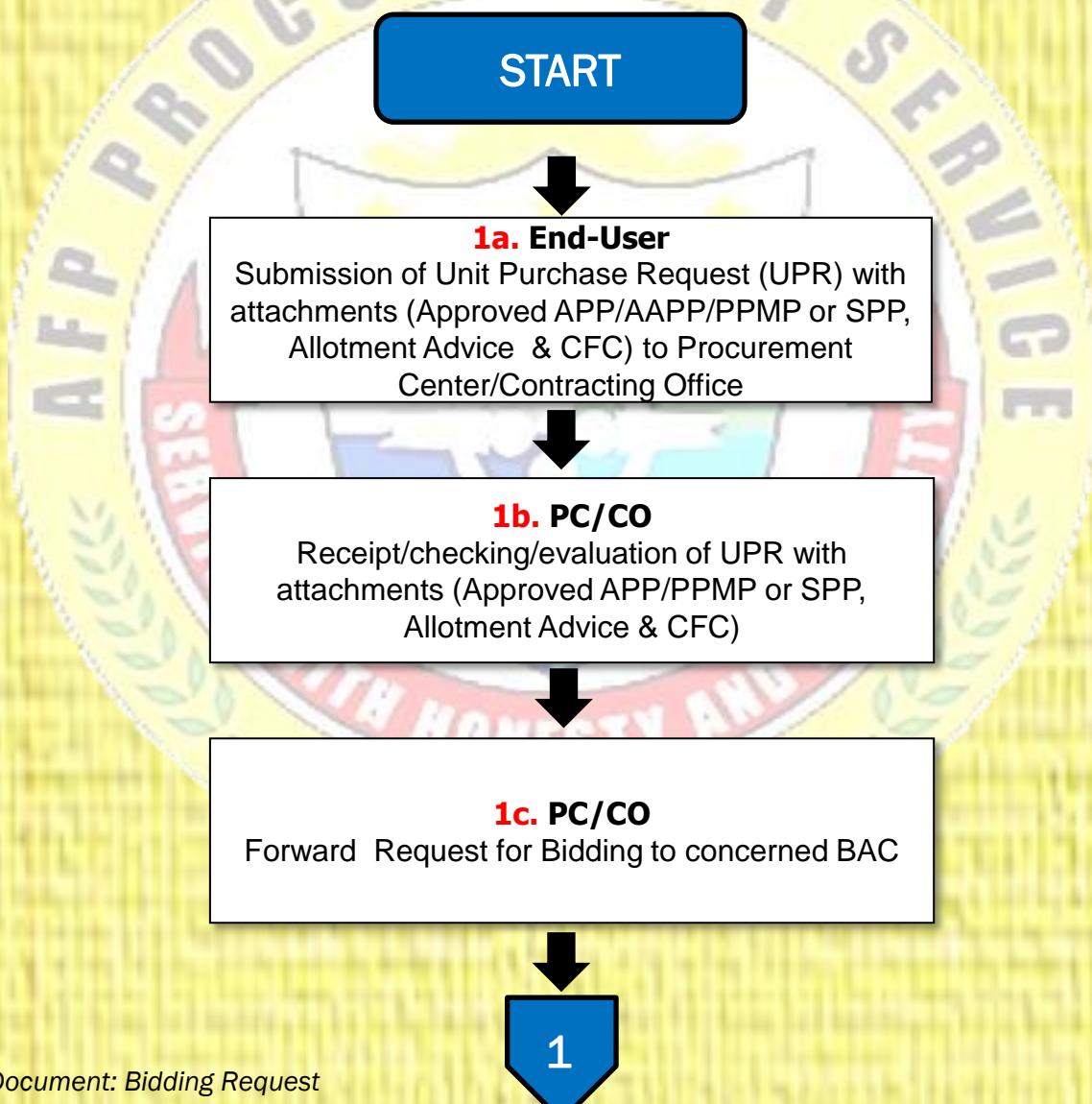
Based on its findings, the BAC may revise the terms and conditions and specifications, and if necessary, adjust the ABC, subject to the required approvals, and repeat the procurement process.

COMPETITIVE BIDDING

- Also known as “Public Bidding”. It is the basic procurement method required in all government agencies that extends equal opportunity to enable private contracting parties who are eligible and qualified to participate.

PUBLIC BIDDING PROCUREMENT FLOW

PHASE 1 (Receipt and Evaluation of Purchase Request)



Note:

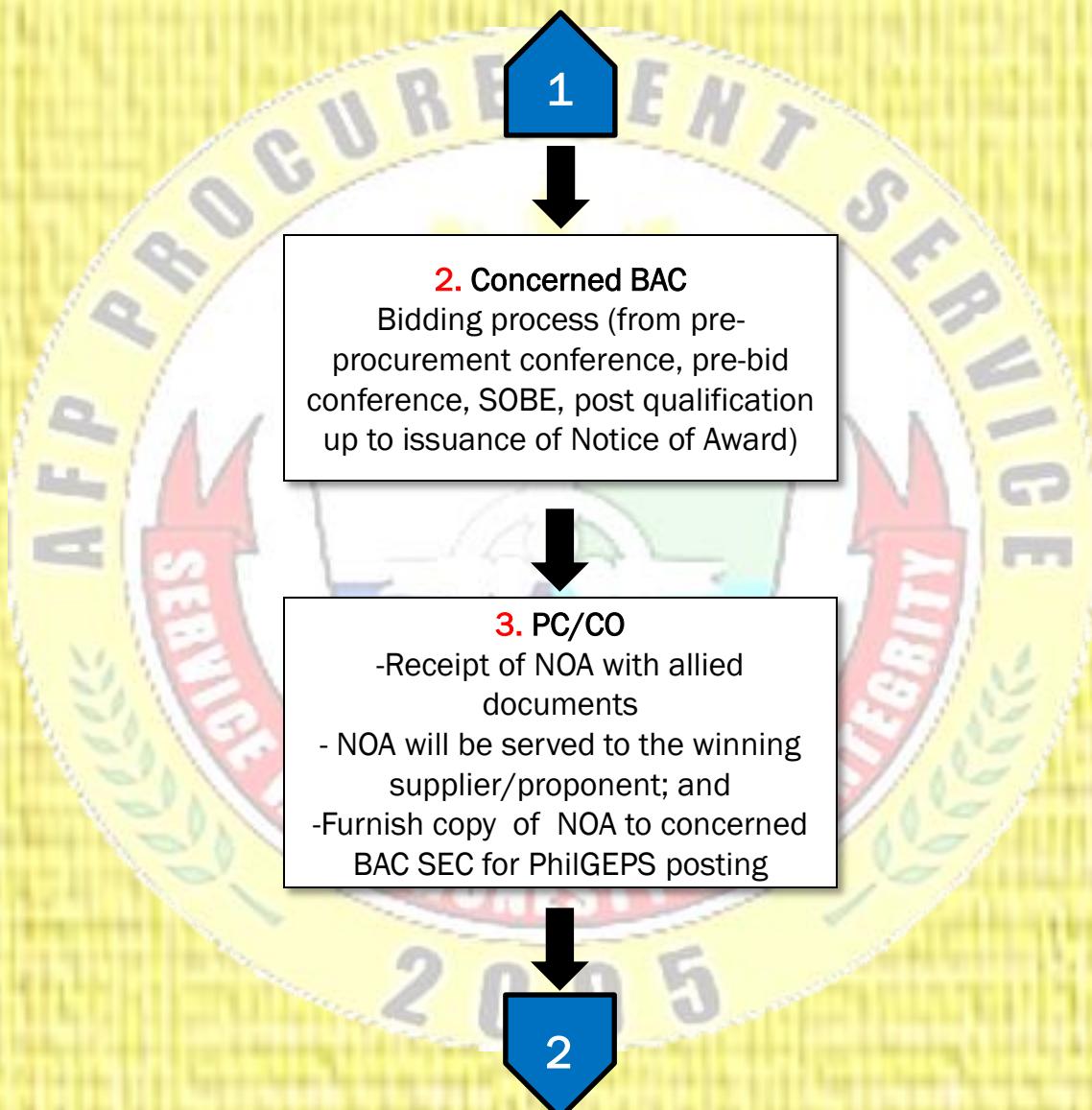
Output Document: Bidding Request
to be forwarded at the concerned BAC.

References:

- IRR of RA 9184 Annex “C” (2016)
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015
- Government Accounting Manual (2016) - ORS & DV Forms

PUBLIC BIDDING PROCUREMENT FLOW

PHASE 2 (Proponent Evaluation Proceedings)



Note:

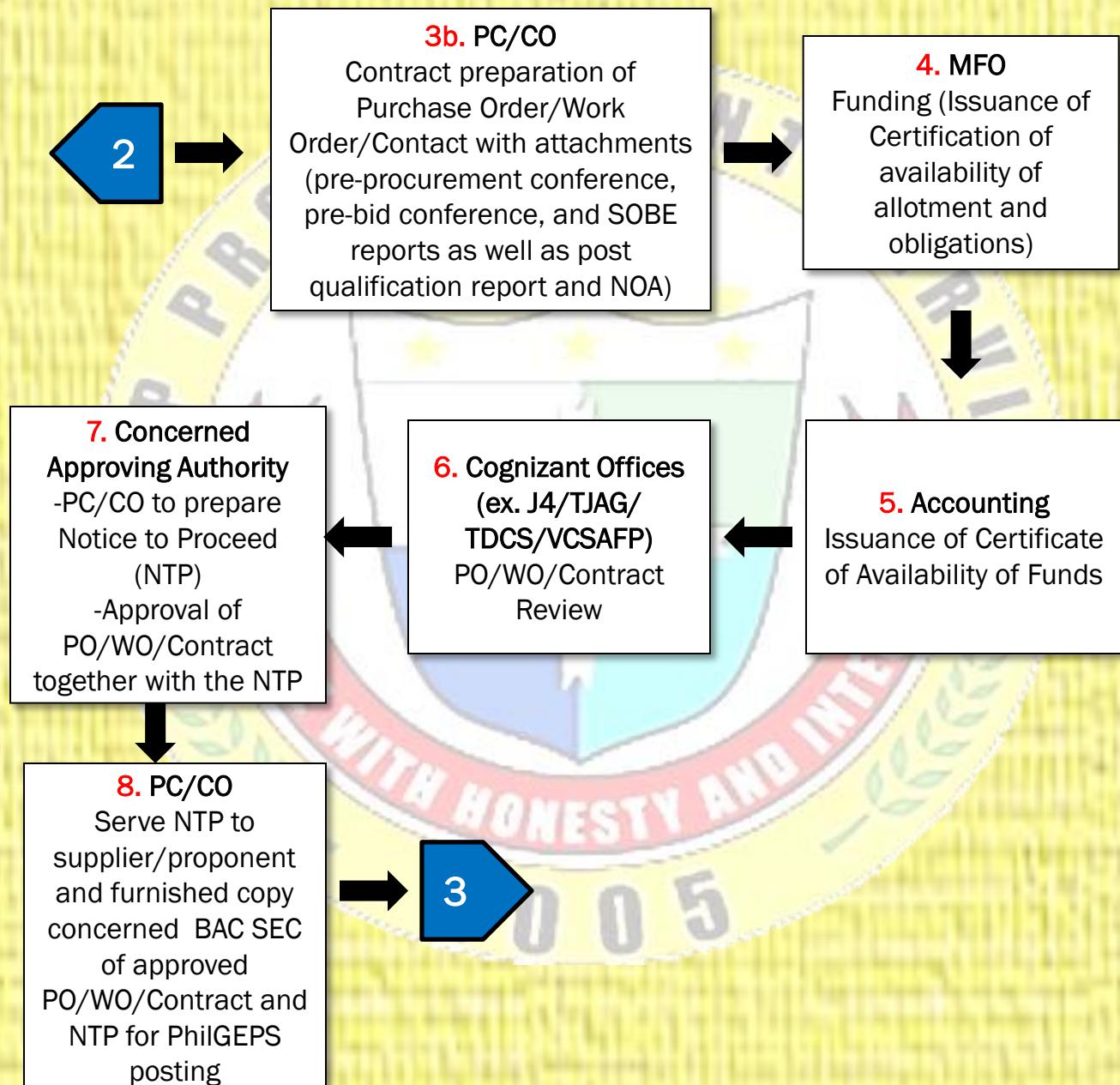
Output Document: NOA to be forwarded at PC/CO.

References:

- IRR of RA 9184 Annex "C" (2016)
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015
- Government Accounting Manual (2016) – ORS & DV Forms

PUBLIC BIDDING PROCUREMENT FLOW

PHASE 3 (Contract Administration)



Note:

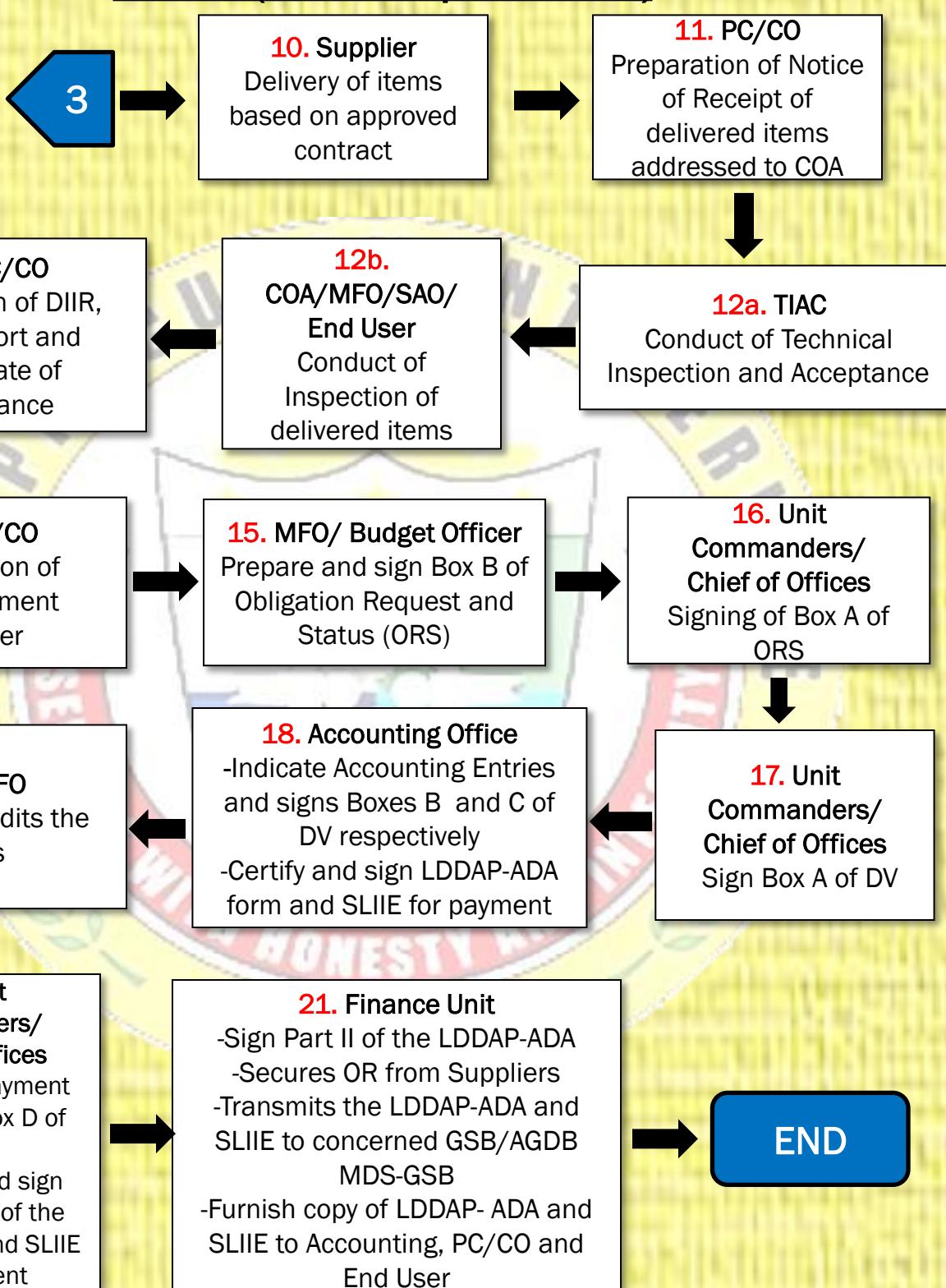
Output Document: Approved/Signed Contract/NTP to be served to the supplier

References:

- IRR of RA 9184 Annex "C" (2016)
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015
- Government Accounting Manual (2016) – ORS & DV Forms

PUBLIC BIDDING PROCUREMENT FLOW

PHASE 4 (Contract Implementation)



References:

- IRR of RA 9184 Annex "C" (2016)
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015
- Government Accounting Manual (2016) - ORS & DV Forms

ALTERNATIVE METHODS

Alternative methods shall be resorted only:

1. In highly exceptional cases
2. To promote economy and efficiency
3. Justified by conditions specified in IRR
4. GPPB approval as required under EO 423, S. 2005
(as amended)

LIMITED SOURCE BIDDING

Rule XVI Section 49. LIMITED SOURCE BIDDING or “Selective Bidding”

- is a method of procurement of Goods and Consulting Services that involves direct invitation to bid by the Procuring Entity from the list of pre-selected suppliers or consultants with known experience and proven capability on the requirements of the particular contract.

Applicability:

- Goods and Consulting Services

Conditions:

- Procurement of highly specialized types only a few bidders are known to be available
- Major plant components beneficial to limit bidding to known qualified bidders to maintain uniform quality and performance of the plant

ALTERNATIVE METHODS

1. Limited Source Bidding
2. Direct Contracting
3. Repeat Order
4. Shopping
5. Negotiated

DIRECT CONTRACTING

Rule XVI Section 50. DIRECT CONTRACTING or “Single Source Procurement”

- is a method of procurement of Goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. The offer may be accepted immediately or after some negotiations.

Applicability:

- Goods

Conditions:

- Items of proprietary nature from proprietary source, i.e patents, trade secrets, and copyrights
- Critical components from a specific supplier to hold a contractor to guarantee its project performance, or
- Items sold by an exclusive manufacturer or dealer
 - ✓ no other supplier selling it at lower prices
 - ✓ no suitable substitute can be obtained at more advantageous terms to the Government

ALTERNATIVE METHODS

1. Limited Source Bidding
2. Direct Contracting
3. Repeat Order
4. Shopping
5. Negotiated

REPEAT ORDER

Rule XVI Section 51. REPEAT ORDER

- is a method of procurement of Goods from the previous winning bidder, whenever there is a need to replenish goods procured under a contract previously awarded through Competitive Bidding.

Applicability:

- Goods

Conditions:

- Same or lower unit prices than those in the original contract, provided that such prices are still the most advantageous to the GOP after price verification;
- Availed of within 6 months from the contract effectiveness date stated in the NTP arising from the original contract, provided that there has been a partial delivery, inspection and acceptance of the goods within the same period;
- Not to exceed 25% of the quantity of each item;
- Original contract was awarded through competitive bidding;
- The goods under the original contract must be quantifiable, divisible and consisting of at least four (4) units per item; and
- No splitting of contracts, requisitions and POs

ALTERNATIVE METHODS

1. Limited Source Bidding
2. Direct Contracting
3. Repeat Order
4. Shopping
5. Negotiated

SHOPPING

Rule XVI Section 52. SHOPPING

- is a method of procurement of Goods whereby the Procuring Entity simply requests for the submission of price quotations for readily available off-the-shelf goods or ordinary/regular equipment to be procured directly from suppliers of known qualifications.

Applicability [52.1(a) AND (b)]:

- Goods

Conditions [SHOPPING UNDER Section 52.1(a)]:

- When there is an unforeseen contingency requiring immediate purchase: *Provided, however, That the amount shall not exceed the thresholds prescribed in Annex “H” of this IRR*

Conditions [SHOPPING UNDER Section 52.1(b)]:

- Procurement of ordinary or regular office supplies and equipment not available in the PS-DBM involving an amount not exceeding the thresholds prescribed in Annex “H” of this IRR

- ✓ The BAC shall send the RFQ to at least (3) suppliers of known qualifications, and at least three (3) price quotations must be obtained.

ALTERNATIVE METHODS

1. Limited Source Bidding
2. Direct Contracting
3. Repeat Order
4. Shopping
5. Negotiated

SHOPPING

- ✓ The deadline for submission may be extended thrice, if none or less than the number of quotations are received.
- ✓ In case no supplier responded after the third extension, the BAC shall conduct a mandatory review in accordance with Section IV(K) of Annex H.

Rule XVI Section 52.2.

The phrase “ordinary or regular office supplies” shall be understood to include those supplies, commodities, or materials which, are necessary in the transaction of its official businesses, and consumed in the day-to-day operations.

However, office supplies shall not include services such as repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services.

THRESHOLD FOR SHOPPING

UNFORSEEN CONTINGENCIES (Sec. 52.1(a))

Classification	Maximum Amount (in Philippine Peso)		
	Province	City	Municipality
1 st Class	200,000.00	200,000.00	100,000.00
2 nd Class	200,000.00	200,000.00	100,000.00
3 rd Class	200,000.00	160,000.00	100,000.00
4 th Class	160,000.00	120,000.00	100,000.00
5 th Class	120,000.00	100,000.00	100,000.00
6 th Class	100,000.00	100,000.00	100,000.00

In the case of Barangays, the maximum amount is PhP 50,000.00

Procurement of ordinary or regular office supplies and equipment not available in the DBM-PS(Sec. 52.1(b))

Classification	Maximum Amount (in Philippine Peso)		
	Province	City	Municipality
1 st Class	1,000,000.00	1,000,000.00	200,000.00
2 nd Class	1,000,000.00	1,000,000.00	200,000.00
3 rd Class	1,000,000.00	800,000.00	200,000.00
4 th Class	800,000.00	600,000.00	100,000.00
5 th Class	600,000.00	400,000.00	100,000.00
6 th Class	400,000.00	200,000.00	100,000.00

In the case of Barangays, the maximum amount is PhP 50,000.00

ALTERNATIVE METHODS

1. Limited Source Bidding
2. Direct Contracting
3. Repeat Order
4. Shopping
5. Negotiated

NEGOTIATED PROCUREMENT

Rule XVI Section 53. 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 in any of the following cases:

Sec 53.1	Two Failed Biddings
Sec 53.2	Emergency Cases
Sec 53.3	Take-Over of Contract
Sec 53.4	Adjacent or Contiguous
Sec 53.5	Agency-to-Agency
Sec 53.6	Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services
Sec 53.7	Highly Technical Consultants
Sec 53.8	Defense Cooperation Agreement
Sec 53.9	Small Value Procurement
Sec 53.10	Lease of Real Property
Sec 53.11	NGO Participation
Sec 53.12	Community Participation
Sec 53.13	United Nations Agencies, International Organizations or International Financing Institutions.

NEGOTIATED PROCUREMENT

TWO FAILED BIDDING

(Annex H, IV General Guidelines, D Negotiated Procurement No. 1)

Applicability:

All types of Procurement

Conditions:

- Failed competitive bidding or Limited Source Bidding for the second time under Sec. 35; and
- Mandatory review of the following:
 - Terms, conditions and specifications
 - ABC, which may be adjusted up to 20% of ABC for the last failed bidding

EMERGENCY CASES

(Annex H, IV General Guidelines, D Negotiated Procurement No. 2)

Applicability:

All types of Procurement

Conditions:

- In case of **imminent danger to life or property** during a state of calamity; Mandatory review of the following:
- When **time is of the essence** arising from natural or man-made calamities; or
- Other causes where **immediate action is necessary**
 - To prevent damage to or loss of life or property
 - To restore vital public services, infrastructure facilities and other public utilities

NEGOTIATED PROCUREMENT

TAKE OVER CONTRACTS

(Annex H, IV General Guidelines, D Negotiated Procurement No. 3)

Applicability:

All types of Procurement

Conditions:

- The contract, previously awarded through Competitive Bidding has been rescinded or terminated for cause provided in the contract and existing laws; and
- Immediate action is necessary:
 - To prevent damage or to loss of life or property
 - To restore vital public services, infrastructure facilities and other public utilities

ADJACENT OR CONTIGUOUS

(Annex H, IV General Guidelines, D Negotiated Procurement No. 4)

Applicability:

- Infrastructure Project
- Consulting Services

Conditions:

- The original contract/project is a result of competitive bidding and is ongoing
- Subject contract to be negotiated is adjacent or contiguous, and has similar or related scopes of work to the ongoing project;
- It is within the contracting capacity of the contractor/ consultant;
- In determining the SLCC, NFCC and PCAB license, the sum of the value of the remaining works for the existing contract and the ABC of the contiguous or adjacent work shall be considered;
- The contractor/consultant uses the same or lower unit prices as the original contract less mobilization cost;
- The ABC of the contiguous or adjacent work involved does not exceed the contract amount of the ongoing project;
- No negative slippage/delay in the original contract during the time of negotiation; and
- Negotiation commenced before expiration of the original contract

NEGOTIATED PROCUREMENT

AGENCY TO AGENCY

(Annex H, IV General Guidelines, D Negotiated Procurement No. 5)

Applicability:

All types of Procurement

Conditions:

- The PE shall justify that entering into an A-to-A Agreement with the Servicing Agency is more efficient and economical to the government.

[Note: A-to-A does not exceed 25% of PE's total budget for each category (goods, infra projects, and consulting services)]

- Servicing Agency has the mandate to undertake the project
- Servicing Agency has the absorptive capacity to undertake the project;
- Servicing Agency owns or has access to the necessary tools and equipment required for the project;
- Sub-contracting is not allowed. However, the Servicing Agency may implement the infrastructure project in-house, by job-order, or through the *pakyaw* contracting system; and
- For procurement of infrastructure projects, the Servicing Agency must have a track record of having completed, or supervised a project, by administration or by contract, similar to and with a cost of at least fifty percent (50%) of the project at hand

NEGOTIATED PROCUREMENT

SCIENTIFIC, SCHOLARLY OR ARTISTIC WORK, EXCLUSIVE TECHNOLOGY AND MEDIA SERVICES

(Annex H, IV General Guidelines, D Negotiated Procurement No. 6)

Applicability:

All types of Procurement

Conditions::

- Work of art; commissioned work or services of an artist for specific artistic skills (e.g., singer, performer, poet, writer, painter, sculptor, etc.);
- Scientific, academic, scholarly work or research, or legal services;
- Highly-specialized life-saving medical equipment, as certified by the Department of Health
- Scientific, technical, economic, business, trade or legal journal, magazine, paper, subscription, or other exclusive statistical publications and references;
- Media documentation, advertisement, or announcement through television, radio, newspaper, internet, and other communication media; or
- The construction or installation of an infrastructure facility where the material, equipment, or technology under a proprietary right can only be obtained from the same contractor.

NEGOTIATED PROCUREMENT

HIGHLY TECHNICAL CONSULTANTS

(Annex H, IV General Guidelines, D Negotiated Procurement No. 7)

Applicability:

Consulting Services

Conditions:

- Individual consultant;
- Work involves:
 - Highly technical or proprietary
 - Primarily confidential or policy determining, where trust and confidence are the primary consideration; and
- Term is, at the most, 6 months, renewable at the option of the appointing HOPE, but in no case to exceed the term of the latter

SMALL VALUE PROCUREMENT

(Annex H, IV General Guidelines, D Negotiated Procurement No. 8)

Applicability:

All types of Procurement

Conditions:

- Procurement does not fall under Shopping [Section 52]
- Amount does not exceed P1,000,000.00 (NGAs, GOCCs, GFIs, SUCs and Autonomous Regional Government)

LEASE OF REAL PROPERTY AND VENUE

(Annex H, IV General Guidelines, D Negotiated Procurement No. 9)

Applicability:

Goods

Conditions:

- End-User Unit shall justify to the BAC that the lease of “privately-owned” real property and venue is more efficient and economical to the government,
- Selection of location be made after considering the: need for prudence and economy in government service, suitability of area in relation to the mandate of office and its accessibility to its clients, or nature of event of level of security,
- Market analysis be made on the prevailing rental rates w/in the vicinity of the selected location, and to ensure that it complies w/ the criteria and TS of the End-User Unit
- Rental rates shall not exceed the ABC; and be reasonable by considering the accommodation, facility, amenities, convenience, and prevailing market rates w/ the same or similar condition/classification and location w/in the vicinity, and
- TS shall consider the rating factors under Appendix B of the guidelines

ORDERING AGREEMENT

- A written agreement in the nature of an option contract between the procuring entity and the LCRB granting the procuring entity the option to either place an order for any of the goods identified in the Order Agreement List or not buy at all, within a given period of time. It shall contain the:
 - Order Agreement List
 - Terms and clauses applying to Delivery Order Contracts between the parties for its duration; and
 - Methods for issuing and deliver/performing future orders under the Ordering agreement

Reference: GPPB Resolution No. 01-2012, 27 January 2012

TIE-BREAKING METHOD

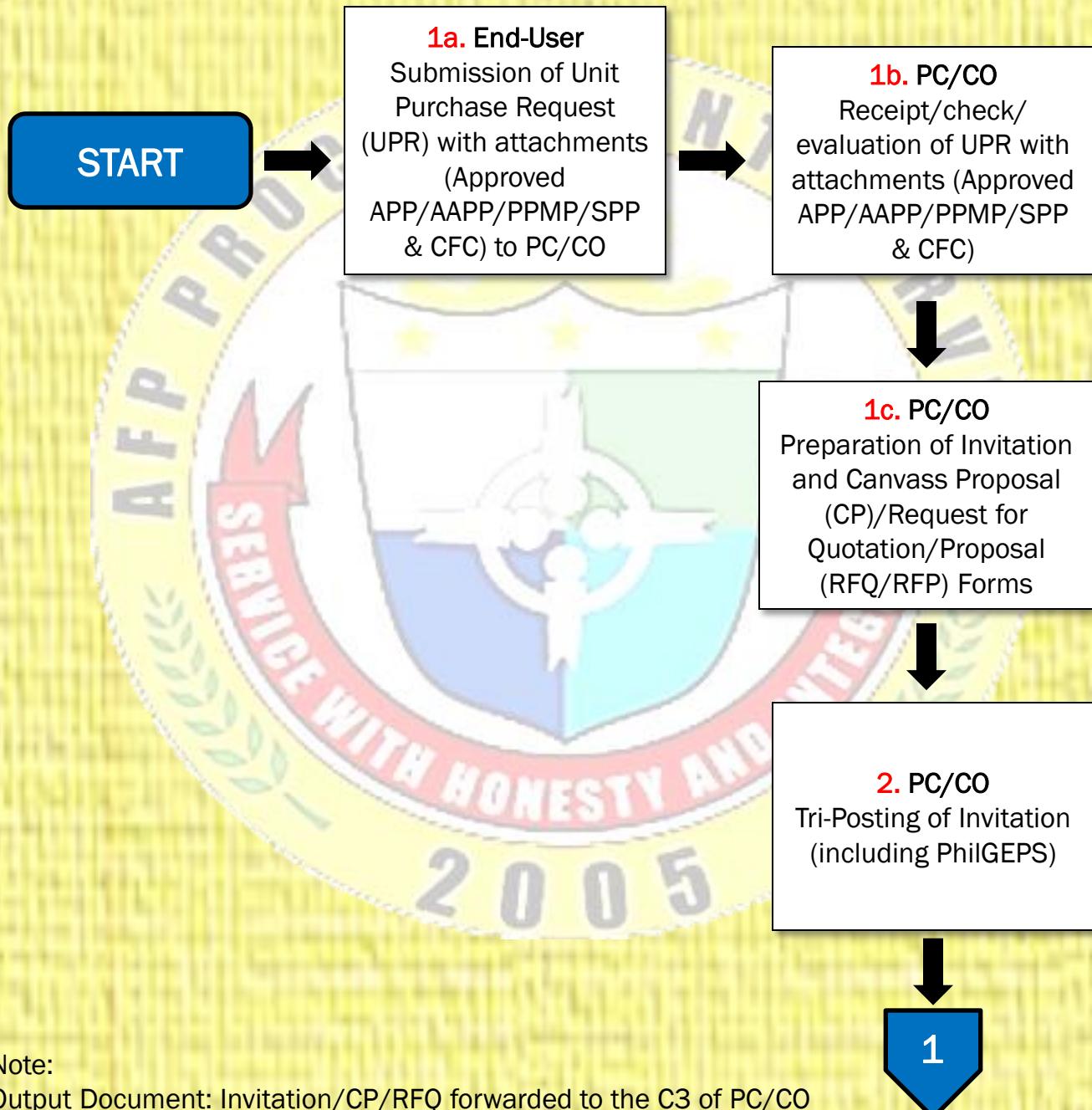
3.0 .Rules And Regulation

3.2. “In all cases, the measure determined by the procuring entity shall be non-discretionary and non-discriminatory such that the same is based on sheer luck or chance. The procuring entity may use “draw lots” or similar methods of chance “

Reference: GPPB Circular No 06 – 2005 August 05, 2005

FLOW CHART OF ALTERNATIVE METHODS

PHASE 1 (Receipt and Evaluation of Purchase Request)



Note:

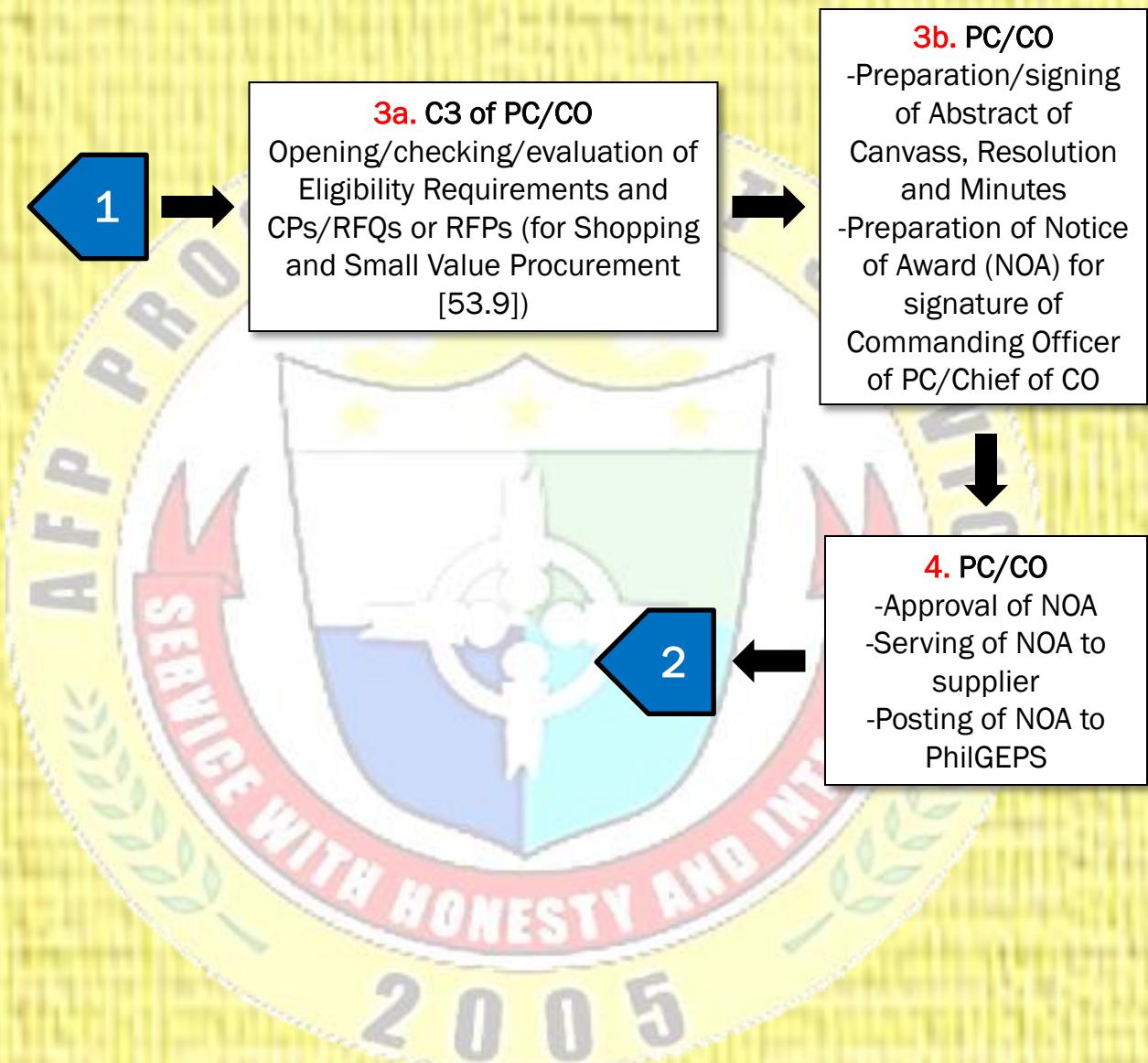
Output Document: Invitation/CP/RFQ forwarded to the C3 of PC/CO

References:

- Work Instruction (PCs/COs) - Procurement Process Document Code AFPPS-W1-01
- AFP LLD Nr PC 13-02 dated 24 October 2013
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015

FLOW CHART OF ALTERNATIVE METHODS

PHASE 2 (Proponent Evaluation Proceedings)



Note:

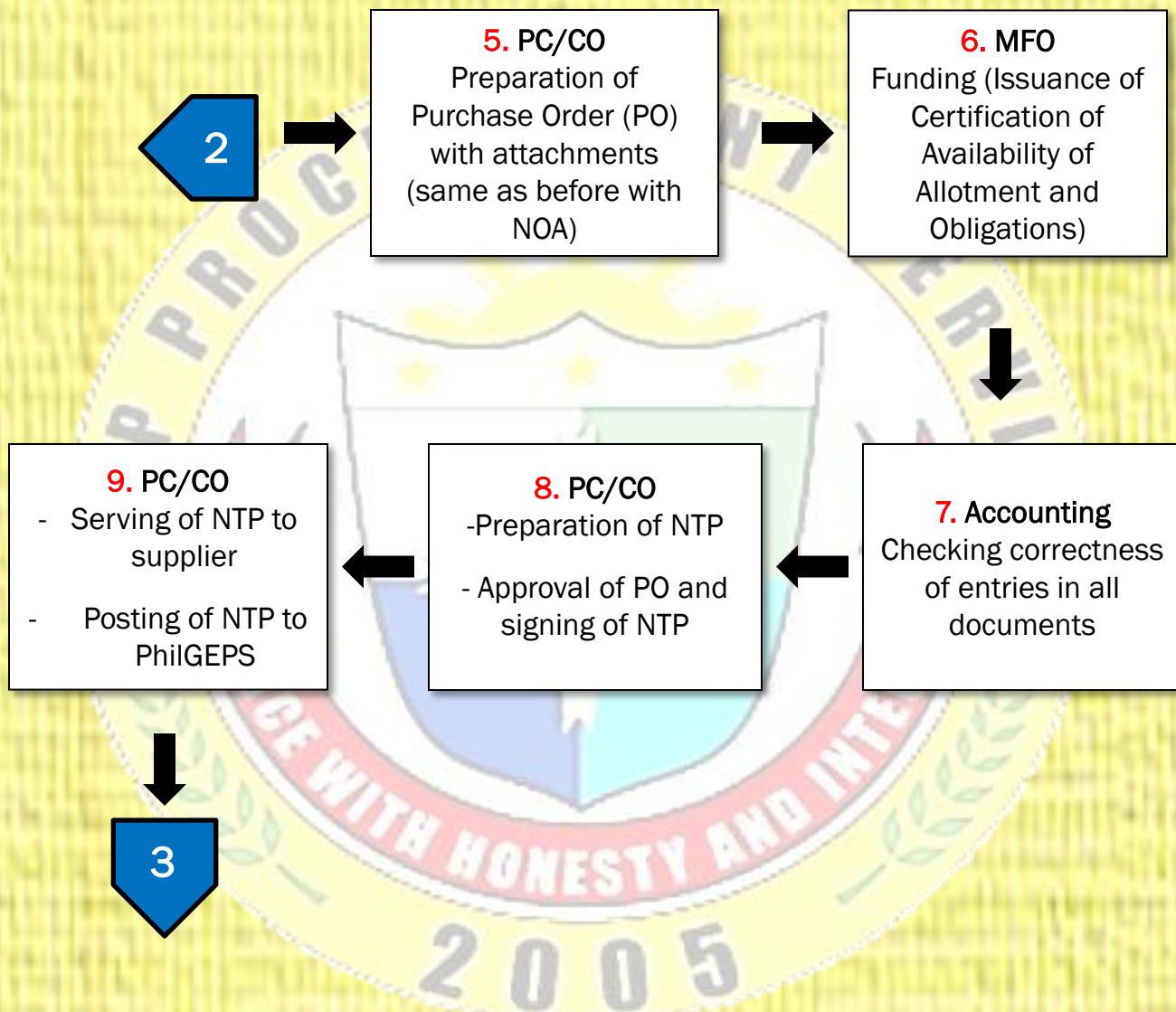
Output Document: NOA

References:

- Work Instruction (PCs/COs) - Procurement Process Document Code AFPPS-W1-01
- AFP LLD Nr PC 13-02 dated 24 October 2013
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015

FLOW CHART OF ALTERNATIVE METHODS

PHASE 3 (Contract Administration)



Note:

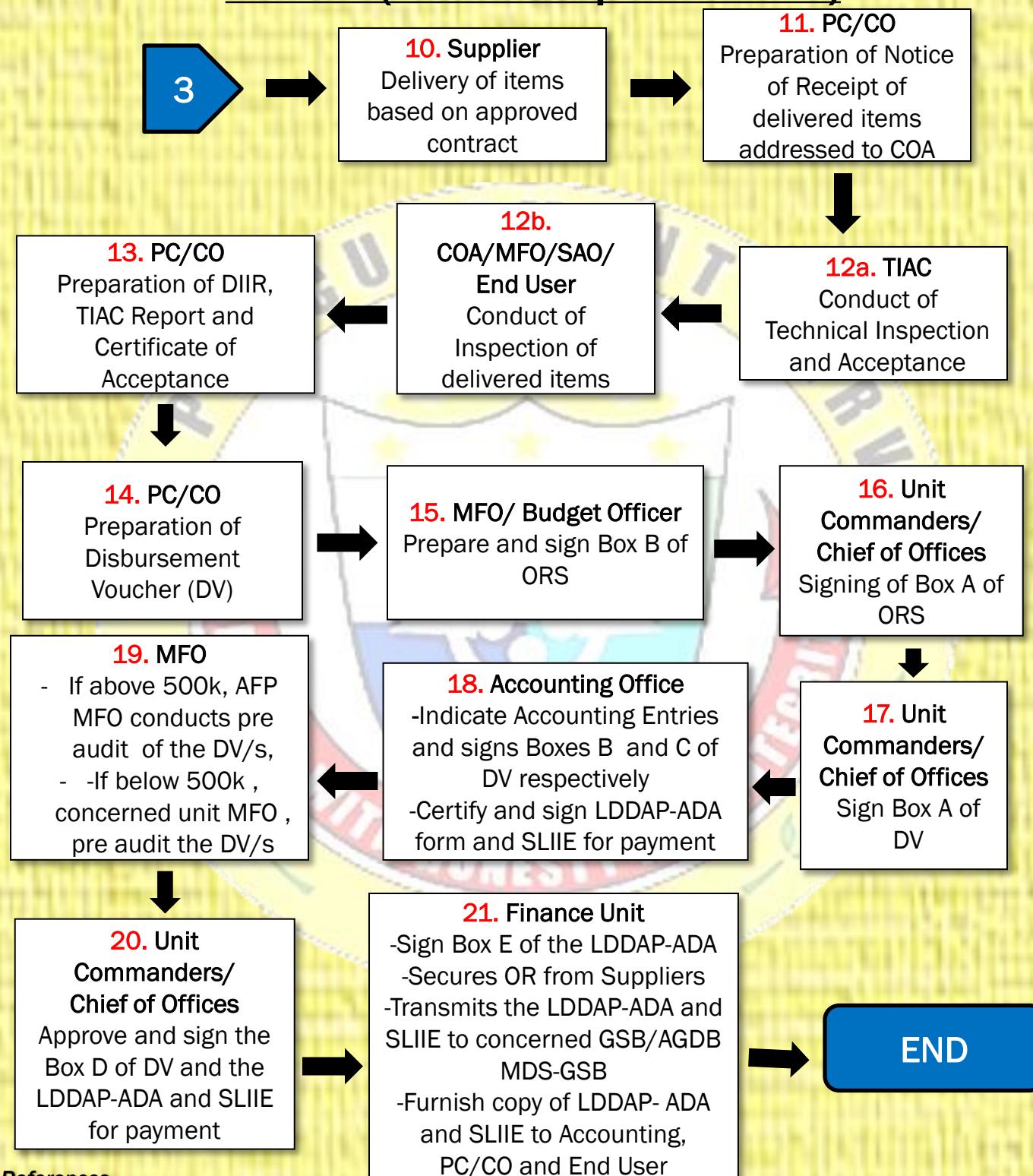
Output Document: Approved PO/NTP to be awarded to the supplier

References:

- Work Instruction (PCs/COs) - Procurement Process Document Code AFPPS-W1-01
- AFP LLD Nr PC 13-02 dated 24 October 2013
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015

FLOW CHART OF ALTERNATIVE METHODS

PHASE 4(Contract Implementation)



References:

- Work Instruction (PCs/COs) - Procurement Process Document Code AFPPS-W1-01
- AFP LLD Nr PC 13-02 dated 24 October 2013
- AFP MFO Ltr Nr 2015-07, GHQ, AFP dtd 26 May 2015

DOCUMENTARY REQUIREMENTS FOR AMP

Alternative Modality	Mayor's/ Business Permit	Professional License/ Curriculum Vitae (Consulting Services)	PhilGEPs Reg. Number	PCAB License (Infra.)	NFCC (Infra.)	Income/ Business Tax Return	Omnibus Sworn Statement
I. Direct Contracting	✓		✓			✓ For ABCs above P500k	
II. Shopping [Sec 52.1 (b)]	✓		✓				
III. Negotiated Procurement							
A. Emergency Cases (Sec 53.2)	✓			✓	✓ For ABCs above P500k	✓ For ABCs above P500k	✓
B. Take-Over of Contracts (Sec 53.3.2; for new bidders)	✓	✓	✓	✓	✓		
C. Adjacent/ Contiguous (Sec 53.4)				✓	✓		
D. Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services (Sec 53.6)	✓	✓	✓			✓ For ABCs above P500k	
E. Highly Technical Consultant (Sec 53.7)		✓					
F. Small Value Procurement (Sec 53.9)	✓	✓	✓	✓		✓	✓
E. Lease of Real Property or Venue (Sec 53.10)	✓		✓			✓ Except for gov't agencies as lessors	

* For individuals engaged under Sec 53.6, 53.7 and 53.9 of the IRR of RA 9184, only the BIR Certificate of Registration shall be submitted in lieu of DTI Registration

Reference: Annex H, Appendix A Nr 2 of RA 9184 (2016)

BIDS AND AWARDS COMMITTEE (BAC)

BAC Composition:

Composition	Requirement
Regular Members a. Chairman (1) b. GHQ/ Major Services BAC Members (2)	1. At least a third ranking permanent official of the Procuring Entity 2. At least Colonel/Captain or (O-6) with knowledge, experience and/or expertise in procurement.
Provisional Members a. Officer (1) b. End User Unit Representative (1)	1. Has technical expertise relevant to the procurement at hand and, to the extent possible, has knowledge, experience and/or expertise in procurement. 2. Has the knowledge on procurement laws and procedures

TECHNICAL WORKING GROUP (TWG)

- TWGs are created to support the AFP BACs in the preparation of the requirements in the conduct of public bidding and alternative methods of procurement.

BAC TWG Composition:

Composition	Requirement
Chairman	At least 05 in rank with background/knowledge in logistics
Member	JAGS Officer
Member	Management and Fiscal Office (MFO) Representative
Member	Commodity Manager Representative
Member	End-User Representative
Member	Other Officers from Programs 1, 2, 3 and 4 as maybe required

CANVASS/CONTRACT COMMITTEE

- Shall be established in all AFP identified Procurement Centers/Contracting Offices to handle procurement within the limits as provided in Sec 14. Approval of Procurement Contracts of DC 12 dated 17 October 2014.

C3 Composition :

Composition	Requirement
Chairman	Executive Officer, Procurement Center or Assistant Chief, Contracting Office
Member	Legal Office or Admin Office representative of the unit where the Procurement Center or Contracting Office is based
Member	Financial Analyst/representative of the unit where the Procurement Center or Contracting Office is based
Member	End User
Secretary	Chief, Operations Branch, Procurement Center or Contracting Office.

TECHNICAL INSPECTION AND ACCEPTANCE COMMITTEE (TIAC)

- A committee that conducts inspection, take samples of procured supplies, services, equipment and others, and see to it that the required tests are performed to ensure that the items delivered are in accordance with the quantities and specifications stipulated in procurement documents.

TIAC Composition:

Composition	Program 4	Program 1 - 3	Rank Requirement
Chairman	OJ4 Rep/ Commodity Manager	Rep from ALC, PAF/NSSC/ NLC, PN Commodity Managers, PA	At least 06
Member	OJ4 Rep/ Commodity Manager Representative	Major Service Fours (4s) Representative	At least 04
Member	End-User Representative	End-User Rep	At least 04
Member	End-User Tech, if applicable	End-User or Commodity Manager Tech representative, if applicable	No rank requirement
Secretary	AFPPS Representative	AFPPS Representative	At least 03

PRE - DELIVERY INSPECTION (PDI)

- Pre-Delivery Inspection (PDI) is an inspection conducted inside or outside of the country to determine compliance of the items to be procured prior to delivery.

PDI Team Composition:

Composition	Program 4	Programs 1-3	AFP Modernization Projects	Rank Requirement
Head Of Mission	TIAC Chairman or any member from TIAC	TIAC Chairman or any member from TIAC	TIAC Chairman or any member from TIAC	At least 05
Member	OJ4 Rep	Major Service Four (4) Rep	OJ4 Rep	At least 04
Member	End-User Four (4) Rep	OJ4 Rep*	Major Service Four (4) Rep	No specific rank
Member	TWG Rep	TWG/End-User Four (4) Rep	TWG Rep	No specific rank
Member/Secretary	AFPPS Rep	AFPPS Rep	DAO, DND Rep	At least 03

***Note: OJ4 PDI Representative for Programs 1-3 shall be included in all procurement within the approving authority of the CSAFP and above.**

CONTRACT TERMINATION REVIEW COMMITTEE (CTRC)

- The HOPE may create a committee to assist him in the discharge of his function under these Guidelines. All decisions recommended by the CTRC shall be subject to the approval of the HOPE. (GPPB Resolution Nr. 018-2004 dtd 22 December 2004)

CTRC Composition:

Designation	Program 1, 2 & 3 CTRCs	Program 4 CTRC	AFP CTRC
Chairperson	Chief of Staff/ CNS/CAS	J4, AFP	TDCSAFP
Vice-chairperson	Major Service Fours (4s)	Deputy, AFPPS	Asst J4, AFP
Member	Major Service Chief JAG	Deputy MFO, AFP	TJAG, AFP
Member	Major Service MFOs	C,MAD, OTJAG, AFP	C, MFO, AFP
Member	Commanding Officer of Procurement Center	Chief, Contract Management International Division, OJ4	Commander, AFPPS
Secretariat	To be designated by C,AFPPS	To be designated by C,AFPPS	AFPPS Office

COMMON FINDINGS OF COMMISSION ON AUDIT (COA)

Unreliable Balances of Cash in Bank – Local Currency, Savings Account and Cash in Bank – Foreign Currency, Savings Account

Unreliable Balance of Inventory Accounts

Irregular Expenditures and Incomplete Documentation

Non-Posting in PhilGEPS website

The lengthy time spent in the procurement process/activities

Non-submission of approved Purchase Order within 5 days of approval, and the Notice of Deliveries

Enforcement of Settlement of Audit Suspension, Disallowance and Charges

COA CIRCULAR NO. 2009-001

dated 12 February 2009



Subject: Restatement with amendment of COA Circular 87-278 and COA Memorandum 2005-027 re: submission of copy of government contract, purchase orders and their supporting documents to the Commission on Audit.

2.0 COVERAGE

This circular shall cover all contracts, purchase orders and the like, entered into by any government agency irrespective of amount involved

3.0 SUBMISSION AND REVIEW PROCESS

3.1.1 . Within five (5) working days from the execution of a contract by the government or any of its subdivisions, agencies or instrumentalities, including Government - Owned and Controlled Corporations and their subsidiaries, a copy of the contract and each of all documents forming part thereof by reference or incorporation shall be furnished to the Auditor of the agency concerned.”

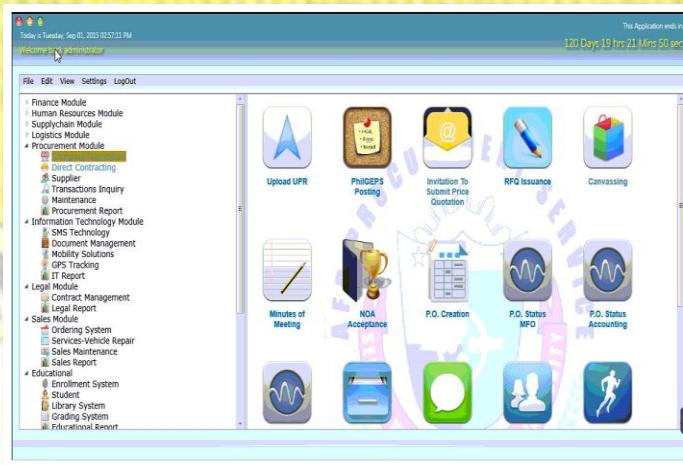
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3.1.2 The documents required to be submitted shall include but not limited to:

- Invitation to Apply for Eligibility and to Bid;
- Letter of Intent;
- Eligibility Documents and Eligibility Data Sheet;
- Eligibility Requirements;
- Results of Eligibility Check Screening;
- Bidding Documents (Sec 17.1, IRR-A, RA 9184);
- Minutes of Pre-bid Conference, if applicable;
- Agenda and/or Supplemental Bid Bulletins, if any;
- Bidders Technical and Financial Proposals;
- Minutes of Bid Opening
- Abstract of Bids;
- Post Qualification Report of Technical Working Group;
- BAC Resolution declaring winning bidder;
- Notice of Post Qualification;
- BAC Resolution recommending approval;
- Notice of Award;
- Contract Agreement;
- Performance Security;
- Program of Work and Detailed Estimates;
- Certificate of Availability of Funds, Obligation Request;
- Notice to Proceed
- Such other documents peculiar to the contract and/or to the mode of procurement and considered necessary in the auditorial review and in the technical evaluation thereof.

AFPPS ELECTRONIC PROCUREMENT MONITORING INFORMATION SYSTEM (EPMIS)



- EPMIS is a web-based application developed to serve as the focal point for AFPPS, its PCs and COs to process, manage, and monitor procurement services.

Features of EPMIS:

- User-Friendly
- Log-in anywhere
- Process Oriented/Driven
- Transaction Visibility
- Eligibility Requirements – Expiring Documents

BENEFITS OF EPMIS



Improved Quality Governance and Reliability



Streamlined work and Improved Workflow leading to shortened processing time



Boost productivity



Track progress



Deal easily with high volume of request



Reduce errors



Enforce standards



Enforce Accountability



Maintain visibility/ transparency



INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO)



- ISO is not an acronym. It is derived from the Greek word “*isos*” meaning “equal”. ISO 9001:2008 is a quality management system that can be adopted by any kind of organization. The system is focused towards the meeting of customer requirements and enhancing customer satisfaction.

BENEFITS OF ISO REGISTRATION

- Internationally recognized
- Greater customer satisfaction
- Ensures that product/service is safe, reliable and of good quality
- Provides efficient management process
- Sets out areas of responsibility across the organization
- Identifies and encourages more efficient and time saving processes
- Provides continuous assessment and improvement



Management System
ISO 9001:2008

www.tuv.com
ID 9105082491





AFPPS QUALITY POLICY

“We, at the AFPPS are committed to quality procurement service to satisfy the needs of our customers while complying with the requirements.”

“We aim for excellence and strive to continually improve the effectiveness and efficiency of our Quality Management System”

“Mabilis na Serbisyo”

“Magandang Kalidad”

“Mababang Presyo”



Management
System
ISO 9001:2008

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AFPPS Hymn

I

*Ang AFP Procurement Service
May tungkulin na pangasiwaan
Ang pag-adhika ng mga kagamitan
At ito'y ganap na makamtan*

II

*Ang "Procurement" malinaw at tapat
Siyang adhikain naming gagampanan
Sa transaksyong pinansyal at lohistikal
Panaigin hustisya't dangal
Kami ang 'AFPPS Family'
Bawat oras ay maaasahan
Sa pagtustus ng pangangailangan
Mula Luzon, Visayas at Mindanao (2x)*

III

*Binubuo ng sundalo't kawani
Na may respeto at integridad
Nagkakaisa at nagtutulungan
Para sa misyong sinumpaan*



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