

[ADMINISTRATIVE ORDER NO. 17, July 28, 2011]

DIRECTING THE USE OF THE PROCUREMENT SERVICE AND THE PHILIPPINE GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM IN PROCUREMENT ACTIVITIES IN ACCORDANCE WITH REPUBLIC ACT NO. 9184, AND IMPROVING THE OPERATION OF THE PROCUREMENT SERVICE

WHEREAS, the national government has undertaken comprehensive reforms to modernize and standardize government procurement systems to ensure transparency and accountability in government transactions, and enhance efficiency and effectiveness in the procurement of goods, services and civil works;

WHEREAS, the national government recognizes the use of the Internet as an effective medium to provide transparent access to government-wide procurement opportunities and decisions;

WHEREAS, innovations in procurement have been successfully implemented by the Department of Budget and Management (DBM) through the Procurement Service (PS) and its Philippine Government Electronic Procurement System (PhilGEPS) which currently features an Electronic Bulletin Board, a Suppliers' Registry, and an Electronic Catalogue;

WHEREAS, the PhilGEPS will include additional features such as Virtual Store, Electronic Payment and Electronic Bid Submission which will further develop Internet-based government procurement transactions by the end of 2011;

WHEREAS, the PS, by virtue of Letter of Instruction No. 755 (s. 1978) and Executive Order (EO) No. 359 (s. 1989), is tasked with the implementation of a government-wide procurement system for common-use office supplies, materials, and equipment on behalf of all government agencies; and

WHEREAS, R. A. No. 9184 incorporates said policies and innovations and. reiterates the mandatory compliance therewith by all government agencies in support of transparency, competitiveness, streamlined procurement process, system of accountability, and public monitoring.

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Reiteration of Policy. The national government hereby reiterates the policy that procurement of government supplies, materials, and equipment shall be done in the most transparent and competitive manner by purchasing from legally, technically, and financially capable sources in economic lot sizes, by observing cost-efficient specifications, and by making prompt payment. In line with this, all

government agencies shall procure their common-use supplies from the PS and use the PhilGEPS in all their procurement activities, including publishing all their bid opportunities and posting all their awards and contracts in it, in accordance with R.A. No. 9184.

SECTION 2. Coverage. This Administrative Order shall apply to all National Government Agencies, including Military and Police Units; Government-Owned and/or -Controlled Corporations (GOCCs); Government Financial Institutions (GFIs); State Universities and Colleges (SUCs); and Local Government Units (LGUs).

SECTION 3. Definition of Terms. For purposes of this Administrative Order, the following terms shall mean or be understood as follows:

a) Common-Use Supplies – refers to those supplies, materials, and equipment included in the price list of the PS which are necessary in the transaction of the official business of the procuring entity and consumed in its day-to-day operations.

b) Electronic Bulletin Board – refers to the central repository of government procurement opportunities, notices, and bid results including awards, bidding documents, supplemental bid bulletins, and other related documents in the PhilGEPS.

c) Suppliers' Registry – refers to the centralized electronic database of all manufacturers, suppliers, distributors, contractors, and consultants registered under the PhilGEPS.

d) Electronic Catalogue – refers to the list of common-use supplies that are available from the PS and its depots as appearing in the PhilGEPS.

e) Virtual Store – refers to an enhanced electronic catalogue of the PhilGEPS that allows procuring entities to purchase common-use supplies online that are available from the PS and its depots.

f) Electronic Payment (E-payment) – refers to any digital financial transaction such as the transfer of funds from procuring entities to and from PhilGEPS and from procuring entities to suppliers.

g) Electronic Bid Submission (E-bid Submission) – refers to a facility in PhilGEPS that allows bidders through the Internet to download bidding documents and submit bid proposals or tenders online.

SECTION 4. Procurement of Common-Use Supplies. Common-use supplies shall be procured directly from the PS or its depots without need of public bidding as provided in Section 53.5 of the Implementing Rules and Regulations (IRRs) of R.A. 9184.

SECTION 5. Use of PhilGEPS. All government procuring entities are mandated to use the 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 R.A. 9184 and its IRRs. All shall subscribe to the additional features of the PhilGEPS such as the Virtual Store, E-payment and E-bid submission as they become available and are implemented.