

**APPROVAL OF THE CUSTOMIZED PROCUREMENT MANUALS
OF THE ARMED FORCES OF THE PHILIPPINES**

WHEREAS, Section 6 of Republic Act No. 9184 (R.A. 9184) provides that to systematize the procurement process, avoid confusion and ensure transparency, the Government Procurement Policy Board (GPPB) shall pursue the development of generic procurement manuals and standard bidding forms for mandatory use by all government agencies;

WHEREAS, the GPPB, in its meeting held last 14 June 2006, approved and adopted the Generic Procurement Manual (GPM) for use by all agencies effective January 2007;

WHEREAS, the Armed Forces of the Philippines (AFP) was selected as one of the nine (9) pilot agencies that will undertake the Pilot-testing and Customization of the Generic Procurement Manuals;

WHEREAS, the AFP, through its consultant Engr. Omar Costibolo, prepared and submitted its Customized Procurement Manuals to the GPPB Technical Support Office (GPPB-TSO) last 9 June 2006;

WHEREAS, the GPPB Inter-Agency Technical Working Group (IATWG), during its 9th regular meeting held last 14 September 2007, reviewed the draft AFP Customized Procurement Manuals, as presented by the GPPB-TSO;

WHEREAS, in the same meeting, the members of the IATWG unanimously resolved to recommend the approval of the Customized Procurement Manuals of the AFP, subject to the following revisions:

- a) Incorporation of the latest amendments to the following provisions of the IRR-A of R.A. 9184:
 1. GPPB Circular No. 02-2005, dated 28 April 2005
Submission of tax returns and tax clearance as part of the eligibility requirements for the procurement of goods, infrastructure projects and consulting services in compliance with Executive Order No. 398, Revenue Regulation No. 03-2005 and Revenue Memorandum Circular No. 16-2005. (Vols. 2 to 4);
 2. GPPB Resolution No. 04-2006, dated 20 January 2006
Amendment of Section 53 (h) and 54.2 (i) to include conditions on small-value procurements (Vol. 2);

3. GPPB Resolution No. 07-2006, dated 20 January 2006
Amendment of Section 23.11.1.2 of the IRR-A on the eligibility criteria for the procurement of goods on the single largest similar contract (Vol. 2);
 4. GPPB Resolution No. 14-2006, dated 20 July 2006
Shortening of procurement timelines (Vols. 2 to 4);
 5. GPPB Resolution No. 21-2006, dated 16 December 2006
Amendment of Section 27.4 of the IRR-A stating the instances when the bid security may be return to a post-disqualified bidder (Vol. 2);
 6. GPPB Resolution No. 22-2006, dated 16 December 2006
Amendment of Sections 23.6 and 24.7 of the IRR-A requiring the submission of the PhilGEPS Registration Certificate under the Class "A" Legal Documents of the Eligibility Envelope (Vols. 2 to 4);
 7. GPPB Resolution No. 03-2007, dated 30 March 2007
Amendment of Section 53 (e) of IRR-A to reconcile it with Section 53 and include in the coverage of agency-to-agency agreements acquisitions of infrastructure projects and consulting services (Vols. 2 to 4);
 8. GPPB Resolution No. 04-2007, dated 4 May 2007
Amending Section 53 of IRR-A to include lease of privately owned real estate for official use (Vol. 3);
 9. GPPB Resolution No. 011-2007, dated 31 May 2007
Amending the Revised Guidelines on Index-Based Pricing for Petroleum and Oil Products (Vol. 2);
 10. GPPB Resolution No. 05-2007, dated 4 May 2007
Amendment of Sections 23.3 and 24.13 of the IRR-A clarifying the period within which an ineligible bidder can file a request for reconsideration in case of procurement of consulting services (Vol. 4);
 11. GPPB Resolution No. 012-2007, dated 29 June 2007
Amending Section 53 of IRR-A and prescribing the guidelines on the participation of NGOs in public procurement (Vols. 2 to 4).
- b) Include as an "Annex" in the appropriate volumes of the Customized Procurement Manuals of DND the following:

1. GPPB Resolution No. 06-2003, dated 1 December 2003
Confirming that RA 9184 amended Sections 4 (b), 10 (b) and 14 of RA 7898 pursuant to Section 76 of RA 9184 and Section 75 of its IRR-A (Vol.1);
 2. GPPB Resolution No. 09-2005, dated 28 April 2005
Guidelines for the Implementation of Infrastructure Projects undertaken by the AFP Corps of Engineers (Vol. 3);
 3. GPPB Resolution No. 017-2005, dated 12 September 2005
Guidelines for Payment on Foreign Currency under Section 61.1 of IRR-A (Vols. 2 to 4);
 4. GPPB Resolution No. 018-2005, dated 12 September 2005
Guidelines in the Determination of Eligibility of Foreign Suppliers, Contractors and Consultants to Participate in Government Procurement Projects (Vols. 2 to 4);
 5. GPPB Resolution No. 019-2006, dated 16 December 2006
Guidelines on the Procurement of Water, Electricity, Telecommunications and Internet Service Providers (Vol. 2);
 6. GPPB Resolution No. 020-2006, dated 16 December 2006
Amending GPPB Resolution No. 03-2003, dated 1 December 2003 which enumerates the relevant provisions of RA 7898 that were amended by RA 9184 (Vol. 1);
- c) Deletion in Volume 3, p. 19 of the phrase “*of actual quantities as measured, estimated and paid based on the original scope of work described in the approved plans*” and reinstating the original provision on Quantities, as prescribed in the Generic Procurement Manuals.
- d) Deletion in Volume 3, p. 100 of the paragraph –

“A Variation Order shall be issued by the Head of the Implementing AFPCOE Unit to authorize changes in the original scope of work of an infrastructure contract as bid, under the following circumstances:

x x x

Variation Orders whose cumulative total exceed ten percent (10%) of the original contract amount shall be reviewed by the DCS for Logistics, J4 and shall be subsequently forwarded to the CSAFP for approval. In all cases, all Variation Orders whose cumulative

total does not exceed 10% of the original contract shall be approved by the Official who approved the original contract. In cases when the revised contract amount (amount of the original contract plus all Variation Orders) exceeds the limits of the approving authority of the contracting official, the Variation Orders shall likewise be further approved by the next higher Official with the appropriate authority”

and reinstating the original provision on Variation Order as provided in the Generic Procurement Manuals.

WHEREAS, the GPPB-TSO incorporated the foregoing revisions and forwarded the same to the AFP for its review and comments last 25 September 2007;

WHEREAS, the GPPB-TSO received the final draft of the AFP Customized Procurement Manuals as reviewed by the AFP last 27 September 2007;

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 approve, as **WE** hereby approve the **Customized Procurement Manuals of the Armed Forces of the Philippines** for its adoption and official use.

This resolution shall take effect immediately.

APPROVED this 28th day of September 2007 at Pasig City, Philippines

(Sgd.)

ROLANDO G. ANDAYA, JR.
Secretary
Department of Budget and Management

AUGUSTO B. SANTOS
OIC-Director General
National Economic and Development
Authority

(Sgd.)

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

**DEPARTMENT OF NATIONAL
DEFENSE**

RESOLUTION NO. 20-2007

DEPARTMENT OF EDUCATION

(Sgd.)

DEPARTMENT OF HEALTH

**DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT**

DEPARTMENT OF ENERGY

(Sgd.)

**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

DEPARTMENT OF FINANCE

(Sgd.)

**DEPARTMENT OF TRADE AND
INDUSTRY**

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

(Sgd.)

**DEPARTMENT OF TRANSPORTATION
AND COMMUNICATIONS**

(Sgd.)

PRIVATE SECTOR REPRESENTATIVE

Attested by:

(Sgd.)

RUBY. U. ALVAREZ
Board Secretary, GPPB
Executive Director, GPPB-TSO