



## RESOLUTION NO. 01-2015

### APPROVING THE REVOCATION OF AUTHORITY GRANTED UNDER GPPB RESOLUTION NO. 34-2013

**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 of RA 9184 mandates the Government Procurement Policy Board (GPPB) to protect national interest in all matters affecting public procurement;

**WHEREAS**, Executive Order (EO) No. 423, S. 2005, as amended by EO 645, S. 2007, prescribes the rules and procedures on the review and approval of government contracts to conform to RA 9184;

**WHEREAS**, Section 4 of EO 423, S. 2005, as amended, provides that where the Head of the Procuring Entity (HOPE) has made a determination that the government contract involving an amount of at least Five Hundred Million Pesos (PhP500,000,000.00) falls under the exceptions from public bidding, the HOPE shall, before proceeding with the alternative methods of procurement, obtain the approval of the GPPB that said government proposed procurement undertaking falls within the exceptions from public bidding and that the proposed specific alternative mode of procurement is appropriate;

**WHEREAS**, His Excellency, President Benigno S. Aquino III signed Proclamation No. 682, S. 2013, on 11 November 2013, declaring a state of national calamity, as a result of the widespread death, destruction and incalculable damage in several areas, including Samar provinces, Leyte, Cebu, Iloilo, Capiz, Aklan and Palawan caused by Typhoon Yolanda (international codename: Haiyan) last 8 November 2013;

**WHEREAS**, on 14 November 2013, the Department of Social Welfare and Development (DSWD), through Secretary Corazon Juliano-Soliman requested that the DSWD be allowed to resort to Negotiated Procurement under Section 53.2 (Emergency Cases) of the IRR of RA 9184, in procuring Php 3.1 Billion worth of relief goods and other logistics requirements;

**WHEREAS**, the DSWD, in its letter dated 14 November 2013, stated that “[t]here is imminent danger to life because the basic sustenance of the typhoon victims is dependent upon the relief operations of the national and local governments which are logistically challenged by the sheer magnitude of damage caused by the typhoon. There is imminent danger to property as well because looting poses a continuing threat in the affected communities and the authorities on the ground are not enough to maintain peace and order. These circumstances emphatically justify the need to employ *Emergency Cases* procedure”;

**WHEREAS**, DSWD’s request was discussed and deliberated upon by the GPPB in a Special meeting held on 14 November 2013;

**WHEREAS**, in view of the urgency of the procurement, the GPPB resolved to dispense with some of the procedural requirements outlined in its Resolution No. 011-2006 dated 14 June 2006 and to approve the request of the DSWD, subject to the high voting requirement of ten (10) members and submission of all documents required under GPPB Resolution No. 015-2006;

**WHEREAS**, aside from DSWD, other similarly situated government agencies need to procure goods and infrastructure projects through Negotiated Procurement under Section 53.2 (Emergency Cases) of the IRR of RA 9184 to carry out rescue, recovery, relief, and/or rehabilitation efforts brought about by the damage caused by Typhoon Yolanda;

**WHEREAS**, on 14 November 2013, the GPPB issued GPPB Resolution No. 34-2013, granting authority to all concerned government procuring entities to procure goods and infrastructure projects, for the purpose of providing rescue, recovery, relief, and/or rehabilitation efforts for, and to continue to provide basic services to victims in areas affected by Typhoon Yolanda, through Negotiated Procurement under Section 53.2 (Emergency Cases) of the IRR of RA 9184 with an Approved Budget for the Contract (ABC) of at least Five Hundred Million Pesos (PhP 500,000,000.00) for the duration of the State of National Calamity until lifted by the President pursuant to Proclamation No. 682, Series of 2013;

**WHEREAS**, GPPB Resolution No. 34-2013 remains effective because (1) the State of National Calamity has not yet been lifted by the President; and (2) the GPPB has not yet revoked it;

**WHEREAS**, on 13 June 2014, the Inter-Agency Technical Working Group (IATWG) recommended, through the issuance of a Resolution, to lift and revoke GPPB Resolution No. 34-2013 and reiterate the existing rule on Negotiated Procurement under Section 53.2 of the IRR of RA 9184 (Emergency Cases);

**WHEREAS**, per latest report submitted as of 23 January 2015, no reported procuring entity acquisition amounted to at least Five Hundred Million Pesos (PhP 500,000,000.00);

**WHEREAS**, based on the IATWG findings and the latest reports, the following are the justifications for the revocation of authority granted under GPPB Resolution No. 34-2013:

(1) Lack of Necessity

The authority granted by the GPPB is no longer necessary since based on the reports, the amount of contracts entered into by the procuring entities through Negotiated Procurement under Section 53.2 of the IRR (Emergency Cases) are below Five Hundred Million Pesos (PhP 500,000,000.00), and the procuring entities can directly resort to alternative methods of procurement even without the GPPB's approval;

(2) Non-Use by the Procuring Entities

The authority granted by the GPPB was not used by the procuring entities. There was even no single procurement amounting to or at least Five Hundred Million Pesos (PhP 500,000,000.00) from the DSWD, the agency that requested the GPPB for such authority;

(3) Lack of Future Use

GPPB Resolution No. 34-2013 is specific only to rescue, recovery, relief, and/or rehabilitation efforts for victims in areas affected by Typhoon Yolanda;

(4) Possible Abuse

Procuring entities may procure projects which are not relevant to the rescue, recovery, relief, and/or rehabilitation efforts, and continued provisions of basic services to victims in areas affected by Typhoon Yolanda and abuse the authority granted by the GPPB to procure unrelated projects; and,

(5) Presence of Existing Rules

Even if GPPB Resolution No. 34-2013 is revoked, procuring entities can still procure under any of the modalities for Negotiated 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, as **WE** hereby confirm, adopt and approve the following:

**REVOKE** GPPB Resolution No. 34-2013, dated 14 November 2013, granting authority to procure goods and infrastructure projects for the purpose of providing rescue, recovery, relief, and/or rehabilitation for, and to continue to provide basic services to victims in areas affected by Typhoon Yolanda through Negotiated Procurement under Section 53.2 (Emergency Cases) of the IRR of RA 9184 with an Approved Budget for the Contract of at least Five Hundred Million Pesos (PhP 500,000,000.00) for the duration of the State of National Calamity as declared by the President in Proclamation No. 682, Series of 2013.

This Resolution shall take effect immediately.

**APPROVED** this 30<sup>th</sup> day of January 2015 at Pasig City, Philippines.

(Sgd.)

DEPARTMENT OF BUDGET AND  
MANAGEMENT

NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY

(Sgd.)

DEPARTMENT OF EDUCATION

DEPARTMENT OF ENERGY

(Sgd.)

DEPARTMENT OF FINANCE

(Sgd.)

DEPARTMENT OF HEALTH

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**DEPARTMENT OF THE INTERIOR  
AND LOCAL GOVERNMENT**

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**DEPARTMENT OF NATIONAL  
DEFENSE**

(Sgd.)

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**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

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**DEPARTMENT OF SCIENCE AND  
TECHNOLOGY**

(Sgd.)

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**DEPARTMENT OF TRADE AND  
INDUSTRY**

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**DEPARTMENT OF TRANSPORTATION  
AND COMMUNICATIONS**

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**PRIVATE SECTOR REPRESENTATIVE**

Attested by:

(Sgd.)

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**DENNIS S. SANTIAGO**  
*Board Secretary, GPPB*  
*Executive Director, GPPB-TSO*