
APPROVING AND ADOPTING THE GUIDELINES ON THE SALE OF BIDDING DOCUMENTS

WHEREAS, Section 6 of Republic Act No. (RA) 9184 provides that to systematize the procurement process, avoid confusion, and ensure transparency, the Government Procurement Policy Board (GPPB) shall formulate and amend public procurement policies, rules and regulations, and amend, whenever necessary, the Implementing Rules and Regulations (IRR) of RA 9184;

WHEREAS, Section 17.4 of the IRR of RA 9184 provides that bidders may be asked to pay for the bidding documents to recover the cost of its preparation and development;

WHEREAS, the Generic Procurement Manual provides that in determining the price of the Bidding Documents, the BAC must only be guided by the cost recovery objective to ensure that the same would not have an effect of discouraging competition. For cost recovery the following costs will be considered: (i) Direct Costs that include, development, reproduction and communication costs, and the (ii) Indirect Costs that includes, overhead, supervision, administrative costs allocated to the bidding activity, and may also incorporate the costs of paying honoraria;

WHEREAS, the GPPB-Technical Support Office (GPPB-TSO) has issued Non-Policy Matter opinions (NPMs) providing that in the absence of any IRR provision, circular or guidelines that prescribe the standard fee or rate for the payment of bidding documents, procuring entities may prescribe their respective guidelines on how to compute the price of their bidding documents. However, such fees should not be excessive, and should be fair enough to recover the cost of its preparation and development;

WHEREAS, to determine how various procuring entities compute and prescribe a fee or rate for the price of bidding documents, the GPPB-TSO sampled data by requesting thirty four (34) government agencies (15 from NGAs, 9 from GOCCs, 2 from SUCs, and 5 from LGUs) to provide information on the price of their bidding documents. Based on the submitted information, there are three identified modes used in determining the price of bidding documents, namely, (i) Fixed range/costs, (ii) Percentage of the ABC, and the (iii) Hybrid approach;

WHEREAS, there is a need to rationalize and standardize the sale of bidding documents to prevent excessive and unreasonable fees; and, to promote competition, regulate its price, and provide a uniform rate applicable to all procuring entities;

WHEREAS, in its 2nd joint GPPB and IATWG Meeting held on 24 February 2012, after carefully reviewing the options presented, the GPPB and its IATWG resolved and approved the issuance of guidelines providing for the standard fees in the sale of bidding documents using the fixed rate based on a fixed range approach;

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 issuance of the guidelines providing the standard fees on the sale of bidding documents using the fixed rate on a fixed range approach, attached hereto as **Annex “A”**, and made an integral part hereof.

This resolution shall take effect immediately.

APPROVED this 24th day of February 2012 at Pasig City, Philippines.

(Sgd.)

DEPARTMENT OF BUDGET AND
MANAGEMENT

(Sgd.)

NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY

(Sgd.)

DEPARTMENT OF EDUCATION

(Sgd.)

DEPARTMENT OF ENERGY

(Sgd.)

DEPARTMENT OF FINANCE

(Sgd.)

DEPARTMENT OF HEALTH

(Sgd.)

DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT

(Sgd.)

DEPARTMENT OF NATIONAL
DEFENSE

(Sgd.)

DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS

(Sgd.)

DEPARTMENT OF SCIENCE AND
TECHNOLOGY

(Sgd.)

DEPARTMENT OF TRADE AND
INDUSTRY

(Sgd.)

DEPARTMENT OF
TRANSPORTATION AND
COMMUNICATIONS

(Sgd.)

PRIVATE SECTOR REPRESENTATIVE

Attested by:

(Sgd.)

DENNIS S. SANTIAGO

Board Secretary, GPPB

Executive Director, GPPB-TSO

GUIDELINES ON THE SALE OF BIDDING DOCUMENTS

1. POLICY STATEMENT

As provided in Section 17.4 of the Implementing Rules and Regulations (IRR) of Republic Act 9184, bidders may be asked to pay for bidding documents to recover the cost of their preparation and development. The BAC shall issue the bidding documents to the prospective bidders upon payment of the corresponding cost thereof to the collecting/disbursing officer of the procuring entity concerned.

2. PURPOSE

These guidelines are formulated to provide standard rates for the sale of bidding documents to rationalize the fees primarily to regulate its price and to lessen the exercise of discretion of procuring entities so as not to discourage market participation and competition.

3. SCOPE AND APPLICATION

These guidelines shall apply to the national government, its branches, constitutional offices, departments, bureaus, offices and agencies, including state universities and colleges, government-owned and/or –controlled corporations, government financial institutions, and local government units.

4. GENERAL GUIDELINES

- 4.1. Procuring entities shall make the bidding documents available on the same date the advertisement and/or posting of the Invitation to Bid was made pursuant to Section 17.3 of the IRR of RA 9184.
- 4.2. As required in Section 21.1(f) of the IRR of RA 9184, the price of the bidding documents must be included in the Invitation to Bid/Request for Expression of Interest in order to inform all prospective bidders of the cost of its acquisition.
- 4.3. The BAC shall issue the bidding documents to any prospective bidder upon payment of the standard rate of the bidding documents.
- 4.4. The standard rate for the sale of bidding documents shall be based on the fixed rate on a fixed range approach and shall be applicable in the procurement of goods, consulting services, and the contracting for

infrastructure projects by the procuring entity, whether procured by way of public bidding or any of the alternative methods of procurement that utilize processes and procedures in competitive bidding.

- 4.5. Procuring entities are proscribed to adopt any internal rule or practice that establish fees that are inconsistent or beyond the standard rate for the sale of bidding documents set forth in these guidelines.
- 4.6. The proceeds from the sale of the bidding documents shall continue to be used for the payment of honoraria as provided for in Budget Circular No. 2004-5A, dated 7 October 2005, or to augment the funds for the procuring entity's legal assistance and indemnification package as provided in the Guidelines for Legal Assistance and Indemnification of Bids and Awards Committee Members and its Support Staff.

5. STANDARD RATES

The cost of bidding documents shall correspond to the ABC range as indicated in the table below. This shall be the maximum amount of fee that procuring entities can set for the acquisition of bidding documents.

Approved Budget for the Contract	Maximum Cost of Bidding Documents (in Philippine Peso)
500,000 and below	500.00
More than 500,000 up to 1 Million	1,000.00
More than 1 Million up to 5 Million	5,000.00
More than 5 Million up to 10 Million	10,000.00
More than 10 Million up to 50 Million	25,000.00
More than 50 Million up to 500 Million	50,000.00
More than 500 Million	75,000.00

6. REPEALING CLAUSE

Any other guidelines, administrative order, office order, rule or regulation and/or parts thereof contrary to or inconsistent with the provisions of these Guidelines is hereby repealed, modified, or amended accordingly.

7. EFFECTIVITY

These guidelines shall take effect fifteen (15) days after publication in the Official Gazette or in a newspaper of general nationwide circulation and upon filing with the University of the Philippines Law Center of three (3) certified copies of these guidelines.