



## RESOLUTION NO. 08-2005

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### APPROVING AND ADOPTING THE GUIDELINES FOR EXTENSION OF CONTRACTS FOR GENERAL SERVICES

**WHEREAS**, Republic Act No. 9184 (R.A. 9184), otherwise known as “Government Procurement Reform Act” and its Implementing Rules and Regulations Part A (IRR-A) took effect on 26 January 2003 and 08 October 2003 respectively;

**WHEREAS**, Section 63.1 of the IRR-A of R.A. 9184 provides that the Government Procurement Policy Board (GPPB), as established in Section 63 of R.A. 9184 shall have the power to formulate and amend public procurement policies, rules and regulations, and amend, whenever necessary the IRR-A;

**WHEREAS**, there is a need to prescribe the rules and procedures to govern situations wherein contracts of general services entered into by government agencies warrant contract extension for the purpose of averting hiatus in support services for the operations of a procuring entity as an emergency measure and to avoid interruption of government service;

**WHEREAS**, the members of the Technical Working Group of the GPPB during its meeting held on 26 April 2005 reviewed the draft Guidelines for Extension of Contracts for General Services and recommends that these Guidelines be submitted to the GPPB for review and approval;

**WHEREAS**, during the 4<sup>th</sup> GPPB meeting held on 28 April 2005 at Unit 2506 Raffles Corporate Center, F. Ortigas Jr. Ave., Ortigas Center, Pasig City, the Members of the Board discussed, considered and unanimously agreed to approve and adopt the Guidelines for Extension of Contracts for General Services, a copy of which is attached hereto as Annex “A” to form an integral part hereof; and

**NOW, THEREFORE**, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested in **US** by law, hereby **RESOLVE** to approve and adopt the **GUIDELINES FOR EXTENSION OF CONTRACTS FOR GENERAL SERVICES**, attached hereto as Annex “A”.

This resolution shall take effect immediately.

**APPROVED** this 28<sup>th</sup> day of April, 2005 at Pasig City, Philippines



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**EMILIA T. BONCODIN**  
Secretary  
Department of Budget and Management

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**ROMULO L. NERI**  
Director General  
National Economic and Development  
Authority

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**NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY**

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**DEPARTMENT OF NATIONAL  
DEFENSE**

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**DEPARTMENT OF EDUCATION**

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**DEPARTMENT OF HEALTH**

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**DEPARTMENT OF INTERIOR AND  
LOCAL GOVERNMENT**

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**DEPARTMENT OF ENERGY**

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**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

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**DEPARTMENT OF FINANCE**

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**DEPARTMENT OF TRADE AND  
INDUSTRY**

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**DEPARTMENT OF SCIENCE AND  
TECHNOLOGY**

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**DEPARTMENT OF TRANSPORTATION  
AND COMMUNICATIONS**

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**PRIVATE SECTOR REPRESENTATIVE**



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Attested by:

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**JOSE MARTIN C. SYQUIA**  
Board Secretary, GPPB  
Executive Director, GPPB-TSO

## **GUIDELINES FOR THE EXTENSION OF CONTRACTS FOR GENERAL SERVICES**

### **1.0 POLICY STATEMENT**

As a general policy, extensions of contracts for general services are discouraged.

### **2.0 SCOPE**

These guidelines shall govern the extension of ongoing contracts of general services which are essential, indispensable, or necessary to support the operation of the Procuring Entity or for the enhancement of the welfare of its personnel to include, but shall not be limited to, services such as equipment maintenance, janitorial and security services, and internet and telephone services.

### **3.0 PURPOSE**

These guidelines are formulated to identify the conditions for the allowance of contract extension and to prescribe the rules and procedures governing the same, for the purpose of averting hiatus in support services indispensable in the operations of a procuring entity.

### **4.0 CONDITIONS FOR EXTENSION**

- 4.1. The Head of the Procuring Entity may extend the duration or effectivity of an ongoing contract about to expire, under the following conditions:
- a. The original contract subject of the extension was awarded as a result of competitive bidding, Limited Source Bidding or Negotiated Procurement, when appropriate, duly and lawfully undertaken by the procuring entity pursuant to the provisions of Republic Act 9184 (R.A. 9184).
  - b. There should be a certification by the Head of the Procuring Entity or his duly authorized representative that efforts are being undertaken toward procuring the required services under R.A. 9184. Thus, the Procuring Entity should have completed all procurement activities required prior to award.

- c. The Head of the Procuring Entity or his duly authorized representative certifies that it cannot award a new contract anytime before or within a month after the expiration of the term of the original contract because of circumstances beyond its control.
  
- 4.2. In any case, the Head of the Procuring Entity or his duly authorized representative, shall certify that the contemplated extension is merely an emergency measure to maintain status quo in the operations of the Procuring Entity and to avoid interruption of service.

## **5.0 RULES FOR EXTENSION**

- 5.1. Unless otherwise approved by the Government Procurement Policy Board (GPPB) and upon written request of the Procuring Entity, contract extension shall be allowed only on a periodic month-to-month basis not to exceed an aggregate period of two (2) months. The monthly extension shall reckon from the day immediately following the last day of the period of the original contract; provided, that the Procuring Entity, prior to that date, has completed all procurement activities required prior to award. Succeeding monthly extensions shall reckon from the day immediately following the last day of the period of the preceding monthly extension.
  
- 5.2. Any contract extension must be subject to the condition that the service provider has not violated any of the provisions of the original contract.
  
- 5.3. The Procuring Entity shall ensure the expeditious completion of the procurement process.
  
- 5.4. The terms and conditions of the original contract shall not be changed or modified, except when changes or modifications will redound to the advantage of the government at no additional cost to the Procuring Entity.
  
- 5.5. No further contract extension shall be allowed after the Procuring Entity shall have issued the Notice to Proceed in favor of the contract awardee except to complete the period of the original contract or the agreed period of the extension. The Procuring Entity shall ensure that contract periods of the renewed contract and the new contract shall not overlap.



## **6.0 EFFECTIVITY**

These guidelines or any amendments hereto 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.