



## RESOLUTION NO. 24-2014

### **AUTHORIZING DBM-PS TO ISSUE CERTIFICATES OF NON-AVAILABILITY OF STOCKS ON GROUNDS OTHER THAN PHYSICAL UNAVAILABILITY**

**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, having due regard to the country’s regional and international obligations;

**WHEREAS**, Section 8.2.3(b) of the IRR of RA 9184 mandates that procuring entities shall procure common-use goods, supplies, materials, and equipment from the Philippine Government Electronic Procurement System’s (PhilGEPS) Electronic Catalogue;

**WHEREAS**, Section 4 of the Administrative Order (AO) No. 17 (*Directing the use of the Procurement Service and the Philippine Government Electronic Procurement System in procurement activities in accordance with RA 9184, and improving the operation of the Procurement Service*) likewise require the procurement of common use supplies directly from the Procurement Service (PS) or its depots without need of public bidding as provided in Section 53.5 of the IRR of RA 9184;

**WHEREAS**, Section 1.0 of DBM Circular Letter No. 2011-6 reiterates the policy of AO No. 17 directing all government agencies to procure their common use supplies from the DBM-PS without need for public bidding. In addition, all National Government Agencies, including Military and Police Units, GOCCs, GFIs, SUCs and LGUs are required to submit their Annual Procurement Plan for Common-Use Supplies and Equipment (APP-CSE);

**WHEREAS**, in its letter dated 18 August 2014, the Department of Foreign Affairs (DFA) requested the GPPB for a Certification that the latter does not have the facility for Foreign Service Posts (FSPs) to comply with the procurement of its common use supplies from the DBM-PS, which will provide the basis for the FSPs to procure from other sources, subject to the pertinent provisions of RA 9184 and its IRR;

**WHEREAS**, the DFA may not be able to comply with this requirement for the FSPs owing to the unique procurement environment and conditions in foreign jurisdictions;

**WHEREAS**, the DFA claimed that it would be impractical to centralize the procurement of common-use supplies with DBM-PS not only for FSPs but also for other government agencies operating in other countries as the supplies will have to be shipped abroad, which would entail shipment costs, as well as customs duties and other lawful charges;

**WHEREAS**, presently, in case the common-use supplies and equipment are not available or not listed in the Electronic Catalogue, DBM-PS issues Certificates of Non-Availability of Stocks (CNAS) based on the physical unavailability of the supplies and equipment;

**WHEREAS**, the concept of the unavailability of the common-use supplies and equipment from the DBM-PS, may be expanded to cover instances where delivery of the common-use supplies and equipment is inefficient, impractical, and not economically viable as determined by the DBM-PS.

**WHEREAS**, the DBM-PS shall issue guidelines as its own internal parameters for the determination of the issuance of CNAS, for both local and foreign based procuring entities, due to the following:

- a. Efficiency
- b. Practicality
- c. Economic viability

**WHEREAS**, the inclusion of other factors in the issuance of the CNAS is in accordance with the procurement policy of the government in electronic procurement promoting (a) Economy and Efficiency; (b) Cost Savings; and (c) Value for Money;

**WHEREAS**, after careful and judicious deliberation on the matter, the GPPB found DFA's reasons and justifications sufficient to support its request;

**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:

**AUTHORIZE** the DBM-PS to issue a Certificate of Non-Availability of Stocks (CNAS), for both local and foreign based procuring entities, on the ground of efficiency, practicality, and/or economic viability, as may be reasonably determined by the DBM-PS, apart from actual non-availability of stocks.

This resolution shall take effect immediately.

**APPROVED** this 31<sup>st</sup> day of October 2014 at Pasig City, Philippines

(Sgd.)

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**DEPARTMENT OF BUDGET AND  
MANAGEMENT**

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**NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY**

(Sgd.)

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**DEPARTMENT OF EDUCATION**

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**DEPARTMENT OF ENERGY**

(Sgd.)

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**DEPARTMENT OF FINANCE**

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**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**

(Sgd.)

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**DEPARTMENT OF SCIENCE AND  
TECHNOLOGY**

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**DEPARTMENT OF TRADE AND  
INDUSTRY**

(Sgd.)

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**DEPARTMENT OF TRANSPORTATION  
AND COMMUNICATIONS**

(Sgd.)

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**PRIVATE SECTOR REPRESENTATIVE**

Attested by:

(Sgd.)

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