



## RESOLUTION NO. 15-2015

### **APPROVING THE SUPPLEMENTAL GUIDELINES FOR COMMUNITY PARTICIPATION IN PROCUREMENT METHOD FOR FOREIGN ASSISTED PROJECTS AND ADOPTING THE COMMUNITY-MANAGED PROCUREMENT APPROACH IN THE COMMUNITY PARTICIPATION PROCUREMENT MANUAL (CPPM)**

**WHEREAS**, Republic Act (RA) No. 9184 entitled “An Act Providing for the Modernization, Standardization and Regulation of the Procurement Activities of the Government and For Other Purposes,” took effect on 26 January 2003, while its revised Implementing Rules and Regulations (IRR) took effect on 2 September 2009;

**WHEREAS**, Section 53.12 of the IRR of R.A. 9184 permits the use of Community Participation as a modality of Negotiated Procurement where, in the interest of project sustainability or to achieve certain specific social objectives, it is desirable in selected project components to call for participation of local communities in the delivery of goods, including non-consulting services, and simple infrastructure projects, subject to the guidelines to be issued by the Government Procurement Policy Board (GPPB)”;

**WHEREAS**, on 23 May 2014, GPPB issued Resolution No. 09-2014 approving and adopting the Community Participation Procurement Manual (CPPM), providing for the Guidelines for Negotiated Procurement under Section 53.12 (Community Participation) of the IRR of RA 9184;

**WHEREAS**, the CPPM lays down the requirements and procedures on how the community can participate as contractors or service providers in government projects, but not as project managers that conducts community-managed procurement;

**WHEREAS**, Section 4.1 of the IRR of RA 9184 provides that the IRR shall apply to foreign-funded procurement by the GOP, unless the treaty, or international or executive agreement expressly provides use of foreign government/foreign or international financing institution procurement procedures and guidelines;

**WHEREAS**, the Supreme Court, in the cases of *DBM-PS v. Kolonwel Trading*<sup>1</sup> and *Abaya v. Ebdane*<sup>2</sup>, affirmed that foreign loan agreements with international financial institutions partake of an executive or international agreement within the purview of Section 4 of RA 9184;

**WHEREAS**, during the Joint GPPB and Inter-Agency Technical Working Group (IATWG) Meeting on 16 December 2014, three (3) development partners namely: (1) Asian Development Bank; (2) Japan International Cooperation Agency; and (3) World Bank, submitted to the GPPB a joint letter requesting among others:

1. To supplement the Community Participation Procurement Manual (CPPM) with an Annex that will prescribe the procedures for

<sup>1</sup> G.R. No. 175608 promulgated on 08 June 2007.

<sup>2</sup> G.R. No. 167919 promulgated on 14 February 2007.

community driven development approaches for foreign-assisted projects where community groups handle project preparation, procurement, and management; and

2. To eventually amend the CPPM to include the aspects of community-managed procurement in all community participation projects in the Philippines, regardless of the funding source;

**WHEREAS**, during the 2<sup>nd</sup> IATWG Meeting held on 18 February 2015, the members discussed the request of the development partners with reference to the previous issues raised during the IATWG Meeting on 13 May 2014 as well as the provisions of COA Circular No. 2007-001<sup>3</sup>, and recommended the following for consideration of GPPB, thus:

1. To approve the request of the development partners to include an Annex to the CPPM, particularly the Supplemental Guidelines for Community Participation in Procurement Method for Foreign Assisted Projects but without prejudice to the authority of other Foreign Grantors to require the use of specific procurement procedures and guidelines in their own funded projects; and
2. To adopt the Community-Managed Procurement approach in the CPPM subject to implementing guidelines to be issued by the GPPB with reference to the provisions of COA Circular No. 2007-001;

**WHEREAS**, after due deliberation and careful review, the members of the GPPB, during its 3<sup>rd</sup> Regular Meeting on 30 April 2015, resolved to adopt the recommendations of the IATWG, and directed the GPPB-TSO to develop the implementing guidelines for the adoption of Community-Managed Procurement to form part of the CPPM;

**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:

1. **APPROVE** the request of the Development Partners to include an Annex to the CPPM, particularly the Supplemental Guidelines for Community Participation in Procurement Method for Foreign Assisted Projects, but without prejudice to the authority of other Foreign Grantors to require the use of specific procurement procedures and guidelines in their own funded projects;
2. **ADOPT** the Community-Managed Procurement approach in the CPPM subject to implementing guidelines to be issued by the GPPB with reference to the provisions of COA Circular No. 2007-001; and
3. **DIRECT** the GPPB-TSO to develop the implementing guidelines for the adoption of Community-Managed Procurement to form part of the CPPM.

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<sup>3</sup> Entitled “*Revised Guidelines in the Granting, utilization, Accounting and Auditing of the Funds Released to Non-Governmental Organizations/People’s Organizations (NGOs/POs)* and dated 25 October 2007.

This Resolution shall take effect immediately.

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

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**DEPARTMENT OF BUDGET AND  
MANAGEMENT**

(SGD)

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**DEPARTMENT OF EDUCATION**

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**DEPARTMENT OF FINANCE**

(SGD)

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**DEPARTMENT OF THE INTERIOR  
AND LOCAL GOVERNMENT**

(SGD)

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**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

(SGD)

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**DEPARTMENT OF TRADE AND  
INDUSTRY**

(SGD)

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**PRIVATE SECTOR REPRESENTATIVE**

(SGD)

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**NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY**

(SGD)

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**DEPARTMENT OF ENERGY**

(SGD)

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**DEPARTMENT OF HEALTH**

(SGD)

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**DEPARTMENT OF NATIONAL  
DEFENSE**

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**DEPARTMENT OF SCIENCE AND  
TECHNOLOGY**

(SGD)

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**DEPARTMENT OF TRANSPORTATION  
AND COMMUNICATIONS**

Attested by:

(SGD)

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