

CIRCULAR 08-2015

18 August 2015

TO : Heads of Departments, Bureaus, Offices and Agencies of the

National Government including State Universities and Colleges, Government Owned and/or Controlled Corporations, Government Financial Institutions, and Local Government

Units

SUBJECT: Guidelines on the Conduct of Procurement Activities in relation

to the May 9, 2016 National and Local Elections

1.0 PURPOSE

1.1 This Circular is issued to clarify the conduct of procurement activities of government agencies during the election period from March 25 to May 8, 2016, pursuant to COMELEC Resolution No. 9981, dated 18 August 2015¹, and to advise government agencies on the procurement activities that may or may not be undertaken in accordance with Section 261(v) and (w) of the Omnibus Election Code.

1.2 This also serves to remind agencies that the election ban is not designed to paralyze the operations of the government, but to insulate government procurement from political partisan activities, usually in the form of new projects, which may be designed and used to influence the public during the upcoming May 9, 2016 National and Local Elections.

2.0 SCOPE

All Departments, Bureaus, Offices and Agencies of the National Government including State Universities and Colleges, Government-Owned and/or Controlled Corporations, Government Financial Institutions, and Local Government Units.

3.0 **DEFINITION OF TERMS**

3.1 Public Works - These refer to "infrastructure projects" as defined under Section 5(k) of Republic Act No. 9184 (Government Procurement Reform Act), which shall include construction, improvement, rehabilitation, repair, restoration, or maintenance of roads and bridges,

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¹ In the Matter of Prescribing the Calendar of Activities and Periods of Certain Prohibited Acts in Connection with the May 09, 2016 National and Local Elections.

railways, airports, seaports, communication facilities, civil works components of information technology projects; irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings, hospitals buildings, and other related construction projects of the government.

- **3.2 Social Projects** These refer to activities undertaken by the Department of Social Welfare and Development (DSWD) and other agencies performing similar functions.
- **3.3 Housing Related Projects** These refer to activities undertaken by the Housing and Urban Development Coordinating Council (HUDCC) and other agencies performing similar functions.
- **3.4 Routine and Normal/Administrative Expenses** These refer to expenses required for the day-to-day operations of the agency, such as salaries, light, heat, and power.

4.0 GENERAL CONSIDERATIONS

- 4.1 Procuring entities may proceed with the commencement and completion of procurement activities during the election period from March 25 to May 8, 2016. However, issuance of a Notice of Award or the release, disbursement and expenditure of public funds, shall be prohibited in the following instances:
 - **4.1.1** Social Projects. No Notice of Award, whether through public bidding or any of the alternative modes of procurement, may be issued for social projects by the DSWD and any other departments performing functions similar to DSWD, during the election period from March 25 to May 8, 2016, except in the following cases:
 - (a) Routine and normal expenses. Routine and normal expenses of the department.
 - (b) COMELEC Exemption. Such other expenses authorized by COMELEC after due notice and hearing.
 - **4.1.2** Housing-related Projects. No Notice of Award, whether through public bidding or any of the alternative modes of procurement, may be made for housing-related projects by the HUDCC and any other agency of the government performing similar functions, during the election period from March 25 to May 8, 2016, except in the following cases:
 - (a) Administrative expenses. Such other necessary administrative expenses.

- (b) *COMELEC Exemption*. Such other expenses authorized by COMELEC after due notice and hearing.
- **4.1.3** *Public Works.* While procurement for public works may be conducted, no Notices of Award, whether through public bidding or any of the alternative modes of procurement, may be issued for public works during the election period from **March 25 to May 8, 2016**.

However, procurement for any of the following public works is allowed:

- (a) Maintenance Work. Maintenance of existing and/or completed public works projects; provided that no additional laborers shall be employed. Only the average number of laborers or employees employed during the six (6) month period immediately prior to March 25, 2016 shall be permitted to work during such time.
- (b) Contract entered into or awarded before election ban. Notices of award, whether through public bidding or any of the alternative modes of procurement, issued before March 25, 2016, provided that such award was reported to the Commission on Elections (COMELEC) in accordance with Section 5 below.
- (c) Preparatory works. Preparation for working drawings, specifications, bills of materials, estimates, and other procedures preparatory to actual construction including the purchase of materials and equipment and all incidental expenses for wages of watchmen and other laborers employed for such work in the central office and filed storehouses before March 25, 2016.
- (d) Calamity. Emergency works necessitated by the occurrence of a public calamity, but such work shall be limited to the restoration of the damaged facility.
- (e) Ongoing projects. Ongoing public works commenced before **March 25, 2016**, provided that such project was reported to the COMELEC in accordance with Section 5 below.
- (f) Similar projects under foreign agreements. Ongoing foreign assisted projects commenced before March 25,
 2016 are likewise allowed, provided that such project was reported to COMELEC in accordance with Section 5 below.

5.0 REPORTORIAL REQUIREMENTS

5.1 COMELEC

On or before **March 25, 2016**, the Head of the Procuring Entity shall submit to the COMELEC through its Regional Election Directors/Provincial Election Supervisors/Election Officers concerned certified lists of the following:

- (i) All ongoing public works projects commenced before **March** 25, 2016;
- (ii) Similar ongoing projects under foreign agreements commenced before March 25, 2016; and
- (iii) Notices of award for public works issued before **March 25, 2016** together with a copy of each contract.

Except for local government units, all other Procuring Entities shall furnish the Department of Public Works and Highways (DPWH) with a copy of the certified list submitted to COMELEC.

5.2 Philippine Government Electronic Procurement System (PhilGEPS)

All Invitations to Bid and awards of contracts shall be posted in the PhilGEPS in accordance with the provisions of Republic Act No. 9184 and its revised Implementing Rules and Regulations.

- **6.0** This Circular shall take effect immediately.
- **7.0** For guidance and compliance.

(SGD.)
FLORENCIO B. ABAD
Chairman