



## RESOLUTION NO. 21-2018

---

### **APPROVING THE INCLUSION OF MOTOR VEHICLES IN THE LIST OF COMMON-USE SUPPLIES AND EQUIPMENT OF THE PROCUREMENT SERVICE**

**WHEREAS**, Republic Act (RA) No. 9184 otherwise known as the “Government Procurement Reform Act” took effect on 26 January 2003, while its 2016 Revised Implementing Rules and Regulations (IRR) took effect on 28 October 2016;

**WHEREAS**, Section 53(e) of RA No. 9184 allows the purchase of Goods from another agency of the Government, such as the Procurement Service (PS), which is tasked with the centralized procurement of commonly used Goods for the government in accordance with Letter of Instructions (LOI) No. 755, series of 1978 and Executive Order (EO) No. 359, series of 1989;

**WHEREAS**, Section 63.1(b) of the 2016 IRR of RA No. 9184 provides that the GPPB shall formulate and amend public procurement policies, rules and regulations, and amend, whenever necessary, the IRR of RA 9184;

**WHEREAS**, Section 63 of RA No. 9184 provides, among others, that the GPPB shall absorb all the powers, functions and responsibilities of the Procurement Policy Board created under Executive Order No. 359, series of 1989;

**WHEREAS**, Item 3 of LOI No. 755 directs the Procurement Council, with the assistance of the PS, to identify supplies, materials, and such other items, including equipment and construction materials, which can be economically purchased through a centralized procurement;

**WHEREAS**, Section 2 of EO No. 359 mandates the Procurement Policy Board to promulgate rules and regulations, which shall be the basis for the procurement operation of the PS and other government agencies;

**WHEREAS**, Section 6 of Administrative Order (AO) No. 17, series of 2011 provides that the PS shall strengthen its operations and regularly conduct a survey to determine other products commonly purchased by procuring entities for inclusion to the list of Common-Use Supplies and Equipment (CSE);

**WHEREAS**, AO No. 17 likewise reiterated that the GPPB shall conduct periodic evaluation of the effectiveness of the performance of the centralized procurement system in terms of economy and efficiency pursuant to Section 2 of EO No. 359;

**WHEREAS**, the national government, recognizing the economy and efficiency in bulk procurement based on the principle of economies of scale, has adopted the policy of procuring supplies and materials in the most economical and efficient manner for CSEs, by purchasing directly from reliable sources in economic lot sizes;

**WHEREAS**, while PS is tasked with the centralized procurement of CSEs, it is likewise tapped as a procurement agent by various agencies for the procurement of non-CSE items such as motor vehicles;

**WHEREAS**, the procurement proficiency and expertise of the PS can be maximized with the inclusion of motor vehicles as CSE considering their functionality and necessity in the day-to-day operations of government agencies, thereby making them indispensable in the efficient and effective performance and delivery of essential government services;

**WHEREAS**, the Department of Budget and Management (DBM) has recommended the issuance of an administrative order adopting a policy of centralized procurement of motor vehicles to ensure economy and efficiency, and maintain cost-effective, fuel-efficient and environment-friendly standards or specifications, and be at par with the improvements and developments in the automotive industry and relevant technology;

**WHEREAS**, consistent with the above policies and objectives, motor vehicles for: (i) the exercise of executive functions; (ii) transport of personnel, equipment, supplies, products and materials; (iii) transport of sick and/or injured persons; (iv) patrol operations; (v) fire-fighting operations and (vi) other vehicles to be identified by the Secretary of Budget and Management, except motor vehicles used exclusively for the internal and external safety or defense of the State, and requiring highly-specialized and customized specifications, shall be centrally procured through the Procurement Service, and shall therefore be included in the list of CSEs;

**WHEREAS**, the Procurement Service shall take advantage of the efficiencies and features of the Philippine Government Electronic Procurement System in the implementation of centralized procurement of motor vehicles;

**WHEREAS**, during the 5<sup>th</sup> Regular Meeting of the GPPB held on 18 October 2018, the GPPB-TSO, taking off from the proposal of the DBM, proposed for the inclusion of motor vehicles in the list CSEs;

**WHEREAS**, the Board on the same meeting approved the inclusion of the said motor vehicles to the list of CSEs of the PS;

**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 approve and adopt, as **WE** hereby confirm, adopt and approve the inclusion in the list of CSEs:

- (a.) Motor vehicles to be used for: (i) the exercise of executive functions; (ii) transport of personnel, equipment, supplies, products and materials; (iii) transport of sick and/or injured persons; (iv) patrol operations; (v) fire-fighting operations; and
- (b.) Other vehicles to be identified by the Secretary of Budget and Management, except motor vehicles used exclusively for the

internal and external safety or defense of the State, and requiring highly-specialized and customized specifications.

This Resolution shall take effect immediately.

**APPROVED** this 18<sup>th</sup> day of October 2018 at Pasig City, Philippines.

(SGD)

---

**DEPARTMENT OF BUDGET AND  
MANAGEMENT**

---

**NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY**

---

**DEPARTMENT OF EDUCATION**

---

**DEPARTMENT OF ENERGY**

(SGD)

---

**DEPARTMENT OF FINANCE**

---

**DEPARTMENT OF HEALTH**

---

**DEPARTMENT OF INFORMATION AND  
COMMUNICATION TECHNOLOGY**

---

**DEPARTMENT OF INTERIOR AND  
LOCAL GOVERNMENT**

(SGD)

(SGD)

---

**DEPARTMENT OF NATIONAL  
DEFENSE**

---

**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

(SGD)

(SGD)

---

**DEPARTMENT OF SCIENCE AND  
TECHNOLOGY**

---

**DEPARTMENT OF TRADE AND  
INDUSTRY**

(SGD)

(SGD)

---

**DEPARTMENT OF TRANSPORTATION**

---

**PRIVATE SECTOR REPRESENTATIVE**