



CONDITIONALLY APPROVING THE PIONEER IMPLEMENTATION OF THE ELECTRONIC BIDDING FACILITY IN THE MODERNIZED PHILIPPINE GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM FOR FISCAL YEAR 2023

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 3 (c) of RA No. 9184 and its 2016 revised IRR mandate that all procurement shall be governed by the principle, among others, of having a “[s]treamlined procurement process that will uniformly apply to all government procurement. The procurement process shall be simple and made adaptable to advances in modern technology in order to ensure an effective and efficient method;”

WHEREAS, Section 63 of RA No. 9184 directs the Government Procurement Policy Board (GPPB) to protect national interest in all matters affecting public procurement;

WHEREAS, Section 8.1.1 of the 2016 revised IRR of RA No. 9184 provides that the Philippine Government Electronic Procurement System (PhilGEPS) shall serve as the primary and definitive source of information on government procurement, while Section 8.2.4.3 of the 2016 revised IRR of RA No. 9184 provides that “[t]he PhilGEPS may support the implementation of e-Bid submission processes, which includes the creation of electronic bid forms, creation of bid box, delivery of bid submissions, notification to the supplier of receipt of bids, bid receiving and electronic bid evaluation;”

WHEREAS, on 30 July 2013, the Electronic Bidding (E-Bidding) Guidelines was approved through GPPB Resolution No. 23-2013, with the PhilGEPS allowed to conduct a pilot test of the E-Bidding platform with the Procurement Service and the Department of Public Works and Highways (DPWH). However, based on the results of the pilot testing, its full implementation was halted as the E-Bidding platform was found to be not fully functional and would require system changes;

WHEREAS, the PhilGEPS continued with its modernization efforts to expand its current functionalities so that the government may finally have a fully electronic government procurement system with functionalities for each stage of the procurement process, from procurement planning to contract implementation;

WHEREAS, during the 1st GPPB Meeting on 09 February 2017, the GPPB approved the additional functionalities to be included in the Modernized Government Electronic Procurement System (mGEPS), which are E-Reverse Auction, Support for Framework Agreement, and E-Catalogue;

WHEREAS, during the 7th GPPB Meeting on 25 September 2019, Director Rosa Maria M. Clemente of the PhilGEPS presented updates on the mGEPS and was thereafter instructed by the Board to prepare its proposed E-Bidding Guidelines in parallel with the development of the system and not to wait the completion of all its phases so as to ensure its timely implementation, as well as to provide the Board sufficient time to review its compliance with the existing procurement law, rules and associated issuances or accordingly amend the affected provisions. The PhilGEPS was similarly directed to submit its proposal to the GPPB at the soonest possible time;

WHEREAS, during the 7th Inter-Agency Technical Working Group (IATWG) Meeting on 13 August 2020, the PhilGEPS presented its proposed E-Bidding Guidelines;

WHEREAS, during the 12th GPPB Meeting on 22 October 2020, the GPPB approved, through Resolution No. 21-2020, the creation of a Technical Working Group (special TWG)¹ that will review the proposed E-Bidding Guidelines, and the procedure for pilot testing of the E-Bidding facility and other functionalities of the modernized PhilGEPS (mPhilGEPS) and the conduct of the pilot testing of the E-Bidding facility of the mPhilGEPS from October to December 2020, including the conduct of training for the pilot agencies;

WHEREAS, after the conduct of pilot testing, the GPPB, during its 3rd meeting on 25 March 2021, approved the pilot implementation of the E-Bidding facility of the mPhilGEPS from October to December 2021 through Resolution No. 07-2021. This will provide the PhilGEPS time to test the system and correct any changes *vis-à-vis* the existing provisions of the 2016 revised IRR of RA No. 9184 and associated issuances;

WHEREAS, during the 2nd Joint GPPB and IATWG Meeting on 12 August 2021,² upon the request of the PhilGEPS, the GPPB issued Resolution No. 13-2021, which approved the extension of the deadline for the review of the proposed E-Bidding Guidelines to not later than the 31 July 2021 and approval of the E-Bidding Guidelines by August 2021;

WHEREAS, while the pilot implementation was underway, the PhilGEPS submitted its proposed E-Bidding Guidelines to the GPPB-TSO, and the latter reviewed and provided recommendations thereon;

WHEREAS, during the 10th GPPB Meeting on 02 December 2021, the GPPB approved the following: (i) the E-Bidding Guidelines to be used for the mPhilGEPS; (ii) Inclusion of additional pilot agencies, as recommended by the PhilGEPS, for the implementation of the E-Bidding facility under the mPhilGEPS; (iii) Direct the PhilGEPS to give the pilot agencies the discretion to select which Procurement Projects will be covered in its pilot implementation including whether to use the same for Early Procurement Activities (EPA); (iv) Direct the PhilGEPS to expand the Observers' online access during pilot implementation consistent with Administrative Order No. 34, series of 2020; and (v) Direct the PhilGEPS to submit its report to the GPPB within two (2) weeks after the pilot implementation of the E-Bidding facility under the mPhilGEPS, with its proposed amendments to the E-Bidding Guidelines, as well as its recommended transition plan for the full implementation of the E-Bidding facility under the mPhilGEPS;

WHEREAS, during the 3rd GPPB Meeting on 07 April 2022, the PhilGEPS presented the status of the pilot implementation of the E-Bidding facility under the mPhilGEPS and its Updated Implementation Plan. Upon clarification made by the GPPB-TSO, the PhilGEPS requested the Board to extend the period of the pilot implementation from March 2022 until May 2022, and include six (6) department agencies in the National Capital Region and six (6)

¹ Composed of the following: (i) Department of Budget and Management; (ii) National Economic and Development Authority; (iii) Department of Education; (iv) Department of Health; (v) Department of Information and Communications Technology; (vi) Department of Interior and Local Government; (vii) Department of Public Works and Highways; (viii) Department of Trade and Industry (DTI); (ix) Government Procurement Policy Board-Technical Support Office; and (x) Procurement Service. In addition, the following agencies were invited to be part of the TWG and pilot agencies for the E-Bidding facility, subject to their acceptance: (i) Office of the President; (ii) Department of Agriculture; (iii) University of the Philippines; (iv) Polytechnic University of the Philippines; (v) Bangko Sentral ng Pilipinas; (vi) City of Manila; (viii) City of Pasig; (viii) Representative for contractors from the Philippine Constructors Association, Inc.; (ix) Representative/s from an association for Micro, Small and Medium Enterprises, to be determined by the DTI; (x) Representative for consultants from the Confederation of Filipino Consulting Organizations, Inc.; and (xi) Representative for the Civil Society Organizations from the Affiliated Network for Social Accountability in East Asia and the Pacific.

² Continuation meeting of the 2nd Joint GPPB and IATWG Meeting held last 28 July 2021.

state universities and colleges (SUCs) as additional participants in the roll-out of the mPhilGEPS implementation;

WHEREAS, the GPPB-TSO, during the same meeting, further clarified from the PhilGEPS if they have informed the above agencies on its proposal to include them in the pilot implementation. However, the PhilGEPS responded that it has yet to do so. Accordingly, the GPPB-TSO suggested for PhilGEPS to first coordinate with its proposed additional agencies and secure their commitment to participate before asking the Board to approve their inclusion in the pilot implementation;

WHEREAS, on 07 April 2022, the GPPB, through Resolution No. 4-2022, approved the extension of the pilot implementation of the mPhilGEPS until May 2022 covering the same pilot agencies;

WHEREAS, in June 2022, the PhilGEPS submitted to the GPPB-TSO a powerpoint presentation on the post-pilot implementation of the E-Bidding facility of the mPhilGEPS,³ along with its proposed Transition Plan which includes the extension of the period for the PhilGEPS to finish its post-pilot assessment from May 2022 to December 2022, and the roll-out implementation of mPhilGEPS for the six (6) National Government Agencies and six (6) SUCs;

WHEREAS, in a letter dated 19 August 2022, the PhilGEPS submitted its proposed Revised E-Bidding Guidelines and Full Implementation Plan to the GPPB-TSO, which included the extension of the period of pilot implementation from May to December 2022;

WHEREAS, in a meeting held on 19 October 2022, the PhilGEPS informed the GPPB-TSO that it will no longer extend the pilot implementation from May to December 2022. Instead, the PhilGEPS intends to now implement the E-Bidding facility to cover twenty-two (22) line agencies, inclusive of the previously identified pilot agencies, which shall be referred to as the Pioneer Agencies of the mPhilGEPS, in the 4th quarter of 2022;

WHEREAS, during the 6th GPPB Meeting on 27 October 2022, the PhilGEPS made a presentation on the post-pilot implementation of the E-Bidding facility of the mPhilGEPS, including its proposed amendments to the E-Bidding Guidelines, and recommended implementation of the mPhilGEPS involving the Pioneer Agencies in the 4th quarter of 2022, to be referred to as the Pioneer Implementation of the mPhilGEPS;

WHEREAS, the PhilGEPS emphasized that the Pioneer Agencies will not have the discretion to select which Procurement Projects to be covered as this will be a mandatory implementation of the E-Bidding facility of the mPhilGEPS for all its procurement activities;

WHEREAS, during the same meeting, the PhilGEPS reported that five (5) out of the twenty (20) Pioneer Agencies have agreed to participate in the Pioneer Implementation, namely: Office of the Vice-President, Department of Agriculture, Department of Trade and Industry (DTI), NEDA, and Philippine Space Agency (PhilSA);

WHEREAS, in the same meeting, the Department of Transportation (DoTr) requested for the development of instructional videos on how to use the E-Bidding facility which may be provided to suppliers and agencies that will use the mPhilGEPS as part of their capacity

³ Dated 20 June 2022.

building, and to which the PhilGEPS mentioned that there are existing instructional or guide videos to provide users with a walkthrough of system;

WHEREAS, the GPPB-TSO then recommended for PhilGEPS to: (i) first secure the consent of the rest of the Pioneer Agencies considering that this will be a mandatory implementation of the E-Bidding facility for all of their procurement activities; (ii) commence with the Pioneer Implementation by the 1st quarter of 2023 instead of the 4th quarter of 2022, given the need to first complete the conduct of training for all the Pioneer Agencies; and (iii) complete the training of the Suppliers to avoid delay in the procurement process due to confusion or lack of knowledge in the operations of the E-Bidding facility;

WHEREAS, during the same meeting, the GPPB-TSO further informed the Board that it has received reports that a new Annual Procurement Plan (APP) form was used in the mPhilGEPS. This has caused confusion on the correct form to be used, not only in the E-Bidding facility but also in the manual submission of the APP. The GPPB-TSO noted that the Board approved the existing APP last 16 July 2015 through GPPB Resolution No. 2015, as amended by GPPB Resolution No. 14-2019. Upon validation from the PhilGEPS, the APP form used in the E-Bidding facility did not conform to the latest template approved by the Board, neither was this disclosed to the Board during the several discussions on the E-Bidding Guidelines;

WHEREAS, the GPPB-TSO then reminded the PhilGEPS that any revision in the approved APP form to be used in the E-Bidding facility should be presented for approval of the Board to avoid not only the resultant confusion experienced by the Procuring Entities but more importantly to prevent issues with the Commission on Audit which only recognizes GPPB approved procurement forms;

WHEREAS, the DPWH and the Department of Health representatives raised their concerns on intermittent internet connectivity in the country which discourages Suppliers from using E-Bidding facility of the mPhilGEPS. The Department of Information and Communications Technology representative informed the Board that it is working on to address this concern and that there would be projected improvements in the country's internet service;

WHEREAS, the DoTr representative recommended the conduct of a walkthrough of the E-Bidding facility of the mPhilGEPS, while the DTI representative reiterated the provision of instructional videos to all Suppliers and Pioneer Agencies to enhance their capacity building;

WHEREAS, the DoTr representative further recommended that the pilot implementation be extended until 31 December 2022 and commence with the Pioneer Implementation in the first quarter of 2023. The said recommendation was concurred by the Department of Education and PhilSA representatives with the latter explaining that the said adjustment would be in time for the preparation of the APPs of Procuring Entities that would align the same with the release of the Fiscal Year 2023 General Appropriations Act;

WHEREAS, in light of the foregoing, the GPPB-TSO also recommended that the PhilGEPS include the completion of the training of the Procuring Entities and suppliers in its proposed Full Implementation Plan in the use of the E-Bidding facility of the mPhilGEPS;

WHEREAS, after further discussion and inputs from the members of the Board, the GPPB-TSO recommended the approval of the following:

- a. Extend the pilot implementation of the mPhilGEPS until 31 December 2022;
- b. Conditionally approve the Pioneer Implementation of the mPhilGEPS E-Bidding facility covering the twenty (20) Pioneer Agencies in the 1st quarter of 2023, subject to compliance by the PhilGEPS of the following conditions: (i) secure the written consent of all the Pioneer Agencies to the mandatory implementation of the E-Bidding facility of the mPhilGEPS for all their procurement activities prior to January 2023; (ii) provide capacity building or training, including the provision of instructional videos to the Pioneer Agencies prior to January 2023; (iii) ensure training of the Suppliers of the Pioneer Agencies to prevent delays due to confusion or lack of knowledge in the operations of the E-Bidding facility; and
- c. Direct the PhilGEPS to submit the following for the consideration of the GPPB: (i) any further revision of the E-Bidding Guidelines resulting from the extension of the pilot implementation until December 2022; (ii) the APP form that the PhilGEPS is requiring pilot agencies to upload in the E-Bidding facility and the reasons therefor; (iii) revised Full Implementation Plan to cover the completion of the capacity building or training in the use of the E-Bidding facility; and (iv) completion and submission of Pilot Implementation Report as required in GPPB Resolution No. 21-2021;

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:

- a. **EXTEND** the pilot implementation of the mPhilGEPS until 31 December 2022;
- b. **CONDITIONALLY APPROVE** the Pioneer Implementation of the mPhilGEPS E-Bidding facility covering the twenty (20) Pioneer Agencies in the 1st quarter of 2023, subject to compliance by the PhilGEPS of the following conditions: (i) secure the written consent of all the Pioneer Agencies to the mandatory implementation of the E-Bidding facility of the mPhilGEPS for all their procurement activities prior to January 2023; (ii) provide capacity building or training, including the provision of instructional videos to the Pioneer Agencies prior to January 2023; (iii) ensure training of the Suppliers of the Pioneer Agencies to prevent delays due to confusion or lack of knowledge in the operations of the E-Bidding facility; and
- c. **DIRECT** the PhilGEPS to submit the following for the consideration of the GPPB: (i) any further revision of the E-Bidding Guidelines resulting from the extension of the pilot implementation until December 2022; (ii) the APP form that the PhilGEPS is requiring pilot agencies to upload in the E-Bidding facility and the reasons therefor; (iii) revised Full Implementation Plan to cover the completion of the capacity building or training in the use of the E-Bidding facility; and (iv) completion and submission of Pilot Implementation Report as required in GPPB Resolution No. 21-2021;

This Resolution shall take effect immediately.

APPROVED this 27 day of October 2022 at Manila, Philippines.

Sgd.

GPPB, Chairperson
**DEPARTMENT OF BUDGET AND
MANAGEMENT**

Sgd.

Alternate to the Chairperson
**DEPARTMENT OF BUDGET AND
MANAGEMENT**

Sgd.

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

DEPARTMENT OF EDUCATION

Sgd.

DEPARTMENT OF ENERGY

DEPARTMENT OF FINANCE

Sgd.

DEPARTMENT OF HEALTH

**DEPARTMENT OF INTERIOR AND
LOCAL GOVERNMENT**

Sgd.

DEPARTMENT OF NATIONAL DEFENSE

**DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

Sgd.

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

**DEPARTMENT OF TRADE AND
INDUSTRY**

Sgd.

DEPARTMENT OF TRANSPORTATION

**DEPARTMENT OF INFORMATION AND
COMMUNICATIONS TECHNOLOGY**

Sgd.

PHILIPPINE SPACE AGENCY

Sgd.

PRIVATE SECTOR REPRESENTATIVE