

Republic of the Philippines
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE



NPM No. 012-2019

28 May 2019

HON. SAMUEL G. DAGPIN, JR.
Chairperson
Governance Commission for GOCCs (GCG)
3/F, Citibank Center
8741 Paseo de Roxas, Makati City

Re: Conduct of Market Study for Consultancy Services

Dear Chairperson Dagpin, Jr:

In response to your letter¹ relative to the determination of the availability of Filipino consultants for consultancy projects, we wish to inform you that at present the Government Procurement Policy Board (GPPB) has no recognized consultants' umbrella organization.

The certification issued by the GPPB to the Confederation of Filipino Consulting Organizations, Inc. (COFILCO), the umbrella organization of consultants for the following sectors, namely: (i) disaster; (ii) environment; (iii) infrastructure; and (iv) management,² has expired on 23 September 2018. To date, the GPPB has not received any request for renewal of said certification from COFILCO. The Board has likewise not received any new application for recognition from other umbrella organizations.

This, notwithstanding, procuring entities (PEs), as part of their procurement planning activities, should conduct a market study or industry scoping to determine the availability of Filipino consultants in the field covering their procurement project.

In the conduct of such market study or industry scoping, PEs should determine: (i) the availability of consultants or consulting firms capable to undertake their projects; (ii) the capacity and expertise of existing consultants or firms to implement and/or service their requirements; and (iii) the existence of Filipino consultants or firms having the sufficient expertise and capability to render the services required under the project.

The foregoing study is imperative in determining the availability of Filipino consultants or firms with sufficient expertise and capability to undertake the project, as only the absence thereof from the market justifies resort to foreign consultants or firms, as well as to ensure the most advantageous terms for the government. More importantly, in all cases, the market study shall be conducted during the procurement planning stage or prior to the commencement of the procurement process.

Accordingly, the PEs should not simply rely on the GPPB recognized umbrella organizations and may in fact validate the capacity and expertise of existing consultants and

¹ Dated 8 May 2019 and received on 14 May 2019.

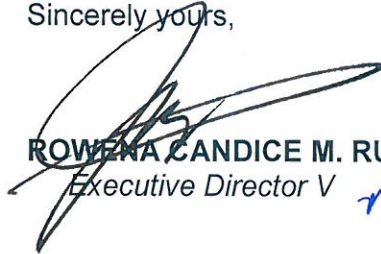
² GPPB Resolution No. 15-2016, dated 23 September 2016.

firms *vis-a-vis* their consultancy requirements through the conduct of the above-explained market study or industry scoping.

The above opinion was made on the basis of the particular facts presented and circumstances availing, and may not, therefore, be applicable given a different set of facts and circumstances.

We hope to have sufficiently clarified the matter at hand.

Sincerely yours,



ROWENA CANDICE M. RUIZ
Executive Director V *rcm*

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