



Republic of the Philippines
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE



NPM No. 111-2017

29 December 2017

MS. DYJEE GALLEGA
ntcr6@yahoo.com

Re: Procurement of Security Services -

Dear Ms. Gallega:

This refers to your email inquiring on whether your agency may procure security services with an approved budget for the contract (ABC) of Six Hundred Sixty Thousand Pesos (PhP 660,000.00).

There is no quarrel as to whether a Procuring Entity may procure security services with an ABC of PhP 660,000.00. Perhaps, the quandary lies on which procurement method should be adopted to procure such services.

Under Section 10 of Republic Act (RA) No. 9184, the Government Procurement Reform Act, and its 2016 revised Implementing Rules and Regulations (IRR), all procurements shall be conducted through competitive bidding, except as provided for in Article XVI thereof, which enumerates the allowable alternative methods of procurement. Public bidding, as used interchangeably with competitive bidding, refers to a method of procurement which is open to participation by any interested party and which consists of the following processes: advertisement, pre-bid conference, eligibility screening of prospective bidders, receipt and opening of bids, evaluation of bids, post-qualification, and award of contract.¹

On the other hand, alternative methods of procurement may be resorted to only upon prior approval of the Head of the Procuring Entity (HOPE), in order to promote economy and efficiency, and whenever justified by the conditions for each alternative method of procurement specified in Sections 49 to 53 of the 2016 IRR of RA 9184,² and Annex "H" thereof, the *Consolidated Guidelines for the Alternative Methods of Procurement* (Guidelines). The Guidelines provides for the conditions, rules and procedure for identified alternative modalities of procurement, which may be applicable in this case, e.g., use of Negotiated Procurement through the Small Value Procurement modality as suggested in your email.

We wish to clarify that the determination of the appropriate method of procurement rests within the sole authority and accountability of the Head of the Procuring Entity (HOPE), as the approving authority, and the Bids and Awards Committee (BAC), as the

¹ Section 5(h), 2016 Revised IRR of RA 9184.

² Section 49.1 of the IRR of RA 9184.

recommendatory body.³ We adhere to the position that no other agency, office or official may interfere with these functions of the HOPE and the BAC, and dictate the method of procurement to be used for a particular project. Guided by the provisions of Republic Act (RA) 9184 and its 2016 IRR, the Procuring Entity (PE), through the HOPE and the BAC, is in the best position to determine the correct method of procurement for all its projects taking into consideration all the surrounding conditions for each procurement project.

In the instant case, the PE shall consider competitive bidding as the primary mode of procurement. However, when attending circumstances would allow, and for purposes of economy and efficiency, the appropriate alternative method of procurement, such as, Negotiated Procurement through Small Value Procurement modality, may be adopted provided that the Procuring Entity shall comply with all the requirements and conditions provided under Section 53.9 of the 2016 IRR of RA 9184 and those in Annex "H" thereof, the *Consolidated Guidelines for the Alternative Methods of Procurement*.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is issued on the basis of particular facts and situations presented, and may not be applicable given a different set of facts and circumstances. Should there be other concerns, please do not hesitate to contact us.

Very truly yours,



DENNIS S. SANTIAGO
Executive Director V TMS