

**NPM No. 61-2012**

18 May 2012

**HON. MICHAEL G. AGUINALDO***Deputy Executive Secretary for Legal Affairs***OFFICE OF THE PRESIDENT**

Malacanang Palace Compound, New Executive Bldg.,

J.P. Laurel St., San Miguel, Manila

**Re: Procurement of Printing Service for Judicial Forms for Certificates of Title**

Dear Deputy Executive Secretary Aguinaldo:

This is in response to your letter dated 7 May 2012 seeking our opinion on whether the Land Registration Authority (LRA) may be granted an exemption from GPPB Resolution No. 05-2010, in connection with the procurement of printing services for judicial forms for certificates of title to real properties.

It is represented that the LRA, through Administrator Eulalio C. Diaz III, sent a letter dated 10 April 2002, addressed to His Excellency President Benigno S. Aquino III, through Honorable Executive Secretary Paquito N. Ochoa, Jr., seeking exemption from GPPB Resolution No. 05-2010, in connection with the procurement of printing services for judicial forms for certificates of title to real properties. It is further represented that LRA had been exclusively engaging the services of the Bangko Sentral ng Pilipinas (BSP) for the printing of serially numbered judicial forms since 25 May 1984. With the issuance of GPPB Resolution No. 05-2010, the LRA asserts that a Request for Quotation (RFQ) to Recognized Government Printers (RGPs) would result in revealing security features by way of technical specifications, prior to printing engagement of judicial title forms. Likewise, it is represented that sending out RFQs will necessarily expose the security features of judicial title forms and may open the floodgates for fake title proliferation. It is in this context that guidance is being sought on whether the BSP could be designated as the exclusive printer of LRA judicial title forms, thereby exempting the latter from complying with GPPB Resolution No. 05-2010.

Pursuant to Section 29 of Republic Act (RA) No. 9970<sup>1</sup>, procuring entities have the option to engage the services of private printers for their printing and publication expenditures, subject to public bidding in accordance with RA 9184 and pertinent accounting and auditing rules and regulations. However, printing of accountable forms and sensitive high quality/volume requirements shall only be undertaken by recognized government printers, namely: BSP, National Printing Office (NPO), and APO Production Unit, Inc. (APO). Hence, GPPB as the procurement policy arm of the government has issued Resolution No. 05-2010, approving the Guidelines on the Procurement of Printing Services.



<sup>1</sup> General Appropriations Act of 2010.

Accountable forms of LRA are included in the list of specialized types of accountable forms set forth in Paragraph B, Annex "A" of GPPB Resolution No. 05-2010. Thus, the printing of LRA judicial title forms which are specialized and with sensitive high quality/volume requirements, shall only be undertaken by the three RGPs, namely: the BSP, NPO, and APO.

Please be advised that the Government Procurement Policy Board (GPPB) is not legally authorized to grant exemptions from the implementation of RA 9184 and its Implementing Rules and Regulations (IRR). The GPPB's primary mandate is to provide policy direction in the field of public procurement. It cannot exercise functions beyond the scope of its authority<sup>2</sup>. Hence, GPPB could not grant the BSP with the exclusive authority to print judicial title forms, to the exclusion of NPO and APO, and exempt the LRA from the strictly complying with GPPB Resolution No. 05-2010.

While we are cognizant of the current predicament of LRA on preserving the integrity, stability, and sanctity of the Torrens System despite the proliferation of fake certificates of title, GPPB cannot act beyond the statutory limits of its conferred authority. It must be noted that although the GPPB acts as an agent of the legislature insofar as it is authorized to promulgate rules and regulations in the exercise of its quasi-legislative functions or rule-making power, RA 9184 did not grant the GPPB the authority to determine some facts or state of things upon which the enforcement of law depends, much less the authority to waive the application of a particular provision of RA 9184 or its IRR for the benefit of a particular government agency, private sector or individual. Upon the effectivity of RA 9184 and its IRR, the inevitable legal consequence is its enforcement and implementation according to its mandate<sup>3</sup>.

We note however that since the BSP, NPO, and APO are all government agencies, the risk of probable improper and unauthorized disclosure of the technical specifications and security features of judicial title forms is minimized. Any risk of probable improper and unauthorized disclosure may be neutralized by ensuring that the RGPs maintain the necessary level of discretion to protect the integrity of the specifications through coordination with the Presidential Communications Operations Office (PCOO), which has oversight functions over the RGPs, for the purpose of formulating rules and guidelines to such effect.

We hope that our advice provided sufficient guidance on the matter. Please note that this opinion is being rendered on the basis of the facts and particular circumstances as represented. Should you have additional questions, please do not hesitate to contact us.

Very truly yours,

  
**DENNIS S. SANTIAGO**  
*Executive Director III*

//sdl

<sup>2</sup> NPM No. 063-2007 dated 3 December 2007.

<sup>3</sup> NPM No. 041-2005 dated 20 September 2005.