



**GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE**

NPM No. 80-2012

ATTY. ELVESSA P. APOLINARIO
BAC I, Chairperson
COURT OF TAX APPEALS (CTA)
Quezon City

Thru: ATTY. MA. HAZEL L. RABARA
BAC I, Provisional Member

Re: Evaluation of the Bill of Quantities; Authorization to Participate in the Bidding

Dear Atty. Apolinario:

We respond to your letter requesting for a written confirmation of the advice given by this office concerning the following issues:

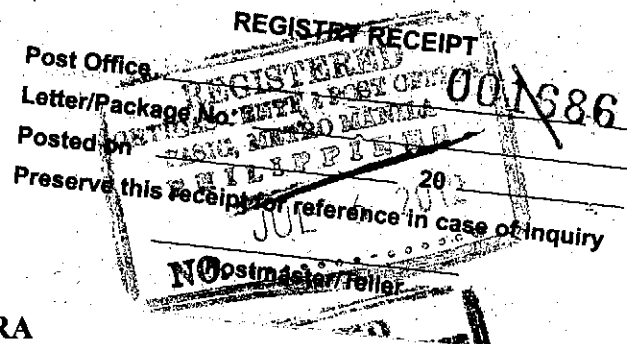
1. Whether placing of a dash or leaving a blank item in the Miscellaneous Expense in the Bill of Quantities results to the disqualification of the bidder; and
2. Whether a Board Resolution already specifying the name of the project is valid even if it was issued prior to the publication of the Invitation to Bid (IB) or Instructions to Bidders (ITB).

Based on your letter, the CTA has an ongoing project for the Supply and Installation of the Remaining Furniture, Fixture and Equipment for CTA Building II and Judicial Records Building when the foregoing concerns were encountered.

Evaluation of the Bill of Quantities as Submitted by the Bidder

Please note that Section 32.2.1 of the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184 provides that unless the Instructions to Bidders allow partial bids, bids that do not address or provide all the required items or where no price was indicated in the Bidding Documents, including bill of quantities, shall be considered non-responsive, and thus, automatically disqualified. However, specifying a "0" (zero) for an item would mean that it is being offered for free to the Government.

As regards the evaluation of bids, we wish to note that the Generic Procurement Manual (GPM) for Consulting Services expressly provides that specifying a "0" (zero) or a "-" (dash) for the required item means that the same is being offered free to the government. While the GPM for both Goods and Infrastructure Projects only indicates "0" (zero) in the evaluation of bids, it can be gleaned that the intention of the rules is to provide a standard



procedure for the procurement of government projects. Such interpretation is consistent with the rationale behind the rule on ensuring the integrity of the bids. This is because leaving blank spaces in the bidding documents would open the door for possible unauthorized insertions and entries, thereby rendering inutile the principles of transparency and competition governing government procurement.

It is the responsibility of the bidders to examine all instructions, forms, terms, and specifications in the bidding documents as provided in Clause 6.3 of the Instructions to Bidders contained in the Philippine Bidding Documents (PBDs) for the Procurement of Goods. Necessarily, the bidder must complete the appropriate forms as part of its bid, including the Bill of Quantities. All the pertinent information and relevant documentation must be supplied by the concerned bidder in order for the procuring entity to consider its bid as complete and declare it responsive.

In this regard, we are of the view that the failure of the bidder to indicate an amount in the Miscellaneous Expense item in the Bill of Quantities by leaving a blank renders the bid non-responsive. However, placing a "-" (dash) signifies that the item is being offered for free in favor of the government.

Authorization to Participate in the Bidding

Pursuant to Section 25.2 (a)(iv) of the IRR of RA 9184 and Section VIII of the PBDs for the Procurement of Goods, a document showing proof of authority must be attached to the Omnibus Sworn Statement in order for a representative to act on behalf of and/or to represent the bidder in government procurement.

Although it is regarded ideal, the rules do not require the bidder to state the name of the particular project for which the representative is authorized to act for and on its own behalf. In this regard, in case of a bidder-corporation, the submission of a Board Resolution showing the authority of a representative to represent a corporation for a bid project of a particular government agency is sufficient compliance with the rules.

Likewise, a Board Resolution specifically stating the name of the project which the corporation intends to participate in is valid. It is of no moment that the Board Resolution specifically stating the name of the project for which the bidder intends to bid was issued prior to the publication of the IB for as long as it is still valid and subsisting, and not yet revoked or modified by the corporation at the time of the bid opening.

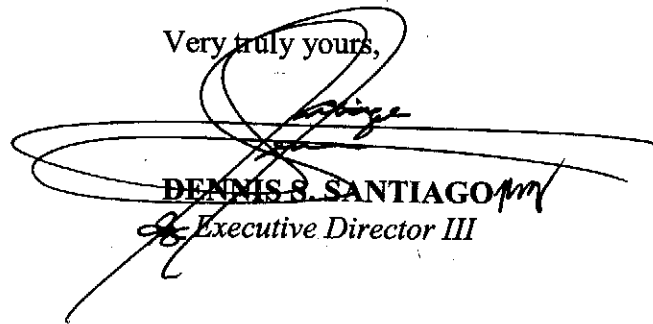
In line with the principle of transparency and efficiency, government procurement opportunities and activities are required to be included in an Annual Procurement Plan (APP), which should be made available to the public¹. Thus, prospective bidders could examine and peruse the APP of a government agency for potential government procurement opportunities where they could participate, and be apprised thereof, even prior to the advertisement or the issuance of the IB.

¹ All National Government Agencies (NGAs), Government Owned and/or Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), State Universities and Colleges (SUCs), and Local Government Units (LGUs), through their bids and awards committees are directed to post in the appropriate government website procurement reports as required under RA 9184 and its IRR-A, including the APP (Executive Order No. 662, Series of 2007, 20 September 2007).

As such, it is possible for a Board Resolution to specify a particular project even before the IB for such project is advertised or posted. However, it would be a totally different scenario if a Board Resolution specifying a particular project was issued in advance of actual posting of the APP.

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 presented. Should you have additional questions, please do not hesitate to contact us.

Very truly yours,



DENNIS S. SANTIAGO
Executive Director III

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