

Department of Budget and Management
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE

NPM No. 97-2014

30 October 2014

ATTY. TEODORO JOSE S. MATTA
Bids and Awards Committee (BAC)
PROVINCIAL GOVERNMENT OF PALAWAN
3F, Gov. Alfredo M. Abueg Sr. Memorial Bldg.,
Capitol Compound, Puerto Princesa, Palawan

**Re : Small Value Procurement (SVP) under Section 53.9.1 of the
IRR of R.A. 9184**

Dear Atty. Matta:

This refers to your request for opinion on whether it is necessary to obtain at least three (3) quotations in *Small Value Procurement* (SVP) under Section 53.9.1 of the IRR of R.A. 9184, thus:

The procuring entity shall draw up a list of at least three (3) suppliers, contractors, or consultants of known qualifications which will be invited to submit proposals, in the case of goods and infrastructure projects, or curriculum vitae, in the case of consulting services.

The subject query is anchored on the interpretation of the Commission on Audit's (COA) resident auditor for Palawan provincial government and the provincial accountant as they interpret Section 53.9.1 to mean as a process that requires for three (3) price quotations that should be submitted by at least three (3) qualified suppliers.

In this regard, we would like to reiterate that in procurement activities conducted through SVP, award of contract may be made even if only one supplier submitted a quotation/proposal, provided that the procuring entity invited at least three (3) suppliers to submit quotations, and provided further that the submission complies with the specifications and terms and conditions required by the procuring entity.¹

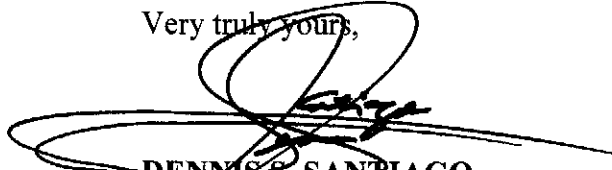
While Section 3(f) of the *Guidelines for Shopping and Small Value Procurement (Guidelines)* specifically provides that "for Shopping under Section 52.1(b), at least three (3) price quotations must be obtained," the *Guidelines* does not impose the same requirement in procurement through SVP under Section 53.9 of the IRR of RA 9184 or even in procurement through Shopping under Section 52.1(a) of the IRR of RA 9184 relative to unforeseen contingency.

¹ NPM 016-2011, dated 23 September 2011.

Accordingly, it is not mandatory to obtain at least three (3) quotations before awarding a contract that is procured through Small Value Procurement under Section 53.9.1 of the IRR, provided that the procuring entity invited at least three (3) suppliers to submit quotations.

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

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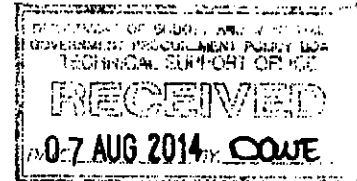


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July 18, 2014

ATTY. DENNIS S. SANTIAGO

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Sir:

This is in connection with the Alternative Method of Procurement through Small Value Procurement (SVP) under Section 53.9.1, Rule XVI, Revised Implementing Rules and Regulations (IRRS) of Republic Act No. 9184, which states: "*The Procuring Entity shall draw up at least three (3) suppliers, contractors or consultants of known qualifications to submit proposals, in case of goods or infrastructure projects, or curriculum vitae, in case of consulting services.*"

Based on the foregoing provision, the Commission on Audit's (COA) resident auditor for Palawan Provincial Government, and the concerned provincial accountant perceived the matter to mean as a situation that requires for price quotations that should be submitted by not less than three (3) qualified suppliers.

However, during an orientation seminar on public procurement held sometime on May 2014 in Puerto Princesa City with DBM Director Renato M. De Vera, he made mention about the existence of GPPB Non-Policy Matters (NPM) opinion No. 167-2012, which provides, among others, that: "In procurement through Shopping [sub-sec. 52.1 (a)] or Small Value Procurement [sub-sec. 53.9], it is not necessary to obtain at least 3 quotations.

In view thereof, this Committee would like to respectfully request for an official legal opinion in order to shed light on what appeared to be discordant views among concerned government functionaries and/or agencies.

Thank you very much and best regards.

Very truly yours,


ATTY. TEODORO JOSE S. MATTA
Chairman