



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

**NPM No. 142-2012**

5 November 2012

**MA. JOSEFINA V. RIVAS**

*Bids and Awards Committee (BAC) Chairperson*

**COMMISSION ON AUDIT (COA) REGION VI**

Ungka I, Pavia, Iloilo

**Re: Requiring Eligibility Documents when Resorting to Alternative Methods of Procurement**

Dear Ms. Rivas:

We respond to your letter dated 22 August 2012 seeking clarification on the necessity of requiring losing suppliers in any of the alternative methods of procurement to submit eligibility documents.

As represented, the Chief of the Administration, Training and Finance Services of the COA Region VI requires all suppliers for all alternative methods of procurement to submit eligibility documents such as, the Certificate of Registration from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI), and Cooperative Development Authority (CDA), and the Mayor's Permit, regardless whether the proponent is a winning or losing supplier. The BAC of COA Region VI maintained the position that losing suppliers in any of the alternative methods of procurement, particularly Shopping, should not be required to submit said eligibility documents.

Please note that for purposes of determining the eligibility of bidders in competitive bidding, only those documents enumerated under Section 23.1 of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 shall be required by the BAC, using the forms prescribed in the Bidding Documents. The aforementioned section requires the submission of eligibility documents, *i.e.*, SEC, DTI or CDA Registration Certificates and Mayor's permit, among others.

However, we wish to clarify that the revised IRR of RA 9184 is silent whether or not eligibility documents mentioned under Section 23.1 must be submitted when resorting to any of the Alternative Methods of Procurement, except those where competitive bidding or a semblance thereof is still present, such as in Limited Source Bidding and Negotiated Procurement under Two Failed Biddings. This being the case, the Procuring Entity (PE) has the discretion to require the submission of the legal, technical and financial eligibility documents or not. It must be emphasized, however, that the use of alternative methods of procurement is couched upon the principles of efficiency and economy, such that requiring too many eligibility documents may in the process defeat the very purpose for which the

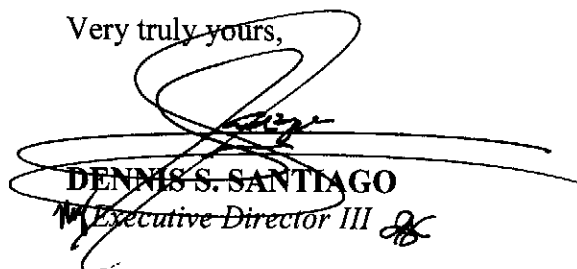
relevant alternative procurement modalities were introduced and institutionalized. Hence, if so requested, it is our considered view that only a few, but the most relevant, eligibility documents may be required for submission at the start of the procurement activity.

For Shopping, the foregoing approach may be applied. The PE has the prerogative to require the submission of eligibility documents or not. This is borne by the fact that “[t]he procuring entity must validate whether it is entering into a contract with a technically, legally and financially capable supplier, contractor or consultant by requiring the submission of relevant documents or through other means.”<sup>1</sup> Please note however, that if so requested, it will be prudent to require the submission of these eligibility documents at the outset through the Request for Quotation prior to sending them out to suppliers. By doing so, the suppliers will be well apprised of the requirements and will be mandated to submit said documents at the start of the procurement process.

Accordingly, if the eligibility documents were required to be submitted at the outset, suppliers must provide these documents upon submission of their proposals or quotations; otherwise disqualification is in order. If no eligibility documents were required upon submission of the proposals, the PE bears the consequential risk, but should nonetheless validate the capability of the supplier through other means. In the case of losing suppliers, there is neither rhyme nor reason, specifically if the PE did not require the submission of eligibility documents from the very start, to compel them to further submit their eligibility documents when these will be of no relevance to the PE.

We hope that our advice provided sufficient guidance on the matter. Note that this opinion is being issued on the basis of facts and particular situations presented, and may not be applicable given a different set of facts and circumstances. Should you have further questions, please do not hesitate to contact us.

Very truly yours,



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

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<sup>1</sup> Section 3(j), Guidelines for Shopping and Small Value Procurement, dated 23 November 2009.