

NPM No. 021-2017

28 November 2017

MR. JOEY I. BERNARDINO

State Auditor III and Audit Team Leader

COMMISSION ON AUDIT – PROCUREMENT SERVICE (COA-PS)

Cristobal Street, Paco, Manila

Re: Repeat Order

Dear Auditor Bernardino:

This refers to your letter requesting clarification on Repeat Order as one of the alternative methods of procurement under Republic Act (RA) No. 9184, specifically on the following concerns, thus:

1. Whether or not Repeat Order will still be allowed even if it is not covered by contingency provided for in the Annual Procurement Plan (APP); and
2. When do we consider the Repeat Order as having availed within the six-month reglementary period¹ prescribed in Section 51 of RA 9184?

We note that the sentence “[T]he procurement should be covered by the contingency provided for in the APP” no longer appears in the 2016 revised Implementing Rules and Regulations (IRR) of RA 9184. Under Section 51 of the 2016 IRR, “Repeat Order, when provided for in the APP, may be resorted to whenever there is a need to replenish goods procured under a contract previously awarded through Competitive Bidding.” This rule reinforces the general rule that no procurement shall be undertaken unless it is in accordance with the approved APP.² It must be emphasized that the APP shall reflect, among others, the ABC of a procurement project to indicate that it is sufficiently funded in accordance with the mandate that all procurement shall be within the approved budget of the procuring entity.³

In this light, we wish to clarify that the coverage requirement in the APP is intended to ensure that the Repeat Order is sufficiently funded or is covered by an approved budget as reflected in the APP. If the Repeat Order was not originally included as part of the APP, the Repeat Order may still be allowed provided that the procuring entity make the necessary changes in the APP, including the provision of a budget necessary for the intended Repeat Order. Alongside rudiments of budgeting and planning linkage, changes to the individual

¹ Except in special circumstances defined in the IRR, the repeat order shall be availed of only within six (6) months from the date of the Notice to Proceed arising from the original contract;

² Section 7 of RA 9184 and its IRR.

³ *Ibid.*

Project Procurement Management Plan (PPMPs) and the APP may be undertaken every six (6) months or as often as may be required by the Head of the Procuring Entity (HoPE).⁴

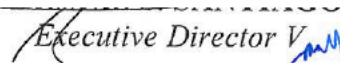
Anent the second issue, we had the occasion to clarify the matter in an earlier opinion⁵, thus:

“[I]t may be said that, the repeat order is deemed to be within the six (6) month reglementary period if such mode of procurement has been duly approved by the head of the procuring entity, upon recommendation through a resolution by the BAC that all the conditions for resorting thereto have been complied with, and the previous winning supplier has been notified thereof, before the lapse of the said period.”

Hence, Repeat Order shall be considered as having been availed of within the six-month reglementary period prescribed in Section 51 of RA 9184 and its IRR when the actual Repeat Order has been made, *i.e.*, previous winning supplier has been duly notified, that is, the re-order has been duly communicated to the previous winning bidder before the lapse of the six (6) month reglementary period.

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.

(sgd.)


Executive Director V. [Signature]

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⁴ 2016 Revised IRR of RA 9184, Section 7.4.

⁵ NPM No. 003-2010, dated 7 January 2010.