

NPM No. 079-2017

29 December 2017

SAN PABLO CITY WATER DISTRICT (SPCWD)
Marikina Highay, Brgy. San Gabriel
San Pablo City, Laguna 4000

**Re: Red Membership in the Philippine Government
Electronic Procurement System (PhilGEPS) -**

Dear Sir/Madam:

This refers to your email inquiring whether a supplier can participate in the Re-bidding for the Office Improvement and Office Chairs with merely its Red Membership in the PhilGEPS.

As represented, ROCCO Furnishing International LTD. Co. participated in SPCWD's Bidding for Office Improvement and Office Chairs. However the bidding resulted in a failure because the supplier had no Tax Clearance and no PhilGEPS Certificate of Registration and Membership with only a copy of its Red Membership being submitted. Hence, this inquiry as to whether such supplier can participate in the re-bidding of the procurement project with its Red Membership in the PhilGEPS.

Requirement on PhilGEPS Registration -

Under Section 8 of Republic Act (RA) No. 9184, the Government Procurement Reform Act, there shall be a single portal that shall serve as the primary source of information on all government procurement in order to promote transparency and efficiency by utilizing information and communications technology in the conduct of procurement procedures. In line with this mandate, the Government Electronic Procurement System (G-EPS) or PhilGEPS was identified as the primary source and definitive information on all government procurement. The PhilGEPS shall have a centralized electronic database of all manufacturers, suppliers, distributors, contractors and consultants registered under the system pursuant to Section 8.2.2(a) of the 2016 revised Implementing Rules and Regulations (IRR) of RA 9184.

In line with this, varied proofs of PhilGEPS Registration are required in identified methods of procurement. For Competitive Bidding, Limited Source Bidding and Negotiated Procurement under Two Failed Biddings modality, the required proof shall be in the form of PhilGEPS Certificate of Registration and Membership (or the Platinum Membership) under Section 25.2 in relation to Section 54.6 of the 2016 IRR of RA 9184. On the other hand, only a "PhilGEPS Registration Number" (which is given in both Platinum and Red Membership), as a condition for award of the contract, is required in certain alternative methods of procurement.

PhilGEPS Registration; Competitive Bidding -

Section 8.5.2 of the 2016 IRR of RA 9184 mandates that all bidders shall upload and maintain in PhilGEPS a current and updated file of the following Class "A" eligibility documents pursuant to Sections 23.1(a) and 24.1(a) of the same IRR, *to wit*: (1) SEC or DTI Registration

Certificate; (2) Mayor's/Business Permit or its Equivalent Document; (3) Tax Clearance; (4) Philippine Contractors Accreditation Board (PCAB) license and registration; and (5) Audited Financial Statement.

In Competitive Bidding, Limited Source Bidding and Negotiated Procurement under Two Failed Biddings modality, in lieu of the Class "A" eligibility documents uploaded and maintained current and updated in the PhilGEPS, bidders are required to submit their PhilGEPS Certificate of Registration (Platinum Membership) during bid submission, in the case of procurement of goods and infrastructure projects pursuant to Sections 25.2(a)(i) and (b)(i), respectively; or during eligibility check in the case of procurement of consulting services in accordance with Section 24.4.3 of the 2016 IRR of RA 9184.

Pursuant to Sections 77 and 78 of the 2016 IRR of RA 9184, the foregoing provisions, among others, shall be effective starting 28 October 2016, which means that for all procurement activities advertised and/or posted starting 28 October 2016, procuring entities shall only accept PhilGEPS Certificate of Registration and Membership during bid submission or eligibility checking, as the case may be, in lieu of the Class "A" Documents required to be uploaded and maintained current and updated in the PhilGEPS.

Deferment of the Mandatory Use of the PhilGEPS Certificate of Registration and Membership -

Notwithstanding the mandate to use the PhilGEPS Certificate of Registration and Membership during bid submission or eligibility checking as explained above, the Government Procurement Policy Board (GPPB) issued Resolution No. 26-2016¹ and its twin Circular No. 03-2016 informing all procuring entities about the deferred implementation of the mandatory submission of PhilGEPS Certificate of Registration and Membership in Competitive Bidding to give ample time to all prospective bidders to register with PhilGEPS under the Platinum Membership category and provide a transitory period to all procuring entities. In addition, GPPB Resolution No. 18-2017² with its twin Circular No. 05-2017 was likewise issued by the Board reminding all procuring entities about the proper implementation of the mandatory submission of PhilGEPS Certificate of Registration and Membership in Competitive Bidding effective 1 May 2017.

Subsequently, the GPPB issued Resolution No. 26-2017³ with its twin Circular No. 07-2017 relative to the deferment of the implementation of mandatory submission of PhilGEPS Certificate of Registration and Membership in Competitive Bidding, which took on effective 2 September 2017, the Circular clarified, thus:

- (1) For all procurement projects advertised and/or posted after the effectivity of this Circular, bidders may still submit their Class "A" Eligibility Documents required to be uploaded and maintained current and updated in the PhilGEPS pursuant to Section 8.5.2 of the 2016 Revised IRR, or if already registered in the PhilGEPS under Platinum category, their Certificate of Registration and Membership in lieu of their uploaded file of Class "A" Documents, or a combination thereof. In case the bidder opted to submit their Class "A" Documents, the Certificate of PhilGEPS Registration (Platinum Membership) shall remain as a post-qualification requirement to be submitted in accordance with Section 34.2 of the 2016 Revised IRR;
- (2) For all procurement projects advertised and/or posted starting 1 May 2017 until the effectivity of this Circular, procuring entities and bidders are bound

¹ Issued on 27 October 2016.

² Issued on 10 April 2017.

³ Issued on 31 July 2017.

to observe the mandatory submission of their PhilGEPS Certificate of Registration under Platinum Category in lieu of the Class "A" Documents required to be uploaded and maintained current in the PhilGEPS; and

- (3) In cases where the advertisements or invitations for bids were issued prior to 1 May 2017, Procuring Entities may still allow bidders to submit either their Class "A" Documents or the PhilGEPS Certificate of Registration under Platinum Category, or a combination thereof.

Anent all the foregoing, for Competitive Bidding, Limited Source Bidding and Negotiated Procurement under Two Failed Biddings modality, submission of the PhilGEPS Certificate of Registration and Membership (Platinum Membership) during bid submission is mandatory under the 2016 IRR of RA 9184. However, the implementation of such mandatory requirement during bid submission has been deferred through GPPB Resolution No. 26-2016 through its twin Circular No. 03-2016, and GPPB Resolution No. 26-2017 through its twin Circular No. 07-2017.

Accordingly, for procurement through Competitive Bidding, Limited Source Bidding or Negotiated Procurement under Two Failed Biddings modality, which was advertised and/or posted from 28 October 2016 to April 30, 2017, or from 2 September 2017 onwards, bidders with Red Membership in the PhilGEPS can still join as follows:

- (1) by submitting together with their bids their Class "A" Eligibility Documents in lieu of the PhilGEPS Certificate of Registration and Membership.
- (2) If already registered under Platinum category, their PhilGEPS Certificate of Registration and Membership shall be submitted in lieu of the uploaded file of Class "A" Documents, or a combination thereof.
- (3) In case the bidders still have Red Membership, the PhilGEPS Certificate of Registration and Membership (Platinum Membership) shall be submitted during post-qualification.
- (4) If the procurement opportunity was advertised and/or posted from **1 May 2017 to 1 September 2017**, submission of the PhilGEPS Certificate of Registration (Platinum Membership) during bid submission is mandatory.

Red Membership; Alternative Methods of Procurement -

Under Section 54.6 of the 2016 IRR, the PhilGEPS Registration Number (which is given in both Platinum and Red Membership), as a condition for award of the contract, is required in certain alternative methods of procurement, thus:

1. Section 50 - Direct Contracting;
2. Section 52.1 (b) - Shopping for Ordinary Office Supplies and Equipment not available in DBM-PS;
3. Section 53.3 - Take Over of Contracts (Only for New Bidders, if any);
4. Section 53.6 - Scientific, Scholarly, or Artistic Work, Exclusive Technology and Media Services;
5. Section 53.7 - Highly Technical Consultants;
6. Section 53.9 - Small Value Procurement;
7. Section 53.10 - Lease of Real Property and Venue; and
8. Section 53.11 - NGO Participation.

Thus, a bidder with only a Red Membership in the PhilGEPS can participate in the procurement for the Office Improvement and Office Chairs of the Procuring Entity if the latter resorted to any of the abovementioned alternative modalities as it is only the "PhilGEPS Registration Number" that is required as a condition for award of the contract.


Summary

In sum, we wish to clarify the following matters relative to your inquiry, thus:

1. In the procurement of the Office Improvement and Office Chairs of the Procuring Entity through Competitive Bidding, Limited Source Bidding or Negotiated Procurement under Two Failed Biddings modality, advertised and/or posted from **28 October 2016** to **April 30, 2017**, and **2 September 2017 onwards**, bidders with Red Membership in the PhilGEPS can still join the Competitive Bidding, Limited Source Bidding and Negotiated Procurement under Two Failed Biddings modality by submitting together with their bids their Class "A" Eligibility Documents in lieu of the PhilGEPS Certificate of Registration and Membership. If already registered under Platinum category, their PhilGEPS Certificate of Registration and Membership shall be submitted in lieu of the uploaded file of Class "A" Documents, or a combination thereof. In case the bidders still have Red Membership, the PhilGEPS Certificate of Registration and Membership (Platinum Membership) shall be submitted during post-qualification. If the opportunity was advertised and/or posted from **1 May 2017** to **1 September 2017**, submission of the PhilGEPS Certificate of Registration (Platinum Membership) during bid submission should be mandatory; and
2. Bidders with Red Membership in the PhilGEPS can participate in the procurement for the Office Improvement and Office Chairs of the Procuring Entity if the latter resorted to any of the abovementioned alternative modalities as it is only the "PhilGEPS Registration Number" that is required as a condition for award of the contract.

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.)

~~DENNIS S. SANTIAGO~~
Executive Director 

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