



GOVERNMENT PROCUREMENT POLICY BOARD

Government Procurement Policy Board - Technical Support Office Building
Commonwealth Ave., UP Diliman Campus
Quezon City, Philippines 1121

CIRCULAR NO. 02-2025
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- TO** : **Heads of Departments, Bureaus, Offices, Agencies of the National Government; State Universities and Colleges; Government-Owned or -Controlled Corporations; Government Financial Institutions; Local Government Units, Budget Officers and Heads of Accounting Units; Commission on Audit Auditors; and All Others Concerned**
- SUBJECT** : **Guidelines for the Procurement of Agricultural and Fishery Products under Republic Act No. 11321, or the “Sagip Saka Act”**

1.0 POLICY STATEMENT

- 1.1 Section 11 of Republic Act (RA) No. 11321,¹ otherwise known as the “Sagip Saka Act,” and its Implementing Rules and Regulations (IRR), provides that “[t]o promote and support farmers and fisherfolk enterprise development, national and local government agencies shall directly purchase locally produced agricultural and fishery products from accredited farmers and fisherfolk cooperatives and enterprises; provided that said agricultural and fishery products are necessary in the performance of their respective mandates.

For purposes of this Act, the procurement by national and local government agencies of said agricultural and fishery products shall be exempt from the application of the bidding process prescribed under relevant government procurement laws: *Provided*, That said agencies shall undergo a negotiated procurement under the applicable guidelines of the Government Procurement Policy Board.”

- 1.2 Section 11.2 of the IRR of RA No. 11321 further provides that “the procurement by national and local government agencies of said agricultural and fishery products, including agricultural and fishery inputs directly produced by local farmers and fisherfolk, shall be exempted from the application of the bidding process prescribed under relevant government procurement laws: *Provided* that said agencies shall undergo a negotiated procurement under the applicable guidelines of the Government Procurement Policy Board (GPPB).”
- 1.3 In parallel, Section 72.1 of RA No. 12009, otherwise known as the New Government Procurement Act (NGPA) and its IRR mandate that all Procuring Entities (PEs) shall establish and implement a sustainable public procurement program aimed at achieving value for money on a whole life cycle basis. This is designed not only to meet the specific needs of government agencies but also to create broader societal and economic benefits and reduce adverse environmental impacts.

¹ Entitled, “An Act Instituting the Farmers and Fisherfolk Enterprise Development Program of the Department of Agriculture,” signed on 17 April 2019, and published in the Official Gazette on 27 May 2019.

- 1.4 Likewise, Section 75 of RA No. 12009 and its IRR provide that the PEs shall encourage active participation of registered sectors in all procurement activities by giving weight to gender parity, ethnic equity, and other social factors, and by integrating marginalized groups and socially responsible enterprises into government procurement.
- 1.5 These provisions affirm the role of public procurement not only as a mechanism for acquiring goods and services but also as a strategic tool for advancing inclusive growth, strengthening local agricultural and fisheries enterprises, promoting social equity, and ensuring environmental sustainability.

2.0 PURPOSE

These Guidelines are issued to:

- 2.1 Prescribe the rules and procedures for the procurement of agricultural and fishery products from accredited farmers and fisherfolk cooperatives and enterprises under RA No. 11321 and its IRR.
- 2.2 Operationalize the Inclusive Procurement Program under Section 75 of RA No. 12009 and its IRR which provides that the PEs shall encourage active participation of registered sectors in all procurement activities, by giving weight to gender parity, ethnic equity, and other social factors by integrating marginalized groups and socially responsible enterprises into government procurement.

3.0 SCOPE AND APPLICATION

These Guidelines shall apply to all branches and instrumentalities of the national government, its departments, bureaus, offices and agencies, including state universities and colleges (SUCs), government-owned and/or controlled corporations (GOCCs), government financial institutions (GFIs), and local government units (LGUs) for the procurement of agricultural and fishery products necessary for the performance of their respective mandates under the *Sagip Saka Act*.

4.0 DEFINITION OF TERMS

For purposes of these Guidelines, the following terms are defined and shall mean as follows:

- 4.1 **Accredited Farmers and Fisherfolk Cooperatives and Enterprises (FFCE)** – refer to cooperatives and enterprises of Filipino farmers and fisherfolk, whether individual or groups, duly registered pursuant to Section 11 of Department of Agriculture (DA) Administrative Circular No. 08, Series of 2019, including any amendments thereof, and engaged in agriculture- or fishery-related economic activities. This shall include, but not limited to, farmers and fisherfolk organizations or groups, individual farmers and fisherfolk, clusters of farmers and fisherfolk, and other analogous enterprises. Registration under the said Section 11 shall be deemed equivalent to accreditation.
- 4.2 **Agricultural and Fishery Products** – refer to locally-produced live, fresh, chilled, frozen and processed agricultural and fishery-based products including agricultural and fishery inputs directly produced by local farmers and fisherfolk.²

² Section 2 (c) of the IRR of RA No. 11321.

- 4.3 **Agricultural and Fishery Inputs** – refer to any materials, substances, or resources utilized in the production, cultivation, and management of crops, livestock, poultry, and aquatic resources. These include, but are not limited to: seeds and vegetatively propagated planting materials; fingerlings and fry; fertilizers; feeds, feed additives, and silage.
- 4.4 **Farmers and Fisherfolk Enterprise Development Information System (FFEDIS)** – refers to a web-based information system designed to assist the government in formulating plans and programs on enterprise development, and to enable the producer groups, the private sector, and the LGUs and potential donors to respond to the needs of the local and world markets and in generating resources for further enterprise development. The information system shall contain (1) a registry of agricultural and fisheries enterprises, (2) list of possible and implemented programs and projects, to include procurement opportunities and awarded procurement contracts under Section 11 of the *Sagip Saka Act*, and (3) a roster of private companies engaged in these enterprises or have expressed interest in participating in the Program, and other information that may be identified by the DA or by the Farmers and Fisherfolk Enterprise Development Council created under Section 8 of the *Sagip Saka Act*. The FFEDIS is maintained by the Agribusiness and Marketing Assistance Service (AMAS) and its counterpart in the DA Regional Field Offices.

5.0 PROCEDURE

The PEs are guided by the following in the conduct of procurement of agricultural and fishery products under RA No. 11321:

- 5.1 The PEs shall prepare the project requirements, with the following minimum details:
- a. Project Name;
 - b. Approved Budget for the Contract (ABC);
 - c. Technical Specifications;
 - d. Date of Delivery or Implementation;
 - e. Required quantity; and
 - f. Other relevant information that the PE may require.
- 5.2 The PEs shall formulate their project requirements and determine appropriate terms and contract arrangements based on their needs and the capability of the market as determined through market scoping pursuant to Section 10 of RA No. 12009 and its IRR.
- 5.2.1 In all cases, the government purchase price shall be set at a level higher than the prevailing farmgate price, provided that such price shall remain reasonable, not grossly disadvantageous to the government, and consistent with validated price monitoring reports, including the Data Price Index (DPI).

- 5.2.2 In determining the best offer, the PE shall be guided by both quality and price considerations. The PE may adopt the prevailing prices monitored and published by the DA and/or the Department of Trade and Industry (DTI), as well as the DPI issued, as may be applicable, pursuant to RA No. 12022 or the Anti-Agricultural Economic Sabotage Act.
- 5.2.3 Where necessary to encourage farmers and fisherfolk to sell to the government, the DA, in consultation with the Inter-agency Committee on Inflation and Market Outlook or other equivalent agencies, may set reference prices higher than prevailing farmgate prices. Such prices shall remain reasonable, not grossly disadvantageous to the government, and consistent with validated price monitoring reports, including the DPI.
- 5.2.4 To ensure fair and transparent procurement, the DA shall implement safeguards such as price monitoring, reporting, and validation of market data. These measures provide the PEs with guidance on what constitutes a reasonable price and promote confidence in undertaking negotiated procurement, while mitigating risks of price manipulation, collusion, or unjustified price escalation.
- 5.2.5 To avoid multiple contracts or transactions for a single Procurement Project where no single FFCE can provide the total quantity, the procurement shall, whenever practicable, be undertaken by lot or package, subject to the available budget, required quantity, product availability, delivery sites, geographical location, and market capacity, consistent with Section 39.1 of RA No. 12009. In the conduct of such procurement, purchases shall be made first from eligible FFCEs within the locality, adhering to the quality and pricing policies provided in Section 5. If such supply is unavailable or insufficient, procurement should then be made from FFCEs in nearby areas, followed by FFCEs in nearby provinces.
- 5.2.6 For projects falling under RA No. 11037 or the “*Masustansyang Pagkain para sa Batang Pilipino Act*” and similar Programs, Activities, Projects (PAPs) like the Government Feeding Program, the PE has the option to implement the supply mapping and allocation among various supplier-farmers and fisherfolk of the agricultural and fishery products as required in the PAPs.
- 5.2.7 In the determination of the ABC, the hauling or delivery fee shall be considered and included.
- 5.2.8 The PE shall indicate the adoption of the Negotiated Procurement-*Sagip Saka* (NP-SS) as the mode of procurement to be adopted in the Project Procurement Management Plan (PPMP).
- 5.2.9 Upon validation of the budget for the Procurement Project by the budget office or equivalent unit, the project shall be included in the Annual Procurement Plan (APP) and approved by the Head of the Procuring Entity (HoPE) or its duly authorized representative.

- 5.3 The Bids and Awards Committee (BAC), through its Secretariat, shall post all negotiated procurement opportunities under the *Sagip Saka Act* for accredited FFCEs in the FFEDIS³, on the official website of the PE, and in a conspicuous place within the premises of the PE reserved for this purpose, for a period of at least three (3) calendar days to promote transparency, ensure information dissemination, and encourage wider participation.

In addition, the PEs may post such procurement opportunities in the Philippine Government Electronic Procurement System (PhilGEPS)⁴ or in their official social media accounts, as applicable.

- 5.4 The following eligibility criteria and documentary requirements shall be required by the BAC from the accredited FFCE:

5.4.1 Eligibility Criteria

- a. Must be registered in the FFEDIS. However, the submission of any of the following accreditation or registration documents, as the case may be, shall likewise be allowed and deemed compliant with the FFEDIS registration, unless otherwise provided in the applicable issuance of DA:
 - i) Accreditation as Civil Society Organization (CSO);
 - ii) Registration in the Registry System for Basic Sector in Agriculture (RSBSA);
 - iii) Registration in the Fishery Registry (FishR) System;
 - iv) Registration in the National Coconut Farmers Registry System (NCFRS); or
 - v) Registration or accreditation in any other DA-approved registry or accreditation system.
- b. Must have the necessary capacity to timely deliver the agricultural and fishery products required under the Procurement Project in accordance with the specifications, quality standards, and quantities determined by the PE.

5.4.2 Documentary Requirements

- a. Written proposal or offer;⁵
- b. FFEDIS Certificate of Registration or an equivalent certificate/document issued by the DA pursuant to Section 11 of the IRR of RA No. 11321, or any amendments thereto, subject to Section 5.4.1 (a) above; and

³ Posting in FFEDIS shall become mandatory upon the launch of its public access and posting functionality.

⁴ Posting in PhilGEPS shall become mandatory upon the availability of its posting functionality for the NP-SS.

⁵ The prescribed template is attached herein as Annex "A"; Nonetheless, FFCEs are not precluded from using other suitable forms, as may be necessary.

- c. Omnibus Sworn Statement⁶ (OSS) executed by the accredited FFCEs.
- 5.5 The BAC, upon receipt of the proposals from the eligible FFCEs, shall carefully evaluate both the eligibility of the FFCEs and the responsiveness of their offers, disqualifying those found non-compliant.

The receipt of one (1) proposal is sufficient to proceed with the evaluation of the proposal.
- 5.6 Upon receipt of the mandatory documentary requirements, the BAC shall exercise due diligence to verify their authenticity and assess the accredited FFCEs capacity to supply the agricultural or fishery products required for the Procurement Project. Such verification shall be completed within seven (7) calendar days from the deadline for receipt of quotations/proposals.
- 5.7 The PEs shall conduct careful evaluation of the eligibility of the FFCEs and shall disqualify the FFCEs when found that the agricultural and fishery products to be supplied were previously obtained through any assistance, subsidy, or project support from a government agency, except when:
 - a. The agricultural and fishery products to be supplied were derived from previously obtained government inputs; and
 - b. It was under the buy-back or equivalent program of the government.
- 5.8 Thereafter, the BAC shall determine the best offer that will ensure the most advantageous terms for the government, guided by both quality and price consideration, and within the allowable parameters under these Guidelines.
- 5.9 After successful confirmation and validation, the BAC shall recommend the award of the contract to the eligible FFCE. The HoPE shall immediately issue the Notice of Award (NOA) to the eligible FFCE.
- 5.10 Upon receipt of the NOA, the FFCE shall immediately enter into a contract with the PE within a period not exceeding ten (10) calendar days.
- 5.11 The PE shall issue the Notice to Proceed (NTP) together with a copy or copies of the approved contract to the FFCE within three (3) calendar days from the date of approval of the contract.
- 5.12 The BAC, through its Secretariat, within three (3) calendar days from approval of the contract, shall post the NOA, the contract, and the NTP in the FFEDIS,⁷ on the PE's official website, if available, and in conspicuous place reserved for the purpose in the premises of the PE. The PEs may likewise post the same in PhilGEPS,⁸ and in this case the FFCEs need not be PhilGEPS-registered.

⁶ Prescribed template for the OSS is attached herein as Annex "B"

⁷ Posting in FFEDIS shall become mandatory upon the launch of its public access and posting functionality.

⁸ Posting in PhilGEPS shall become mandatory upon the availability of its posting functionality for the NP-SS.

5.13 Payments shall be made consistent with DBM Circular Letter No. 2018-14⁹ or any amendments thereof or subsequent relevant issuances. Further, in promoting financial inclusivity, the PE shall consider using, to the extent possible, authorized digital payment system, subject to the applicable budgeting, accounting, and auditing laws, rules, and regulations.

5.14 Upon receipt of the payment following the satisfactory delivery of the project requirements, the FFCE shall acknowledge such receipt by signing the disbursement voucher prepared by the PE for the purpose. This shall likewise serve as the delivery invoice indicating the quantity, description of the articles, unit and total value of the items delivered. Nonetheless, FFCEs that are duly registered and can issue an invoice shall provide such invoice as proof of payment.

6.0 REPORTORIAL REQUIREMENTS

All PEs are required to submit an annual report to the GPPB and the DA detailing all procured agricultural and fishery products. The report shall include, among other information, the names of the FFCEs, their classification as to whether they are an individual, cooperative, or enterprise, the contract amount awarded, and the types of products supplied for each Procurement Project.

7.0 REPEALING CLAUSE

All guidelines, administrative order, office order, rules and regulations or parts thereof, that are contrary to or inconsistent with the provisions of these Guidelines are hereby repealed, modified, or amended accordingly.

8.0 EFFECTIVITY

This shall take effect fifteen (15) days following its publication in the Official Gazette or a newspaper of general circulation.

9.0 For guidance and compliance.

SGD
AMENAH F. PANGANDAMAN
Chairperson

⁹ Updated Guidelines in the Implementation of the Modified Direct Payment Scheme (MPDS) Due Creditors/Payees of All National Government Agencies (NGAs).

[letterhead of FFCEs, if available]

Proposal Form

[Date]

[Name of HoPE of the Agency]

[Designation]

[Government Agency Address]

Dear *[Name of the HoPE]*:

This pertains to the procurement opportunity with project title, *[Project Title]* posted on:

- Farmers and Fisherfolk Enterprise Development Information System (FFEDIS);
- Official Website;
- Philippine Government Electronic Procurement System (PhilGEPS);
- Social Media: _____
- Others: _____

We are pleased to present this proposal to supply agricultural or fishery products for the implementation of *[brief description of the project]*, with a total amount of *[price amount]*.

A breakdown of the agricultural/fishery products are indicated below:

Particulars	Quantity	Unit of Measure	Unit Price	Total Amount
<i>(e.g.) Corn</i>	<i>100</i>	<i>kg</i>	<i>P 10.00/kg</i>	<i>P1,000.00</i>
<i>Tomato</i>				
GRAND TOTAL:				<i>P1,000.00</i>

We look forward to the opportunity to work with you and provide high-quality products that meet your standards and needs.

Thank you.

Respectfully yours,

[Signature]

[Name of FFCE]

[Address]

[Contact Number]

Omnibus Sworn Statement Form

[Note: The duly accomplished form shall be submitted with the Proposal]

OMNIBUS SWORN STATEMENT

I, _____ of legal age, _____, _____, and
Name of Affiant Civil Status Nationality
 with residence at _____, do hereby depose and state that:
Address of Affiant

1. I am _____ or *authorized representative* of _____,
Name of FFCE Name of FFCE
 with office address at _____;
Address of FFCE

2. As the owner and sole proprietor or authorized representative of _____ as
Name of FFCE
 supported by the attached duly notarized Special Power of Attorney, I have full power and
 authority to do, execute, and perform any and all acts necessary to participate, submit
 proposals, and to sign and execute the ensuing contract for _____ of the
Project Title
 _____;
Name of Procuring Entity

- As the authorized representative of the partnership, corporation, or cooperative, duly
 registered as _____, I am granted full power and authority to do,
Name of FFCE
 execute, and perform any and all acts necessary to participate, propose, and to sign and
 execute the ensuing contract for _____ of the _____,
Project Title Name of FFCE
 as supported by the attached duly notarized Special Power of Attorney, Board/Partnership
 Resolution, or Secretary's Certificate, whichever is applicable;

3. _____ is not "blacklisted" or otherwise prohibited from submitting
Name of FFCE
 proposals for the purpose of entering into government contracts by the Government of the
 Philippines or any of its agencies, offices, corporations, or Local Government Units,
 foreign governments, or foreign or international financing institutions whose blacklisting
 rules have been recognized by the Government Procurement Policy Board; by itself or by
 relation, membership, association, affiliation, or controlling interest with another blacklisted
 person or entity;

4. Each of the documents submitted in satisfaction of the requirements is an authentic copy
 of the original, complete, and all statements and information provided therein are true and
 correct;

5. _____ is authorizing the Head of the Procuring Entity (HoPE) or
Name of FFCE
 its duly authorized representative(s) to verify all the documents submitted;

6. **If sole proprietorship:** The _____ and its spouse are not related
Name of FFCE
 by consanguinity or affinity up to the third civil degree to the HoPE, Procurement Agent (if
 engaged), or the End-User or Implementing Unit, project consultants, head of the Project
 Management Office, or the members of the Bids and Awards Committee (BAC), the
 Technical Working Group, and the BAC Secretariat;

- If Partnership:** The partnership itself and the partners of _____ are not
Name of FFCE
 related by consanguinity or affinity up to the third civil degree to the HoPE, Procurement
 Agent (if engaged), or the End-User or Implementing Unit, project consultants, head of
 the Project Management Office, or the members of the Bids and Awards Committee
 (BAC), the Technical Working Group, and the BAC Secretariat;

If Cooperative: The cooperative itself and members of the board of directors, general manager, or chief executive officer of _____ are not related by consanguinity
Name of FFCE
or affinity up to the third civil degree to the HoPE (if engaged), or the End-User or Implementing Unit, project consultants, head of the Project Management Office, or the members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat;

If Corporation: The corporation, and officers, directors, controlling stockholders and beneficial owners of _____ are not related by consanguinity or affinity up
Name of FFCE
to the third civil degree to the HoPE, Procurement Agent (if engaged), End-User or Implementing Unit, project consultants, head of the Project Management Office, or the members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat;

7. It is understood that failure to faithfully disclose its relationship with the HoPE, members of the BAC, the TWG, and the BAC Secretariat, the head of the PMO or the end-user unit or implementing unit, and the project consultants of the Procuring Entity, or of the procurement agent by consanguinity or affinity up to the third civil degree, as well as its submission of beneficial ownership information containing false entries shall be subject to blacklisting under Section 100 of the IRR of RA No. 12009, without prejudice to criminal and civil liabilities under applicable laws, including their accessory penalties, if any.

8. **[If Corporation:]** _____ declares its beneficial ownership consistent
Name of FFCE
with its updated General Information Sheet or Beneficial Ownership Declaration Form or any other document duly submitted to the Securities and Exchange Commission (SEC) in accordance with its annual reportorial requirements.

9. _____ did not give or pay directly or indirectly, any commission, amount,
Name of FFCE
fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

10. _____ have the necessary capacity to timely deliver the agricultural
Name of FFCE
and fishery products required under the Procurement Project, in accordance with the specifications, quality standards, and quantities determined by the Procuring Entity.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 20__ at _____, Philippines.

Duly authorized to sign the Proposal for and behalf of:

Name of FFCE

Affiant's Signature over Printed Name
Position/Designation
Date

JURAT

SUBSCRIBED AND SWORN to before me this _____ day of *[month]* *[year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____.

WITNESS MY HAND AND SEAL this ____ day of *[month]* *[year]*.

NAME OF NOTARY PUBLIC

Notarial Commission No. _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. __, *[date issued]*, *[place issued]*

IBP No. __, *[date issued]*, *[place issued]*

Doc. No. _____

Page No. _____

Book No. _____

Series of _____.