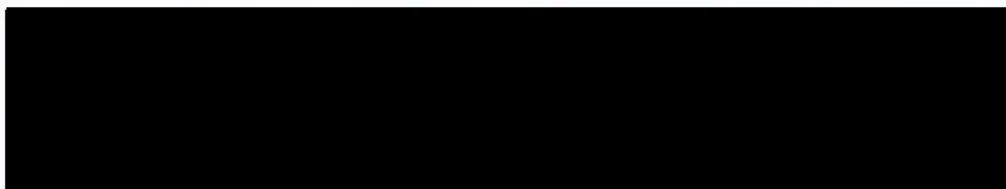




Department of Budget and Management
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE

NPM No. 15-2015

25 May 2015



Re: Procurement of Printing Services of Accountable Forms and Sensitive High Quality/ Volume Requirements

Dear 

This refers to your letter requesting the Government Procurement Policy Board's (GPPB) permission to allow BCDA to procure printing services for Carbonless Official Receipts (OR) from agencies or printing companies offering the lowest cost.

It is represented that BCDA intends to procure 5,400 booklets of Carbonless ORs, bulk of which shall be used in the Subic-Clark-Tarlac Expressway (SCTEx) project. BCDA set the Approved Budget for the Contract (ABC) at Fifty Pesos (Php50.00) per booklet. After requesting quotations from various printers, including Recognized Government Printers (RGP), BCDA found out that the RGPs' quotations are higher than the amount of the ABC, while those of the private printers cost less than the ABC.

Under the Guidelines for the Procurement of Printing Services¹ (Guidelines), specifically **Annex "A"**, Carbonless ORs are classified as Accountable Forms, and its printing shall be undertaken by RGPs. The Guidelines provides that in the determination of the ABC, the procuring entity shall conduct a market analysis taking into consideration the prevailing standard cost for its printing requirements. In addition, the procuring entity may seek the assistance of the Presidential Communications Operations Office (PCOO) in determining whether no RGP is capable of undertaking the printing service. And upon determination by the PCOO that no RGP can undertake the printing service due to time constraints and equipment limitations, the procuring entity may already engage the services of private printers.

On the other hand, if upon the sending of the Request for Quotations (RFQs) to RGPs, it is evident that the offer submitted by an RGP exceeds the ABC, the procuring entity may request the PCOO to determine (i) whether the offer of the RPG is excessive; and (ii) set the appropriate rate for such transaction. The procuring entity shall then engage the services

¹ GPPB Resolution No. 05-2010, 29 October 2010.

of the appropriate RGP through an Agency-to-Agency Agreement pursuant to Section 53.5 of the IRR of RA 9184.


From the foregoing, the Government Procurement Policy Board (GPPB) and its Technical Support Office do not have the authority to grant exemptions from the implementation of the procurement law, its associated rules and allied issuances. It cannot exercise functions beyond the scope of its authority to provide policy direction in the field of public procurement. This office has been consistent with its position that the GPPB has no authority nor power to waive the application of any of the provisions of RA 9184 and its revised IRR or allow any exemption from the application of procurement laws, rules and regulations in favor of procuring entities, suppliers, manufacturers, consultants and contractors.²

Under the Guidelines, the proper recourse of BCDA is seek assistance from the PCOO in: (1) determining whether no RGP is capable of undertaking the printing service so that BCDA may already engage the services of private printers; or (2) determining whether the RGP's offer is excessive and setting of the appropriate rate for such transaction. Either way, it is the PCOO that has the authority to determine the appropriate action to undertake, not the GPPB and its TSO.

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

Very truly yours,

(sgd.)

 **DENNIS S. SANTIAGO**
Executive Director V

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² Non-Policy Matter (NPM) Opinion No. 6-2012 dated 6 January 2012.