



Republic of the Philippines
GOVERNMENT PROCUREMENT POLICY BOARD
TECHNICAL SUPPORT OFFICE



NPM No. 62-2015

12 October 2015



Re: Local Government Units (LGUs); Procurement of Accountable Forms

Dear :

This refers to the Honorable Director's letter seeking clarification on the procurement of accountable forms by LGUs. Your request emanated from a letter of Mr. Guillermo L. Sylanteng, Jr., President of Ready Form Incorporated (RFI), questioning the applicability of Section 24¹ of Republic Act (RA) No. 10651 or the General Appropriations Act of 2015 on the procurement of Accountable Forms by LGUs.

As represented, Mr. Sylanteng, Jr. contends that the LGUs are excluded from the coverage of the questioned provision on the printing of accountable forms by recognized government printers as it applies only to "departments, bureaus, offices, agencies"; hence, LGUs should be allowed to procure the services of private printers in the printing of their accountable forms pursuant to RA 9184 and its IRR. He further alleged that the Court of Appeals has ruled with finality that Section 29 of the GAA of 2010, which also provides that RGP's have exclusive jurisdiction over the printing of accountable forms is invalid.

Procurement of Accountable Forms

Government Procurement Policy Board (GPPB) Resolution No. 05-2010² provides that procuring entities should resort to public bidding for all their printing and publication expenditures.

¹ Section 24. Printing and Publication Expenditures. Department, bureaus, offices and instrumentalities of the National Government, including Constitutional Offices enjoying fiscal autonomy, SUCs and GOCCs are hereby given the option to engage the services of private printers in their printing and publication activities, subject to public bidding in accordance with R.A. No. 9184, its IRR and pertinent accounting and auditing rules and regulations: PROVIDED, **That the printing of accountable forms, shall only be undertaken by the recognized government printers, namely: the BSP, National Printing Office and the Asian Productivity Organization (APO) Production Unit, Inc.:** PROVIDED, FURTHER, That the BSP, NPO and APO are not authorized to engage the services of sub-contractors in doing their printing jobs: PROVIDED, FURTHERMORE, That said agencies shall first secure certification from BSP, NPO, and APO stating their inability to accept the printing services before such agencies can engage services of private printers through competitive bidding subject to the provisions of RA 9184.

Implementation of this Section shall be subject to the guidelines issued by the GPPB. (Emphasis supplied)

² Guidelines on the Procurement of Printing Services.

Nonetheless, for printing services involving *Accountable Forms* and Sensitive High Quality/Volume requirements, procuring entities are required to source such service from any of the three (3) Recognized Government Printers (RGPs) through an Agency-to-Agency Agreement pursuant to Section 53.5 of the revised Implementing Rules and Regulations (IRR) of RA 9184³.

In our Non-Policy Matter (NPM) Opinion No. 148-2012⁴, this office discussed the legal background and basis of GPPB Resolution No. 05-2010 thus:

In 2010, RA 9970 (GAA of 2010) was enacted, Section 29 of which provided that the printing of Accountable Forms and Sensitive High Quality/Volume requirements shall only be undertaken by the three (3) RGPs, which are NPO, BSP and APO. The President's Veto Message provided that the implementation of Section 29 shall be subject to the guidelines to be issued by the GPPB. This provision was reiterated in the succeeding GAAs, *i.e.* RA 10147 (GAA of 2011) and RA 10155 (GAA of 2012).

Pursuant to said mandates, GPPB issued Resolutions 05-2012 and 04-2011 reflecting the policy adopted by the Legislature that the printing of Accountable Forms and Sensitive High Quality/Volume requirements shall only be undertaken by NPO, BSP and APO, and providing the Guidelines for the engagement of the services of the appropriate RGP.

Notably, Section 24 of the 2015 GAA reiterated the foregoing policy of procurement of Accountable Forms from any of the three (3) RGPs in accordance with the GPPB Guidelines on the Procurement of Printing Services.

LGUs are covered by GPPB Resolution No. 05-2010

Similarly, NPM Opinion No. 148-2012 exhaustively explained to RFI the applicability of RA 9184 and its IRR to LGUs, thus:

We wish to reiterate that **Section 4 of RA 9184 applies to all procurement of any branch, agency, department, bureau, office, or instrumentality of the Philippine government, including government-owned and/or controlled corporations (GOCCs), government financial institutions (GFIs), state universities and colleges (SUCs) and LGUs. Consequently, all the policies, rules and regulations, including guidelines that the GPPB issues, would have the same general application and coverage.** (Emphasis supplied)

Verily, Section 2.1 of GPPB Resolution No. 05-2010 is clear on the scope of the *Guidelines on Printing Services (Guidelines)*, to wit:

These guidelines shall govern the procurement of printing services for accountable forms by the national government, its branches, constitutional offices, departments, bureaus, offices, agencies, and instrumentalities, including state universities and colleges, government owned/controlled corporations, government financial institutions, and **local government units.** (Emphasis supplied)

We likewise reiterate NPM Opinion No. 88-2012 on the observance of the Guidelines by the LGUs, thus: ~~8~~

³ NPM No. 88-2012, 16 July 2012.

⁴ Dated 29 November 2012.

It bears stressing that LGUs are part of the coverage of the GPPB Resolution 05-2010 as stated in Section 2 on Scope and Application. Thus, the Province of Nueva Vizcaya should observe the Guidelines in its procurement activities involving printing services of Accountable Forms and Sensitive High Quality/Volume requirements. However, resort to private printers by the procuring entity is possible only when the conditions cited in Section 4.3.2 of the Guidelines exist, that is, after determination by the Presidential Communications Operations Office that no RGP can undertake the printing services due to (1) time constraints and (2) equipment limitations. (Emphasis supplied)

Court of Appeals Decision did not invalidate Section 29 of GAA 2010

The letter of Mr. Syllianteng, Jr. is inaccurate when he asserted that the RGP's exclusive jurisdiction over the printing of Accountable Forms has already been ruled by the Court of Appeals *to be invalid with finality* as evidenced by its Entry of Judgment.


Please note that the Honorable Court of Appeals in its Decision dated 8 April 2012 (**Annex A**) which Mr. Syllianteng, Jr. failed to submit, did not even discuss or mention the assailed GAA provisions on the exclusive jurisdiction of the RGPs relative to the printing of Accountable Forms. The Honorable Appellate Court simply affirmed the previous Orders⁵ of the Regional Trial Court, Branch 213, Mandaluyong City, where the latter dismissed the petition for declaratory relief in Civil Case No. MC-10-4337, for *lack of cause of action*. Simply put, the Honorable Appellate Court did not pass upon the merits of the case which should have been a sufficient basis of a definitive ruling against the legality of Section 29 of the 2010 GAA.

Summary

All told, we wish to clarify that LGUs are covered by the mandate to procure the printing of Accountable Forms from any of the three (3) RGPs through an Agency-to-Agency procurement modality, in accordance with the procedure prescribed under GPPB Resolution No. 05-2010.

We hope this opinion issued by 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 V 

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⁵ Orders dated 25 June 2010 and 5 October 2010.