

NPM No. 118-2015

3 November 2015



Re: Format and Signing of Bids

Dear [REDACTED]:

This refers to your letter requesting our comment and clarification on the requirements for the Format and Signing of Bids, in general, as indicated in the Instruction to Bidders (ITB) of the Philippine Bidding Documents (PBD)¹ and in particular, as required by the Bids and Awards Committee (BAC) of the Tourism Infrastructure and Enterprise Zone Authority (TIEZA).

As represented, for the re-bidding project entitled Development of FS Catanico Spring Resort, FS Catanico, Cagayan de Oro City, the TIEZA BAC required that in addition to the long or full signature of the bidder on each and every page thereof, the initial must also be provided. You mentioned that you exerted effort to tender a most competitive and intelligent bid but due to purported misinterpretation of the provisions pertaining to Format and Signing of Bids, your bid proposal for the technical component was rated as failed. As further represented, there were also cases in other Procuring Entities (PEs) where the absence of signature in the envelope containing the bid will outrightly disqualify a bidder. Since the occurrence of failed biddings due to various interpretations of the rules on Format and Signing of Bids is always disadvantageous to the government and discourages competition, clarification on the matter is being sought.

At the outset, we wish to clarify that the Government Procurement Policy Board (GPPB) and its Technical Support Office (GPPB-TSO) render policy and non-policy matter opinions, respectively, on matters pertaining to the interpretation of the procurement law and its associated rules and regulations. We have no jurisdiction to rule over actual controversies with regard to the conduct of bidding, since the office has no quasi-judicial functions or investigatory powers under the law. Moreover, we adhere to the position that apart from courts having actual jurisdiction over the subject matter of a case, we cannot, nor any other government agency, authority, or official, encroach upon or interfere with the exercise of the functions of the BAC, since these duties and responsibilities fall solely within the ambit of its authority and discretion sanctioned by law.² In this regard, we shall limit our discussion on the interpretation of relevant procurement laws, rules and regulations pertinent to the issue presented.

Under ITB Clause 19.4 of the PBD,³ the bid, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized

¹ ITB Clause 19 for PBD of Goods and Infrastructure Projects; ITB Clause 16 for PBD of Consulting Services.

² NPM No. 46-2013 dated 11 June 2013.

³ ITB Clause 16.4, PBD for Consulting Services.

representative/s of the bidders. This requirement is anchored on the definition of a bid under Section 5(d) of Republic Act (RA) No. 9184, thus:

“(d) ***Bid*** – refers to a ***signed offer or proposal*** submitted by a supplier, manufacturer, distributor, contractor or consultant in response to the Bidding Documents.” (Emphasis supplied)

The value and importance of the signature in the bid is of no question. The signature signifies the offer of the bidder to enter into contract with the Government. In relation to this, the Supreme Court, in the case of *Desierto and Vigilar v. Ocampo*⁴, held that unless the bid form is signed by the duly authorized official, the bid is only a scrap of paper. In the case of *Republic v. Judge Capulong*⁵, the High Tribunal made a pronouncement that if there is no duly accomplished and signed Form of Bid submitted to the bidding committee, there is nothing to accept on the part of the government agency.

A cursory reading of Clause 19.4 of the PBD reveals that two requirements must be complied with by the authorized representative/s of the bidder for the signing of bids, thus: (1) the bid, except for unamended printed literature, shall be signed; and (2) each and every page of the bid shall be initialed.

Needless to say, the essence and importance of the bidder’s (or his duly authorized representative) signature on the bid and the initials on each and every page thereof is the signification of the bidder’s attestation that the signed and initialed proposal is his “offer” in response to the procuring entity’s invitation to bid and the requirements in the bidding documents. To interpret the cited provision as requiring both the long or full signature and the initial of the bidder in all of the pages of the bid will mean imposing unnecessary burden on the part of the bidder. While affixing both the signature and the initial of the bidder does not affect the offer, it does not also add value as the initials can already substitute the supposedly required signature, thereby precluding redundancy in necessitating both the signatures and initials to be affixed in each and every page of the bid.

Based on the foregoing, it is our considered view that the bidder’s signature appearing on the Bid Form and his initial affixed on each and every page of the bid, except those pages that already bears the signature of the bidder, and those unamended printed literature, constitutes compliance with the requirements under Clause 19.4 of the PBD.

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



⁴ G.R. No. 155419 promulgated on 04 March 2005.

⁵ G.R. No. 93359 promulgated on 12 July 1991.