Republic of the Philippines

gppb

Government Procurement Policy Board

RESOLUTION NO. 12-2026

APPROVING THE GUIDELINES ON THE USE OF FRAMEWORK AGREEMENT UNDER REPUBLIC ACT NO. 12009 AND ITS IMPLEMENTING RULES AND REGULATIONS

WHEREAS, Republic Act (RA) No. 12009, otherwise known as the "New Government Procurement Act," took effect on 13 August 2024, while its Implementing Rules and Regulations (IRR) took effect on 25 February 2025;

WHEREAS, Section 91 of RA No. 12009 mandates that the Government Procurement Policy Board (GPPB) shall be the central body that sets strategic direction and makes policy decisions regarding all matters affecting public procurement, having due regard to the country's regional and international obligations, and is tasked to lead the nation's efforts in advancing public procurement reforms in accordance with the Act;

WHEREAS, Section 91.1 (c) of the IRR of RA No. 12009 further authorizes the GPPB to formulate and amend, whenever necessary, the IRR of the Act, associated issuances and government procurement manuals, Philippine Bidding Documents and standard forms for procurement, and issue policy papers to ensure that the procurement process is streamlined and responsive to the needs of the government;

WHEREAS, Section 3 (d) of RA No. 12009 and its IRR mandate that government procurement shall be governed by the principle of proportionality, among others, by ensuring that the conditions and parameters in the development of requirements, choice of procurement modality, and implementation of contracts shall be reasonably proportional to the needs and circumstances of the Procuring Entity (PE), and the nature, scale and complexity of the project to be procured;

WHEREAS, Section 5 (m) of the IRR of RA No. 12009 defines Fit-for-Purpose as an approach to procurement that applies the most suitable mechanism or strategy designed to address the specific needs of the PE and each project, while promoting flexibility and responsiveness to different conditions and scenarios, based on factors or situations, such as, but not limited to, the nature and complexity of the project, market condition and readiness, urgency or risks, in order to ensure and achieve value for money;

WHEREAS, Section 16 of RA No. 12009 allows PEs to use a Framework Agreement as a procurement strategy to expand the pool of prospective bidders, take advantage of economies of scale, minimize the administrative burden of conducting separate procurement activities, and generate time and money savings;

WHEREAS, the same section further provides that the Framework Agreement shall be in the nature of an option contract between the PE and the bidder that stipulates the terms and conditions to be applied in subsequent contracts for the procurement of Goods, Infrastructure Projects, and Consulting Services with a single or multiple contractor, manufacturer, supplier, distributor, consultant, and service provider;

WHEREAS, the GPPB-Technical Support Office (TSO) drafted the Guidelines on the Use of Framework Agreement for the procurement of Goods, Infrastructure Projects, and Consulting Services, with technical assistance provided by the World Bank;

WHEREAS, to further enhance the proposed Guidelines, the GPPB-TSO conducted consultations with various stakeholders, with relevant inputs, comments, and suggestions duly considered and incorporated into the draft Guidelines;

WHEREAS, after further review of the subject proposal and upon recommendation by the GPPB-TSO and the GPPB Inter-Agency Technical Working Group (IATWG), the same was presented to the GPPB for consideration;

WHEREAS, on 08 April 2026, the GPPB-TSO presented to the Board the proposed Guidelines on the Use of Framework Agreement;

WHEREAS, on the same meeting, the Board approved in principle, the Guidelines, subject to the comments and inputs of its members;

WHEREAS, on 03 July 2026, the GPPB Chairperson instructed the GPPB-TSO to further review and refine the draft Guidelines on the Use of Framework Agreement;

WHEREAS, the GPPB-TSO during 2nd Joint GPPB and IATWG Meeting held on 23 July 2026, presented the refined provisions of the Guidelines on the Use of Framework Agreement. Discussions ensued in refining the provisions of the Guidelines, particularly to:

1. Enhance the definition of terms for clarity and consistency across the Guidelines:

    a. Call-off – that it refers to the Purchase Order or contract issued under a Framework Agreement for the procurement of Goods, Infrastructure Projects, or Consulting Services.

    b. Framework Agreement- expressly identifies Framework Agreement as a procurement strategy as it is often confused and defined as a modality and not simply as a contract.

    c. Qualified Bidder- introduces a new term to refer to bidders that have been qualified and to which the PE will enter into a Framework Agreement, to ensure consistent reference to such bidder throughout the Guidelines.

2. Include the following:

    a. Parameters for PEs in determining when Framework Agreement is most useful or appropriate:

        (i) Frequently, routinely, or repeatedly used;
        (ii) Used for an indefinite period or quantity;
        (iii) Needed over a long or set period but the exact quantity, timing or scope of work or scope of service is unpredictable;
        (iv) By its nature, use or characteristics, the need arises on an urgent basis;
        (v) Needed for disaster preparedness and response; or
        (vi) Other analogous or similar circumstances.

    b. Guide in the conduct of market scoping activity to ensure the successful conduct of Framework Agreement; and

    c. Use of Early Procurement Activities to facilitate timely implementation of procurement projects subject to Framework Agreements.

3. Revise the previous requirements to secure a Multi-Year Contracting Authority prior to the conduct of procurement considering that a Framework Agreement itself does not constitute a procurement contract or create a financial obligation until a Call-Off is made. The PE shall nonetheless ensure that the annual funding requirement shall be included in the budget.

4. Limit the modalities where Framework Agreement may be adopted to Competitive Bidding and Limited Source Bidding, thereby removing Competitive Dialogue, Unsolicited Proposal with Bid Matching and Small Value Procurement as the objective and procedure of these modalities do not align with Framework Agreement.

5. Provide the authority for the Head of the Procuring Entity, in consideration of procurement efficiency as well as the volume and complexity of procurement projects under a Framework Agreement, to establish a separate Bids and Awards Committee (BAC) for this purpose.

6. Delete the provision allowing bidders to bid by lot, item or package in a Framework Agreement as this is administratively and operationally burdensome which may minimize if not render for naught the benefits of a Framework Agreement.

WHEREAS, in the same meeting the GPPB-TSO further provides the following changes and clarification in terms of the procedure in the use of Framework Agreement:

1. The PE to include an annual estimate or programming to be indicated as the Approved Budget for the Contract (ABC) in the Annual Procurement Plan (APP) and Framework Agreement List. The ABC indicated in the APP will be the basis for determining the amount of Bidding Documents Fee, Bid Security, Single Largest Completed Contract, Net Financial Contracting Capacity, and Protest Fee;

2. The Certificate of Availability of Funds is not required prior to the execution of Framework Agreement;

3. Inclusion of a mechanism where the BAC is allowed to go to the second ranked Qualified Bidder to avoid a failure of bidding when the Qualified Bidder, outrightly determined as the Lowest Calculated and Responsive Bid (LCRB), refuses a Call-Off in a single-year Framework Agreement;

4. To allow the republication of the Bidding Documents to open the bidding to other bidders in case of a multi-year Framework Agreement with a single Qualified Bidder instead of automatically converting the same into a single-year. Until such time as other bidder/s is/are qualified, the PE may nonetheless issue a Call-Off to the single Qualified bidder;

5. To allow the BAC to exhaust the ABC before the Framework Agreement may be terminated even after the maximum quantity has been reached, instead of conducting a new procurement under a Repeat Order modality;

6. To prescribe the use of a Performance Securing Declaration as performance security for all Framework Agreements.

WHEREAS, the Members of the Board discussed and agreed to include their additional comments and suggestions in the said Guidelines:

1. Include procurement projects below the threshold amount of more than Two Million Pesos (PhP 2,000, 000.00) for Competitive Bidding in the use of Framework Agreement, to enable PEs with lower project amount to avail of Framework Agreement but still following the Competitive Bidding process consistent with Fit-for-Purpose principle;

2. Clarify that the first-year ABC shall be the basis for the Single Largest Completed Contract for multi-year Framework Agreement;

3. Ensure that for deliveries for the same item but for multiple locations, the difference in price owing to the delivery location is reflected in the Bidding Documents and Framework Agreement List; and

4. Include a provision on administrative and legal recourse of bidders from the decisions of the BAC.

WHEREAS, to help guide PEs in the implementation of Framework Agreement, the GPPB-TSO also presented the enhanced templates and forms, as follows:

1. Framework Agreement;
2. Framework Agreement List;
3. Notice of Execution of Framework Agreement;
4. Call for Mini- Competition;

5. Call-Off; and
6. Performance Securing Declaration.

WHEREAS, the GPPB, after thorough deliberation and inputs from members of the Board, agreed to approve the enhanced and refined Guidelines on the Use of Framework Agreement;

NOW, THEREFORE, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested on **US** by law, hereby **RESOLVE** to confirm, adopt, and approve, as **WE** hereby confirm, adopt, and approve the following:

1. **APPROVE** the Guidelines on the Use of Framework Agreement under RA No. 12009 and its IRR. A copy of which is attached as ***Annex "A"*** hereof;

2. **DIRECT** the GPPB-TSO to periodically review the implementation of said Guidelines and to propose amendments as deemed necessary.

APPROVED this 23rd day of July 2026 at Quezon City, Philippines.

SGD.

GPPB, Chairperson
DEPARTMENT OF BUDGET AND MANAGEMENT

DEPARTMENT OF ECONOMY, PLANNING AND DEVELOPMENT	SGD. **DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**
SGD. **DEPARTMENT OF NATIONAL DEFENSE**	SGD. **DEPARTMENT OF EDUCATION**
SGD. **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**	SGD. **DEPARTMENT OF TRANSPORTATION**
PROCUREMENT SERVICE - DBM	SGD. **PRIVATE SECTOR REPRESENTATIVE**

Republic of the Philippines
gppb
Government Procurement Policy Board

CIRCULAR NO. 07-2026

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**
Subject	:	**Guidelines on the Use of Framework Agreements**

1.0 POLICY STATEMENT

1.1. Public Procurement shall, in all cases, be governed by the principle of proportionality, among others. This ensures that the conditions and parameters in the development of requirements, choice of procurement modality and implementation of contracts shall be reasonably proportional to the needs of the Procuring Entity (PE) and the nature of the contract or project to be procured.[1]

1.2. Towards this end, Section 16 of Republic Act (RA) No. 12009, or the "New Government Procurement Act," and its Implementing Rules and Regulations (IRR) provide for the use of a Framework Agreement as a procurement strategy to expand the pool of prospective bidders, take advantage of economies of scale, minimize the administrative burden of conducting separate procurement activities, and generate time and money savings.

2.0 PURPOSE

These Guidelines shall govern the use of a Framework Agreement as a strategy for the procurement of Goods[2], Infrastructure Projects[3], and Consulting Services[4], as provided in Section 16 of RA No. 12009 and its IRR.

[1] Section 3 (d) of RA No. 12009.
[2] Section 5 (n) of the IRR of the RA No. 12009 which defines *Goods* as (i) all items, supplies, and materials, whether in the nature of equipment, furniture, stationery, materials for construction, or personal property of any kind, needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity; or (ii) general support services which pertain to all types of services except Consulting Services and Infrastructure Projects, such as the repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services. Personnel Services or individual Contract of Service or Job Order engagements do not fall under this definition.
[3] Section 5 (r) of the IRR of RA No. 12009 provides that *Infrastructure Projects* include the construction, improvement, rehabilitation, demolition, repair, restoration, or maintenance of roads and bridges, railways, airports, seaports, communication facilities, civil works components of information technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings, hospital buildings, and other related construction projects of the government. For purposes of, and throughout this IRR, the term "Infrastructure Projects" shall have the same meaning as, and shall be used interchangeably with, "civil works" or "works.
[4] Section 5 (i) of the IRR of RA No. 12009 defines *Consulting Services* as to services for Infrastructure Projects and other types of projects or activities of the government requiring adequate external technical and professional expertise that are beyond the capability or capacity of the government to undertake, such as, but not limited to: (i) advisory and review services; (ii) pre-investment or feasibility studies; (iii) design; (iv) construction supervision; (v) management and related services; and (vi) other legal and technical services or special studies.

3.0 DEFINITION OF TERMS

For purposes of these Guidelines, the following terms, words, and phrases shall be understood as follows:

a. **Call-Off.** The purchase order issued by the PE to exercise its option under an existing Framework Agreement after the best offer is determined requiring the supplier, contractor or service provider to deliver the goods or perform the works or services, in accordance with the terms and conditions stipulated in the said Framework Agreement. The prescribed template for a Call-Off is attached hereto for easy reference.[5]

b. **Framework Agreement.** A procurement strategy that may be undertaken by a PE whereby advance arrangements on what it will be procuring in the future are determined. The Framework Agreement shall be in the nature of an option contract between the PE and the bidder that stipulates the terms and conditions governing future procurement contracts.
For multi-year Framework Agreements, a second-stage bidding process shall be conducted through a Mini Competition among the pool of Qualified Bidders to determine the winning bidder for a specific Call-Off. The prescribed template for a Framework Agreement is attached hereto for easy reference[6].

c. **Framework Agreement List.** The detailed list and technical specifications of Goods to be provided, the scope of works for Infrastructure Projects or the scope of services in the case of Consulting Services. The prescribed template for a Framework Agreement List is attached hereto for easy reference.[7]

d. **Multi-Year Contractual Authority (MYCA).** The authority issued to the PE to procure multi-year projects, in accordance with the form and conditions set forth in Section 9 of RA No. 12009 and its IRR.

e. **Mini Competition.** The second stage in a Multi-Year Framework Agreement where Qualified Bidders in an existing Framework Agreement are requested to submit their best price proposal to determine which among them has the best offer.

f. **Option Consideration.** The amount paid by the PE to the Qualified Bidder as consideration for the option granted in the Framework Agreement.

g. **Qualified Bidder.** A bidder in a procurement project subject to a Framework Agreement which has been determined by the Bids and Awards Committee (BAC) as technically and financially eligible and to which the PE shall enter into a Framework Agreement with.

4.0 SCOPE AND APPLICATION

4.1. These Guidelines shall apply to PEs of all branches and instrumentalities of the National Government, its departments, bureaus, offices and agencies, including State Universities and Colleges (SUCs); Government-Owned or Controlled Corporations (GOCCs); Government Financial Institutions (GFI); and Local Government Units (LGUs).

[5] Attached as Annex "**A**" of this Circular is the prescribed template for a Call-Off.
[6] Attached as Annex "**B**" of this Circular is the prescribed template for a Framework Agreement.
[7] Attached as Annex "**C**" of this Circular is the prescribed template for a Framework Agreement List.

4.2. The use of Framework Agreement applies to all types of procurement, whether Goods, Infrastructure Projects, and Consulting Services.

4.3. In order to ensure an open and transparent process, attract a broader pool of bidders to drive competitive pricing, diverse market ideas and innovative solutions, and ultimately achieve value for money, Framework Agreement requires the use of either Competitive Bidding or Limited Source Bidding as a mode of procurement, as may be applicable. However, procurement projects below the threshold amount of Two Million Pesos (PhP 2,000,000.00) for Competitive Bidding may still use Framework Agreement as long as it follows the procedure for Competitive Bidding.

4.4. The use of Framework Agreement as a procurement strategy is anchored on time and costs savings generated through the reduction of administrative burden and cost of repetitive bidding. Moreover, PEs can leverage economies of scale through bulk buying or consolidating procurement requirements in one bidding, which likewise avoids splitting of contract. Of greater significance to public procurement is the ability of a Framework Agreement to ensure supply security and supply chain flexibility as well as mitigate compliance risks which often hound PEs even with proper planning given the shifting market dynamics and heterogenous bidder capacity.

4.5. Accordingly, Framework Agreement is best suited for the procurement of Goods, Infrastructure Projects or Consulting Services that are:

a. frequently, routinely or repeatedly used;
b. used for an indefinite period or quantity;
c. needed over a long or set period but the exact quantity, timing or scope of work or scope of service is unpredictable;
d. by its nature, use or characteristics, the need arises on an urgent basis;
e. needed for disaster preparedness and response; or
f. other analogous or similar circumstances.

5.0 GENERAL CONDITIONS

5.1. A Framework Agreement may be undertaken by a PE by setting up advance arrangements on what it will be procuring in the future and outlining the technical specifications, scope of works, terms of reference, quantity or volume, cost or pricing, delivery requirements or performance conditions and such other terms and conditions over a set period governing future procurement.

5.2. The Framework Agreement does not guarantee procurement but creates the structure for future procurement as needed through a Mini Competition or Call-Offs. Hence, it shall be in the nature of an option contract between the PE, as the offeree and the Qualified Bidder, as the offeror covering the right to buy any of the items, works, or services in the Framework Agreement List within a specified period.

5.3. The Framework Agreement shall have a fixed period of either one (1), two (2), or three (3) years within which the PE may exercise its Option.

5.4. The Framework Agreement List shall indicate the items or scope of work or service covered by the Framework Agreement. In particular, it shall include the following:

a. type and nature of each item, scope of work or service to be procured;

b. technical specifications, terms of reference or scope of work, as may be applicable;

c. maximum quantity for each item, scope of work or service;

d. estimated cost per item, scope of work or service;

e. total Approved Budget for the Contract (ABC), including budgetary allocation per item or scope of work or service;

f. estimated delivery period or completion schedule after receipt of a Call-Off or from any date determined by the PE;

g. annual estimate or programming for a multi-year Framework Agreement; and

h. other appropriate information as may be necessary.

5.5 In determining the items, works, or services to be included in the Framework Agreement List, the End-User or Implementing Unit shall consider all of its requirements that will benefit from a pre-arranged procurement structure, but where actual procurements are done on a needs basis.

5.6 For items, works or services to be delivered or performed in multiple locations, the PE shall indicate them separately in the Framework Agreement List to reflect the appropriate estimated cost therein.

5.7 The maximum quantity to be indicated in the Framework Agreement List shall reflect the maximum that the End-User or Implementing Unit may need during the covered period taking into consideration current inventory, if any, and past procurement and utilization data in order to ensure optimum use of resources as well as time and cost savings.

5.8 In case of conflict between the information provided in the Framework Agreement List and the Bidding Documents, the former shall prevail.

5.9 The Framework Agreement List shall likewise indicate the annual estimate or programming by the End-User or Implementing Unit that shall be used for budgeting purposes.

6.0 **PROCUREMENT PLANNING AND EXECUTION**

6.1. The Head of the Procuring Entity (HoPE), in consideration of procurement efficiency as well as the volume and complexity of procurement projects under a Framework Agreement, may establish a separate BAC for this purpose.

6.2. The End-User or Implementing Unit shall assess if the adoption of a Framework Agreement is more practical, economical, and advantageous for the government, taking into consideration the following:

a. Improved procurement efficiency through the minimization of repetitive conduct of procurement or occasions of failed biddings;

b. Extent to which stockholding or warehousing requirement, including the associated costs and risks, may be significantly reduced or avoided;

c. Competitive pricing owing to Mini Competition;

d. Optimization of the ABC through Call-Offs made at the time of actual need;

e. Advantage of a lean and just-in-time procurements; and

f. Reduction of additional costs arising from procurement delay.

6.3. To validate the feasibility of using a Framework Agreement, the End-User or Implementing Unit shall ensure that in the conduct of Market Scoping under Section 10 of the IRR of RA No. 12009:

a. There are prospective bidders that are willing and capable of providing the Goods, Infrastructure Projects or Consulting Services, as the case may be;

b. The estimated prices per unit or scope that constitutes the ABC is competitive over the set period of Framework Agreement;

c. The proposed terms and conditions in the implementation of the Framework Agreement are reasonable or consistent or aligned with prevailing market conditions or industry practices; and

d. The quantity, volume, scope of work, scope of service, as well as the period of the Framework Agreement, which either be a single or multi-year period, are supported by the existing supply chain network.

6.4 No procurement shall be undertaken unless it is in accordance with the approved Indicative or Final Annual Procurement Plan (APP) of the PE, as the case may be[8]. The PE, in the preparation of its APP, shall include procurement projects that will be covered by a Framework Agreement and attach the corresponding Framework Agreement List.

6.5 Early Procurement Activities (EPA) may likewise be undertaken for procurement projects subject to Framework Agreement provided that no award or Call-Offs may be made until the effectivity of the budget and subject to the guidelines on the conduct of EPA.

6.6 In the case of a multi-year Framework Agreement, as the same is merely an option contract and the acceptance by the PE of the Qualified Bidder's offer does not create a procurement contract but merely establishes a structure for future procurements as the need arises, a MYCA[9] is not required prior to entering into such agreement. The PE shall nonetheless ensure that the budget necessary for its annual programming for the year is included in its approved budget. Hence, the amount of annual estimate or programming shall be the basis of the ABC for each year that shall be indicated in the APP.

The ABC for the first year, as indicated in the APP and Framework Agreement List, shall be the basis in determining the required amount of the Bidding Documents Fee, Bid Security, Single Largest Completed Contract (SLCC), Net Financial Contracting Capacity, and Protest Fee.

[8] Section 7.8 of the IRR of RA No. 12009.
[9] DBM Circular Letter No. 2025-6 dated 13 May 2025 entitled "Amendment to Circular Letter (CL) No. 2023-7 re: The Prescribed Guidelines on the Issuance of Multi-Year Contractual Authority (MYCA)".

6.7 The PE shall conduct procurement using either Competitive Bidding or Limited Source Bidding, including procurement projects below the threshold amount of more than Two Million Pesos (PhP 2,000,000.00) for Competitive Bidding but will be using Framework Agreement, in accordance with the relevant provisions herein and of RA No. 12009 and its IRR.

6.8 The Invitation to Bid shall indicate that the procurement will be subject to a Framework Agreement pursuant to these Guidelines and shall state whether Framework Agreement shall be for a single-year or multi-year.

6.9 It is the responsibility of the BAC Secretariat to ensure that the Bid Security is valid until such time as the execution of the Framework Agreement. For this purpose, the BAC Secretariat shall request the bidder to extend its Bid Security as may be necessary. Failure to extend the Bid Security shall disqualify the bidder from further participating in the Framework Agreement.

6.10 Determination of the Qualified Bidder/s and Notice to Execute a Framework Agreement

a. For Single-year Framework Agreement.

(i) If the Framework Agreement is for a duration of one (1) year, the BAC shall check the eligibility and compliance of all the bidders with the technical and financial aspects of the project to determine all the Qualified Bidder/s and rank them accordingly. Thereafter, the BAC shall make an outright determination of the Lowest Calculated Responsive Bid (LCRB), Most Economically Advantageous Responsive Bid (MEARB), Most Advantageous Responsive Bid (MARB), or Highest Rated Responsive Bid (HRRB). For instances falling under Section 65 of the IRR of RA No. 12009[10], the BAC shall make an outright determination of the Single Calculated Responsive Bid (SCRB), Single Rated Responsive Bid (SRRB), Single Economically Advantageous Responsive Bid (SEARB), or Single Advantageous Responsive Bid (SARB).

(ii) The BAC shall then recommend to the HoPE the execution of a Framework Agreement with the LCRB/MEARB/MARB/HRRB/ SCRB/SRRB/SEARB/SARB, as the case may be. Upon receipt of the BAC recommendation, the HoPE shall issue a Notice to Execute Framework Agreement to the said bidder. The prescribed template for the Notice to Execute a Framework Agreement is attached

[10] **Section 65. Single Calculated/Rated/Economically Advantageous and Responsive Bid Submission.**

The Single Calculated Responsive Bid (SCRB), Single Rated Responsive Bid (SRRB), Single Economically Advantageous Responsive Bid (SEARB), or Single Advantageous Responsive Bid (SARB) as the case may be, shall be considered for award if it falls under any of the following circumstances:

a) If after publication, only one prospective bidder applies for eligibility check in accordance with the provisions of this IRR, and it meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements;

b) If after publication, more than one prospective bidder applies for eligibility check in accordance with the provisions of this IRR, but only one bidder meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements; or

c) If after the eligibility check, more than one bidder meets the eligibility requirements in accordance with the provisions of this IRR, but only one bidder submits a bid, and its bid is found to be responsive to the bidding requirements.

In all instances, the Procuring Entity shall ensure that the ABC reflects the most advantageous prevailing price for the Government.

hereto for easy reference[11]. This notwithstanding, actual purchase by the PE shall be made only upon issuance by the BAC of a Call-Off when the need to procure arises.

(iii) Should the determined LCRB/MEARB/MARB/HRRB refuse to accept the Call-Off, the BAC shall proceed to cancel the said declaration and determine the responsiveness of the bid of the second ranked Qualified Bidder. Once determined as LCRB/ MEARB/MARB/HRRB, the BAC shall recommend to the HoPE the execution of a Framework Agreement with said bidder. Upon receipt of the BAC recommendation, the HoPE shall issue a Notice to Execute Framework Agreement.

In case of refusal to accept the Call-Off, the Framework Agreement shall be automatically terminated and the PE shall likewise enforce the Performance Securing Declaration without prejudice to any other administrative and legal actions the PE may undertake under applicable rules and regulations.

Should the next LCRB/MEARB/MARB/HRRB refuse to enter into a Framework Agreement, the BAC shall repeat the process until the Framework Agreement is executed or declare a failure of bidding.

b. For Multi-year Framework Agreement.

(i) When the Framework Agreement is for a duration of two (2) or three (3) years, the bidders shall make an initial submission of their eligibility requirements and financial bid offer. Upon receipt of bid submissions, the BAC shall check the eligibility and compliance of bidders with the technical and financial aspects of the project to determine the Qualified Bidder/s.

Thereafter, the BAC shall recommend to the HoPE the execution of a Framework Agreement among the Qualified Bidder/s. Upon receipt of the BAC recommendation, the HoPE shall issue a Notice to Execute Framework Agreement to all Qualified Bidder/s.

(ii) The BAC shall not make a determination of the LCRB/MEARB/ MARB/HRRB/LCCRB until a Mini Competition is conducted among the Qualified Bidders. The BAC shall issue a Call for Mini Competition[12] by sending a request to all Qualified Bidders to submit their best financial proposal on a specified date, time and place to determine the bidder with the LCRB/MEARB/MARB/ HRRB, as the case may be, and issue the corresponding Call-Off. The prescribed template for the Call for Mini Competition is attached hereto for easy reference.

Refusal of the bidder to participate in the Mini Competition shall result in the automatic termination of the Framework Agreement as to the refusing bidder and shall be a ground to enforce the Performance Securing Declaration.

[11] Attached as Annex "**D**" of this Circular is the prescribed template for the Notice to Execute Framework Agreement.
[12] Attached as Annex "**E**" of this Circular is the prescribed template for the Call for Mini Competition.

(iii) However, in case there is only one (1) Qualified Bidder, the BAC shall make a determination of SCRB/SRRB/SEARB/SARB and recommend to the HoPE the execution of a Framework Agreement with the said bidder.

This notwithstanding, the BAC shall instruct the immediate re-publication of the Bidding Documents for at least one (1) more round of procurement in order to invite additional bidders and expand the pool of Qualified Bidders on the basis of the same APP as the original or earlier publication. Should the need to procure arises prior to the execution of another Framework Agreement, the BAC shall issue a Call-Off.

In case another Framework Agreement has been issued to other Qualified Bidder/s prior to the need to procure, a Mini Competition among all Qualified Bidders shall be conducted following the above-stated procedure.

6.11 Bidders executing the Framework Agreement either for single or multi-year, shall ensure the continuing validity of their eligibility documents during the implementation of the Framework Agreement.

6.12 Notwithstanding the eligibility of the bidder, the BAC reserves the right to review its qualifications at any stage of the implementation of the Framework Agreement. If there is any change in the capability of the bidder to undertake its obligations under the Framework Agreement, as when it no longer meets the eligibility criteria, the BAC shall revoke the eligibility of said bidder and disqualify it from obtaining any award or contract. To ensure transparency, the BAC shall inform the bidder of the reasons for its ineligibility prior to the revocation.

6.13 Within five (5) calendar days from receipt by the bidder of the Notice to Execute a Framework Agreement, the bidder or its duly authorized representative shall formally enter into a Framework Agreement with the PE. The PE shall pay the bidder an amount of One Peso (Php 1.00) as a consideration for the option granted to the PE to procure the Goods, Infrastructure Projects, or Consulting Services covered in the Framework Agreement List when the need arises.

6.14 The End-User or Implementing Unit shall ensure periodic review of its multi-year Framework Agreement to address possible implementation concerns and ensure optimum performance of the Agreement.

6.15 Bidders may file a Protest before the HoPE against any decision of the BAC within seven (7) calendar days from receipt of said decision and after the denial of its request for reconsideration, subject to the provisions of Section 83.2 of the IRR of RA No. 12009 and other associated issuances.

7.0 **FRAMEWORK AGREEMENT**

7.1. Being in the nature of an option contract, the PE may, within the period specified in the Framework Agreement, choose to either place an order for any of the item or scope of work or service in the Framework Agreement List or not purchase at all.

7.2. Accordingly, a Framework Agreement shall in no case state or imply any agreement or undertaking by the PE to place future contracts or orders with the supplier or service provider.

7.3. The issuance of the Certificate of Availability of Funds (CAF) shall not be required prior to the execution of a Framework Agreement. It shall only be required for every Call-Off, subject to existing auditing and budgeting rules and regulations.

7.4. A Framework Agreement shall contain the following stipulations:

a. The Option Consideration shall be set at PHP 1.00 (One Peso).

b. A fixed period of either one (1), two (2), or three (3) years within which the PE may exercise its Option, reckoned from the time the Framework Agreement was entered into and executed by the parties, and shall not be subject to any extension.

c. The perfection of the actual procurement contract shall be reckoned from the date of execution of the Call-Offs.

d. Upon the execution of the Call-Offs, all rules and guidelines governing the implementation of procurement contracts under Section 71 of the RA No. 12009 and its IRR shall be applicable.

e. To guarantee the faithful performance by the supplier, contractor, or service provider of its obligations under the Framework Agreement, the supplier or service provider shall submit a Performance Securing Declaration[13] prior to the signing of the Framework Agreement. It shall remain valid for the entire duration of the Framework Agreement as prescribed in the Bidding Documents or until the final acceptance of all items, works, or services indicated under the Framework Agreement List subject to Items 8.2(b) and 9.6(a) hereof.

The prescribed template for the Performance Securing Declaration is attached hereto for easy reference.

f. A warranty security shall be required for each Call-Off, in the form and amount stated in the Bidding Documents, and it shall remain valid for the duration of the applicable warranty period in accordance with Section 90 of RA No. 12009 and its IRR.

g. No modification of the provisions in the Framework Agreement shall be allowed during its validity.

7.5 The Performance Securing Declaration shall state, among others, that the bidder:

a. shall guarantee its faithful performance of the obligations under the Framework Agreement; and

[13] Attached as Annex "**F**" of this Circular is the prescribed template for the Performance Securing Declaration.

b. shall automatically be blacklisted from participating in any government procurement activity for one (1) year, in case of first offense, or two (2) years, if with a prior similar offense, in the event it violates any of the conditions stated in the Framework Agreement[14].

7.6 Prices indicated in the Framework Agreement corresponding to the item, work or service in the Framework Agreement List shall be fixed.

Prices shall be based on the following:

a. financial bid submitted by the bidder for single-year Framework Agreement and multi-year Framework Agreement with SCRB/SRRB/ SEARB/SARB.

b. offered prices in the Mini Competition for multi-year Framework Agreement.

7.7 The cost per item, work or service shall be determined and prepared after careful consideration of variables and factors that may affect future market prices.

a. These variables and factors may include or use, whenever applicable, historical data, market study, feasibility study, net present value of money, foreign exchange rate, inflation rate, cost of money, assessment of Total Cost of Ownership, and Life Cycle Costing and Value for Money analysis, taking into consideration the timeframe and period for the implementation of the Framework Agreement.

b. Prices quoted by the bidder must be within the total cost per item, work or service indicated in the Framework Agreement List. For this purpose, the financial bid submitted and best offer that exceed the total cost per item, work or service shall be automatically disqualified.

8.0 **CALL-OFF**

8.1 When the PE has determined that an item, work or service covered in the Framework Agreement List is needed, it shall require the delivery or performance in such quantity as may be needed and at the price for which it was awarded by executing a Call-Off, as follows:

a. For a single-year Framework Agreement and multi-year Framework Agreement with SCRB/SRRB/SEARB/SARB, the BAC may immediately issue a Call-Off upon determination that an item, work or service is needed.

b. For multi-year Framework Agreement with multiple Qualified Bidders, the BAC may issue a Call-Off after the conduct of a Mini Competition.

8.2 The BAC is authorized to execute:

a. Call-Offs requiring delivery to multiple destinations or performance at multiple locations as provided in the Framework Agreement List.

[14] Section 68.3 of the IRR of RA No. 12009.

b. As many Call-Offs for the same item, work or service as may be needed within the period of the Framework Agreement as long as the total quantity of the item, work or service for all Call-Offs does not exceed the maximum quantity in the Framework Agreement List and the aggregate amount of all executed Call-Offs does not exceed the total contract price specified in the Framework Agreement

However, in case there are still funds available from savings generated in the Framework Agreement as when the aggregate amount of the Call-Offs covering the maximum quantity in the Framework Agreement List is less than the ABC, the BAC may execute further Call-Offs to the extent covered thereof.

8.3 The succeeding Call-Offs shall have the same unit price based on the financial bid submitted by the bidder in the case of a single-year Framework Agreement or multi-year Framework Agreement with SCRB/ SRRB/SEARB/SARB. For a multi-year Framework Agreement with multiple Qualified Bidders, the price shall be determined through Mini Competition but shall not exceed the price submitted by the bidder during the initial submission of the financial bid.

8.4 In all cases, the maximum amount of Call-Offs within the year shall not exceed the ABC as stated in the APP and Framework Agreement List.

8.5 The issuance of the CAF shall be required for every Call-Off, subject to existing auditing and budgeting rules and regulations.

9.0 IMPLEMENTATION AND TERMINATION OF FRAMEWORK AGREEMENTS

9.1 After receipt by the supplier, contractor or service provider of the Call-Off, it shall deliver the items or perform the works or services within the period specified in the Call-Off.

9.2 For purposes of determining the bidder's SLCC when participating in other public bidding activities, the aggregate of the Call-Offs for a particular item, work or service shall be considered as one (1) completed contract with the cumulative amount thereof as the total contract amount. In such case, the date appearing in the Certificate of Acceptance issued by the PE for the last delivery will be considered as the date of completion of the contract.

On the other hand, only those undelivered items, works or services in the Call-Offs shall be included in the Statement of All Ongoing Government and Private Contracts for purposes of participating in other bidding activities.

9.3 Any request for an extension of time for delivery or performance shall be made in writing and prior to the date of delivery or performance indicated in the Call-Off. Such request shall be subject to prior approval by the PE, after due consideration of reasonable cause.

9.4 If the supplier, contractor or service provider fails to deliver or perform within the specified period, inclusive of duly granted time extensions, if any, it shall be liable to the PE for liquidated damages of at least equal to one-tenth of one percent (.001) of the cost of the unperformed portion of the total amount of the goods ordered, or works or services to be rendered per Call-Off for every day of delay.

9.5 Once the cumulative amount of liquidated damages reaches ten percent (10%) of the total amount of the items, work or service ordered per Call-Off, the PE may terminate the Framework Agreement, without prejudice to other courses of action and remedies available under RA No. 12009 and its IRR.

9.6 Without prejudice to the provisions of applicable laws, rules, and guidelines, the Framework Agreement shall automatically expire under any of the following conditions:

a. when the total maximum quantity and the ABC as specified in the Framework Agreement has been exhausted;

b. when the specified duration of the Framework Agreement has expired; or

c. when the maximum quantity has not yet been exhausted but there is no longer any budget for the purpose or the budget is insufficient to continue with the implementation of the Framework Agreement.

9.7 All other rules governing contract implementation and termination under RA No. 12009 and its IRR, and other relevant rules and regulations shall be applicable.

10.0 REPORTORIAL REQUIREMENTS

All PEs are required to indicate in their respective Procurement Monitoring Reports, or in a reporting template that may be subsequently prescribed, all Goods, Infrastructure Projects, and Consulting Services procured under Framework Agreement.

11.0 REPEALING CLAUSE

All guidelines and issuances, or any part thereof, that are contrary or inconsistent with the provisions of these Guidelines are hereby repealed, amended, or modified accordingly.

12.0 EFFECTIVITY

These Guidelines shall take effect fifteen (15) days after publication in the Official Gazette or in a newspaper of general circulation.

13.0 For compliance.

SGD.

KIM ROBERT C. DE LEON
Chairperson

Annex "A"

CALL-OFF

Agency Procurement Project Name					
Supplier/ Contractor/Service Provider: Address:			Call Off No.: Date:		
Sir/Madam: Please furnish this Office the following items/works/services subject to the terms and conditions contained herein:					
Place of Delivery/Implementation: Date of Delivery/Implementation:			Delivery Term: As indicated in the FA Payment Term: As indicted in the FA		
QTY	Unit	Description	Maximum Quantity per FA List	Unit Cost (Inclusive of VAT)	Amount (Inclusive of VAT)
(Total Amount in Words):					-

Please see attached Terms and Conditions

Very Truly Yours,

Conforme:

Authorized Official

Signature over Printed Name of Supplier/Contractor/Service Provider

Date

Funds Available: Chief Accountant	ORS No. Amount:

FRAMEWORK AGREEMENT

This Framework Agreement (the "Agreement") is made and entered into by and between:

The **[PROCURING ENTITY]** with office address at [address], represented by its [**Representative**, designation] as authorized under [authority document], to be referred to as the "**PROCURING ENTITY**,"

- and -

[SUPPLIER/CONTRACTOR/SERVICE PROVIDER] a duly registered entity existing under the laws of the Philippines, with postal address at [address], represented by its [**Representative**, designation] as authorized under [authority document], to be referred to as the "**SUPPLIER"**

The **PROCURING ENTITY** and the **SUPPLIER** shall be individually referred to as a "Party," and collectively as "Parties."

Recitals

WHEREAS, the **PROCURING ENTITY** determined that [PROJECT TITLE] conducted through [Mode of Procurement] (or the "Project") to be necessary and desirable to address and satisfy its needs but by its nature, use or characteristic, the quantity and/or exact time of need cannot be accurately pre-determined;

WHEREAS, based on its market scoping, the **PROCURING ENTITY** decided to use a Framework Agreement as its procurement strategy for the Project;

WHEREAS, the Agreement being an option contract, the **PROCURING ENTITY** may purchase the goods, works, or services listed in the Framework Agreement List, a copy of which is attached and made an integral part of this Agreement as **Annex A**, on a date and time to be determined in the Call-Off to be issued for such purpose by the **PROCURING ENTITY**;

WHEREAS, the **SUPPLIER** passed the eligibility screening conducted by the **PROCURING ENTITY**;

NOW, THEREFORE, the **PARTIES** agree as follows:

Article I. GENERAL CONSIDERATIONS

1.1 The following documents shall be deemed to form and be read and construed as part of this Agreement:

a. **SUPPLIER**'s Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g. bidder's response to clarifications on the bid), including corrections to the bid resulting from the Procuring Entity's bid evaluation;
b. Framework Agreement List and the Technical Specifications/Terms of Reference/Scope of Work;
c. General Conditions of Contract (attached as **Annex B**);
d. Special Conditions of Contract (attached as **Annex C**);
e. Performance Securing Declaration(attached as **Annex D**);and
f. Notice to Execute Framework Agreement.

1.2 The **PROCURING ENTITY** may choose to either purchase the items/works/service in the Framework Agreement List, or not to purchase or avail of these at all.

1.3 The discretion to exercise the foregoing option falls solely with the **PROCURING ENTITY**.

1.4 Words and expressions in this Agreement shall have the same meanings as are respectively assigned to them in the Conditions of Contract.

1.5 This Agreement shall not be construed to state or imply any agreement or undertaking by the **PROCURING ENTITY** to place future contracts or orders with the **SUPPLIER**.

1.6 The terms and conditions of this Framework Agreement shall be governed by Republic Act (RA) No. 12009, or the "New Government Procurement Act," its Implementing Rules and Regulations (IRR), the Guidelines on the Use of Framework Agreement, and all relevant issuances of the Government Procurement Policy Board.

1.7 Upon the execution of the Call-Offs, all rules and guidelines governing the implementation of procurement contracts under RA No. 12009 and its IRR shall be applicable.

Article II. OPTION CONSIDERATION

The **PROCURING ENTITY** shall pay the **SUPPLIER One Peso (Php 1.00)** for this Agreement as consideration for the option granted under Section 1.2.

Article III. SUPPLIER OBLIGATIONS

3.1 The **SUPPLIER** shall honor all its obligations under this Agreement and maintain and update the eligibility requirements during the period thereof.

3.2 The **SUPPLIER** shall not require or demand for the **PROCURING ENTITY** to purchase the items in the Framework Agreement List.

3.3 Once the **PROCURING ENTITY** issues a Call-Off, the **SUPPLIER** is bound to deliver the items or perform the services identified at the time and date specified in the Call-off.

3.4 A warranty security shall be required for each Call-Off, in the form and amount stated in the bidding documents, and it shall remain valid for the duration of the applicable warranty period.

3.5 Failure on the part of the **SUPPLIER** to deliver the items, or perform the works or services shall warrant forfeiture of Performance Securing Declaration and imposition of liquidated damages as provided for in the Guidelines on the Use of Framework Agreements without prejudice to all other applicable sanctions.

Article IV. DURATION and PERFECTION OF THE AGREEMENT

4.1 This Agreement shall effective be from [day month year] to [day month year], unless sooner revoked by the Parties.

4.2 This Agreement is perfected only when the **PROCURING ENTITY** exercises the option to procure any item or service from the Framework Agreement List through the issuance of a Call-Off.

4.3 This Agreement shall be valid only for the period stated in Section 4.1 and the bidding documents, and shall not be extended beyond its lifetime.

4.4 This Agreement shall not be modified or amended throughout its duration.

IN WITNESS WHEREOF, the Parties sign this Agreement this _____.

PROCURING ENTITY	**SUPPLIER.**
By:	By:
NAME [designation, office]	**NAME** [designation, office]

Signed in the presence of:

WITNESS	**WITNESS**
[designation, office]	[designation, office]

[ACKNOWLEDGEMENT PAGE FOLLOWS]

Annex "C"

FRAMEWORK AGREEMENT LIST

AGENCY **Procurement Project Name**									
Item / Work / Service *(Type and nature of each item/service/ work)*		**Technical Specifications/Scope of Work/Terms of Reference (attach a separate sheet if necessary)**	**Maximum Quantity**			**Cost per Item, Work, or Service**	**Total Cost per Item, Work, or Service**		
			Year 1	**Year 2**	**Year 3**		**Year 1**	**Year 2**	**Year 3**
ANNUAL APPROVED BUDGET FOR THE CONTRACT (ABC)									
TOTAL ABC									
Expected delivery timeframe after receipt of a Call-Off.		Within [no. of days] calendar days upon issuance of Call-Off.							
Additional information as may be necessary									

SIGNATURE OVER PRINTED NAME	POSITION	DEPARTMENT/DIVISION

Annex “D”

NOTICE OF EXECUTION OF FRAMEWORK AGREEMENT

Date:

Name of bidder:
Company Name:
Address:
Email address:

Project Title:

Dear Mr./Ms. (bidder’s authorized representative):

(*for Single-Year Framework Agreement)

This is to notify you that you are determined as the Lowest Calculated Responsive Bid (LCRB), Most Economically Advantageous Responsive Bid (MEARB), Most Advantageous Responsive Bid (MARB), or Highest Rated Responsive Bid (HRRB) or Single Calculated Responsive Bid (SCRB), Single Rated Responsive Bid (SRRB), Single Economically Advantageous Responsive Bid (SEARB), or Single Advantageous Responsive Bid (SARB) (as the case may be) for the Framework Agreement of the (project name).

You are hereby required, within five (5) calendar days from receipt of this Notice, to formally enter into a contract with us and submit your Performance Securing Declaration covering the period of the Framework Agreement.

Failure to enter into a contract with us or submit the Performance Securing Declaration shall cause the forfeiture of your Bid Security and disqualify you from further participating in the Framework Agreement with the Procuring Entity or enforcement of the Bid Securing Declaration, as the case may be.

Very truly yours,
(name and signature of the Head of the Procuring Entity)

(*for Multi-Year Framework Agreement)

This is to notify you that you are determined as a Qualified Bidder for the Framework Agreement of the (project name).

You are hereby required, within five (5) calendar days from receipt of this Notice, to formally enter into a contract with us and submit your Performance Securing Declaration covering the period of the Framework Agreement.

Failure to enter into a contract with us or submit the Performance Securing Declaration shall cause the forfeiture of your Bid Security and disqualify you from further participating in the Framework Agreement with the Procuring Entity or enforcement of the Bid Securing Declaration, as the case may be.

Very truly yours,
(name and signature of the Head of the Procuring Entity)

Annex "E"

CALL FOR MINI COMPETITION

Date: _____

NAME OF QUALIFIED BIDDER
ADDRESS

Sir/Madam:

Pursuant to Framework Agreement [insert date] for the project, "_____," please accomplish the form below and submit your best offer for each item/work/service at [insert place or e-mail address] on or before [insert time] AM/PM, on [insert date].

Bidders Name:					
Address:					
ITEM/ SERVICE/WORK	**TECHNICAL SPECIFICATIONS/ SCOPE OF WORK/TERMS OF REFERENCE**	**TOTAL COST PER ITEM/ WORK/SERVICE AS STATED IN THE FA LIST**	**QTY**	**UNIT PRICE (Inclusive of VAT)**	**TOTAL BEST OFFER (Inclusive of VAT)**
TOTAL COST PER ITEM					
TOTAL OFFER (INCLUSIVE OF VAT)					
TOTAL OFFER IN WORDS					
Delivery Period/Completion Date					
Place of Delivery					
Payment Term					
I hereby certify to comply with the above item/work/service on the stated delivery period/completion date and place of delivery.					
Name and Signature of the authorized signatory			**Date**		

Kindly submit your duly signed offer manually at _____ or through e-mail at _____. For e-mail submission, the date and time of receipt indicated in the e-mail shall be considered.

Offers that exceed the ABC per item/service/work and item/service/work with no price shall not be considered for evaluation.

For any clarification/s, you may contact _____ or send email to _____.

NAME AND POSITION OF BAC CHAIRPERSON

Annex "F"

Performance Securing Declaration

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.

Invitation to Bid: [Insert Reference Number indicated in the Bidding Documents]
To: [Insert name and address of the Procuring Entity]

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, to guarantee the faithful performance by the supplier/distributor/manufacturer/contractor/consultant of its obligations under Framework Agreement, I/we shall submit a Performance Securing Declaration within a maximum period of five (5) calendar days from the receipt of the Notice to Executive Framework Agreement;

2. I/We accept that: I/we will be automatically disqualified from bidding for any procurement contract with any Procuring Entity, upon receipt of your Blacklisting Order if I/We have violated my/our obligations under the Framework Agreement; and

3. I/We understand that this Performance Securing Declaration shall cease to be valid upon:

    a. Issuance by the Procuring Entity of the Certificate of Final Acceptance, subject to the following conditions:
        i. Procuring Entity has no claims filed against the contract awardee;
        ii. Procuring Entity has no claims for labor and materials filed against the contractor; and
        iii. Other terms of the Framework Agreement; or

[Add this paragraph for Framework Agreement]

    b. replacement by the winning bidder of the submitted PSD with a performance security in any of the prescribed forms under Section 68.4 and 68.5 of the Implementing Rules and Regulations of RA No. 12009 as required by the Procuring Entity.

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this ____ day of [month] [year] at [place of execution].

[NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE]
[Position/Designation]
Affiant

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._____ issued on _____ at _____.

NAME OF NOTARY PUBLIC
Serial No. of Commission _____
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 ____.