




Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL MEAT INSPECTION SERVICE
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MEMORANDUM ORDER

NO. 10-2011-114

TO : TECHNICAL REGIONAL DIRECTORS, Officers-In-Charge,
CONCERNED UNITS-C.O.

FROM :  **ATTY. JANE C. BACAYO, DVM, MPA**
Executive Director

SUBJECT : COMPLIANCE TO A.O. 17 "DIRECTING THE USE OF THE
PROCUREMENT SERVICE AND THE PHILGEPS IN
PROCUREMENT ACTIVITIES IN ACCORDANCE WITH R.A.
9184, AND IMPROVING THE OPERATION OF THE
PROCUREMENT SERVICE"

DATE : October 6, 2011

In the interest of the service and in compliance to A.O. 17, all Central and Regional personnel, in coordination with their respective BAC-Secretariat, are hereby directed to avail of the services offered by PhilGEPS and the Procurement Service in their procurement activities in accordance with R.A.9184 or the Government Procurement Reform Act.

Procurement Service offers a wide variety of office supplies and equipment at a lower cost and no canvass is required for the procurement of these items. Provided however, that all procurement activities are reflected in their Project Procurement Management Plan for this year.

Service Depot for each region may be accessed through PS' website, philgeps.net.

For compliance.



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REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT

DA-Team 8

Agricultural Training Institute/National Meat Inspection Service
Elliptical Road, Diliman, Quezon City

September 26, 2011

THE EXECUTIVE DIRECTOR


National Meat Inspection Service
Visayas Ave., Diliman, Q.C.

Sir:

We are furnishing you a copy of Administrative Order No. 17 issued by the President of the Philippines directing the use of the Procurement Service and the Philippine Government Electronic Procurement System (PHILGEPS) in the procurement activities in accordance with 9184.

For your reference and compliance. Thank you very much.

Very truly yours,


NENYA C. RENDON
Audit Team Leader

Copy Furnished:

The OIC, Accounting Section
Property Section
Admin Office
PBAC

101001 02531
SEP 26 2011

MALACAÑAN PALACE

MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 17

DIRECTING THE USE OF THE PROCUREMENT SERVICE AND THE PHILIPPINE GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM IN PROCUREMENT ACTIVITIES IN ACCORDANCE WITH REPUBLIC ACT NO. 9184, AND IMPROVING THE OPERATION OF THE PROCUREMENT SERVICE

WHEREAS, the national government has undertaken comprehensive reforms to modernize and standardize government procurement systems to ensure transparency and accountability in government transactions, and enhance efficiency and effectiveness in the procurement of goods, services and civil works,

WHEREAS, the national government recognizes the use of the Internet as an effective medium to provide transparent access to government-wide procurement opportunities and decisions;

WHEREAS, innovations in procurement have been successfully implemented by the Department of Budget and Management (DBM) through the Procurement Service (PS) and its Philippine Government Electronic Procurement System (PhilGEPS) which currently features an Electronic Bulletin Board, a Suppliers' Registry, and an Electronic Catalogue;

WHEREAS, the PhilGEPS will include additional features such as Virtual Store, Electronic Payment and Electronic Bid Submission which will further develop Internet-based government procurement transactions by the end of 2011;

WHEREAS, the PS, by virtue of Letter of Instruction No. 755 (s. 1978) and Executive Order (EO) No. 359 (s. 1989), is tasked with the implementation of a government-wide procurement system for common-use office supplies, materials, and equipment on behalf of all government agencies, and

WHEREAS, R. A. No. 9184 incorporates said policies and innovations and reiterates the mandatory compliance therewith by all government agencies in support of transparency, competitiveness, streamlined procurement process, system of accountability, and public monitoring;

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Reiteration of Policy. The national government hereby reiterates the policy that procurement of government supplies, materials, and equipment shall be done in the most transparent and competitive manner by purchasing from legally, technically, and financially capable sources in economic lot sizes, by observing cost-efficient specifications, and by making prompt payment. In line with this, all government agencies shall procure their common-use supplies from the PS and use the PhilGEPS in all their procurement activities, including publishing all their bid opportunities and posting all their awards and contracts in it, in accordance with R.A. No. 9184

SECTION 2. Coverage. This Administrative Order shall apply to all National Government Agencies including Military and Police Units; Government-Owned and/or -Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), State Universities and Colleges (SUCs), and Local Government Units (LGUs)

SECTION 3. Definition of Terms. For purposes of this Administrative Order, the following terms shall mean or be understood as follows:

a) **Common-Use Supplies** – refers to those supplies, materials, and equipment included in the price list of the PS which are necessary in the transaction of the official business of the procuring entity and consumed in its day-to-day operations.

b) **Electronic Bulletin Board** – refers to the central repository of government procurement opportunities, notices, and bid results including awards, bidding documents, supplemental bid bulletins, and other related documents in the PhilGEPS.

c) **Suppliers' Registry** – refers to the centralized electronic database of all manufacturers, suppliers, distributors, contractors, and consultants registered under the PhilGEPS.

d) **Electronic Catalogue** – refers to the list of common-use supplies that are available from the PS and its depots as appearing in the PhilGEPS.

e) **Virtual Store** – refers to an enhanced electronic catalogue of the PhilGEPS that allows procuring entities to purchase common-use supplies online that are available from the PS and its depots.

f) **Electronic Payment (E-payment)** – refers to any digital financial transaction such as the transfer of funds from procuring entities to and from PhilGEPS and from procuring entities to suppliers.

g) **Electronic Bid Submission (E-bid Submission)** – refers to a facility in PhilGEPS that allows bidders through the Internet to download bidding documents and submit bid proposals or tenders online.

SECTION 4. Procurement of Common-Use Supplies. Common-use supplies shall be procured directly from the PS or its depots without need of public bidding as provided in Section 53.5 of the Implementing Rules and Regulations (IRRs) of R.A. 9184.

SECTION 5. Use of PhilGEPS. All government procuring entities are mandated to use the PhilGEPS in its procurement activities, and shall post all opportunities, notices, awards, and contracts in it as the central portal of government procurement transactions in accordance with R.A. 9184 and its IRRs. All shall subscribe to the additional features of the PhilGEPS such as the Virtual Store, E-payment and E-bid submission as they become available and are implemented.

The DBM may consider data available in the PhilGEPS, such as opportunities, notices, and awards posted, in its evaluation and review of the proposed budgets of the agencies.

Procuring entities without Internet access may use the Public Access Terminals located in the nearest PS Depots or other public Internet facilities. For this purpose, they may also seek the assistance of the PhilGEPS Help Desk.

Government agencies with Internet access are encouraged to share their Internet facilities with those procuring entities without Internet capabilities for purposes of using the PhilGEPS.

The PS may charge fees for the use of PhilGEPS in order to sustain its operation, subject to existing rules and regulations. In line with this, the DBM shall provide funding from its appropriations for the continuous enhancement and operation of the PhilGEPS until such time that it achieves financial sustainability as determined by the Government Procurement and Policy Board (GPPB).

SECTION 6. Improving Service Delivery. In line with the directives of this Administrative Order, the PS shall strengthen its operations and shall undertake the following activities on a regular basis.

a) *Review of Product Standards and Specifications.* Periodically review product standards and specifications for common-use supplies in coordination with the Bureau of Product Standards of the Department of Trade and Industry (DTI) for the purpose of improving product quality.

b) *Expansion of Product List.* Regularly conduct a survey to determine other products commonly purchased by procuring entities for addition to the list of common-use supplies.

c) *Price Monitoring.* Regularly conduct price monitoring of common-use supplies for the purpose of benchmarking prices against the market.

d) *Expansion of Distribution System.* Encourage LGUs to establish depots in their locality, as part of their economic enterprise activity.

e) *Improvement of Inventory Management.* Develop a computerized system to manage inventories, with the primary objective of determining and controlling stock levels within the physical distribution function to balance the need for product availability against the need for minimizing stock holding and handling costs. This system shall be connected to the Virtual Store for common-use goods to enable client agencies to know the stock availability of items that they are ordering.

f) *Additional PhilGEPS Features.* Pursue the development of additional PhilGEPS features and enhancements to enhance transparency and competition such as the Expanded Suppliers' Registry, integration of Annual Procurement Plans into the system, module for contract implementation, and monitoring tools for Civil Society Organizations and Commission on Audit (COA) Auditors.

The GPPB shall conduct periodic evaluation of the performance of the centralized procurement system in terms of economy and efficiency pursuant to Section 2 of EO No. 359.

In addition, the GPPB shall also conduct periodic evaluation of all Procuring Entities in terms of their compliance with Section 63, Art. XX of RA 9187, which requires them to conduct Procurement Training Programs and produce Procurement Operations Manuals for all offices and agencies of the government.

SECTION 7. Compliance and Monitoring. Non-compliance with the provisions of this AO shall be dealt with in accordance with applicable laws, rules and regulations.

SECTION 8. Repealing Clause. All issuances, orders, rules, and regulations or parts thereof which are inconsistent with the provisions of this Administrative Order are hereby revoked and/or modified accordingly.

SECTION 9. Effectivity Clause. This Administrative Order shall take effect immediately upon publication in a newspaper of general circulation.

DONE, in the City of Manila, this 28th day of July, in the year of our Lord, Two Thousand and Eleven.

(Sgd.) BENIGNO S. AQUINO III

By the President:

(Sgd.) PAQUITO N. OCHOA, JR.

Executive Secretary