# Orientation on Government Procurement Process and Requirements related to the Grant of FY 2017 PBB

**27 June 2017**
Aguinaldo Theater, De Jesus Avenue,
Camp Aguinaldo, Quezon City

Government Oversight Partners:

CSC CESB CDA Ombudsman NCC GCG CHED LWUA DILG

Technical Secretariat and Resource Institution

# Outline of Presentation

1. Introduction
2. Government Procurement Process (RA 9184) and requirements:
   - ❑ APP and APCPI (GPPB-TSO)
   - ❑ APP of PS, PhilGEPS posting, and PhilGEPS PBB compliance (PS-PhilGEPS)
3. Roles and Responsibilities of BAC members
4. Common agency deficiencies on PhilGEPS
5. BAC members sharing session
6. Open Forum

# Introduction

## The government aims to recover public trust and confidence in government institutions through:

- Competitive bidding
- Transparent and streamlined procurement process and acquisition
- Strengthened accountability of public officials

# PhilGEPS Compliance Rate of Agencies for the Grant of PBB

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 target |
|---|---|---|---|---|---|---|---|
| **PhilGEPS** | 32% | 80% | 89% | 95% | 92% | 93% | ↑ |

# APP and APCPI Compliance Rate of Agencies for the Grant of PBB

| | 2015 | 2016 | 2017 target |
|---|---|---|---|
| **APP** | 88% | 92% | ↑ |
| **APCPI** | 94% | 95% | ↑ |

# FY 2017 PBB

## Good Governance Conditions-

✓ **Maintain / Update the agency Transparency Seal**

*(Section 93 of the General Provisions of the FY 2017 GAA)*

The agency Transparency Seal shall also include:

- **FY 2017 APP (non-CSE)** in the prescribed format under GPPB Circular No. 07-2015
- **QMS ISO Certification**
- **System of Ranking Delivery Units**
- **Freedom of Information (FOI) Manual**

✓ **Maintain / Update the PhilGEPS postings**

*(Revised IRR of RA 9184)*

- Transactions **from Nov. 16, 2016 to Nov. 15, 2017**
- Update these transactions **on or before Dec. 1, 2017**
- **Failed or cancelled bid should still be updated in PhilGEPS**

# Eligibility Criteria

- Satisfy 100% of the 2017 Good Governance Conditions.

- Head of Procuring Entity (HOPE), Chairman and Secretariat of the Bids and Awards Committee (BAC) shall not be entitled to the FY 2017 PBB of the department/agency fails to submit any of the following:

  - FY 2017 APP-nonCSE to the GPPB
  - FY 2018 APP-CSE to the DBM Procurement Service
  - Results of FY 2016 APCPI System

# Session Objectives:

1. To clarify the current guidelines and processes in complying with procurement requirements.
2. To be able to explain the roles of BAC in complying with procurement-related requirements for agency's PBB.
3. To identify procurement-related issues and concerns experienced by agencies.
4. To gain insights on good and bad procurement practices of agencies.

## Number of Agencies with PhilGEPS deficiencies for FY 2016 PBB

(as of May 15, 2017)

| | No. of agencies |
|---|---|
| Departments | 14 |
| COs | 1 |
| GOCCs covered by GCG | 8 |
| SUCs | 5 |
| LWDs | 21 |
| TOTAL | 49 |

## Top 5 Common Justifications Submitted for FY 2016 PBB

| Common Justifications | Frequency |
|---|---|
| 1. Not clear/not enough justifications | 6156 |
| 2. Posted/Awarded/For updating | 6080 |
| 3. Technical Problems with PhilGEPS | 3774 |
| 4. On-going procurement process | 2222 |
| 5. Bid Failure | 772 |

## Justifications of Non-Compliant Agencies

*no justification = 18271*

# Common agency deficiencies on PhilGEPS

## FY 2016 PBB Validation
## Good Governance Conditions

| | Issuance of NC List: ***Dec. 2*** | Issuance of NC List: ***Jan. 4*** | NC List: ***Feb. 3*** |
|---|---|---|---|
| **PhilGEPS** | Comply by: ***Dec. 29*** | Comply by: ***Jan. 30*** | No remedy |
| **Citizens' Charter** | Submit COC within 3 days upon receipt of CSC Validation | | |
| **Transparency Seal** | Comply by: ***Dec. 16*** | Comply by: ***Jan. 13*** | |
| **System of Ranking** | | | |

## No. of PhilGEPS Non-Compliant Agencies

| | Issuance of NC List: *Jan 4* | Issuance of NC List: *Feb 3* |
|---|---|---|
| | | |
| Depts | 87 | 70 |
| OEOs | 18 | 11 |
| COs | 5 | 4 |
| SUCs | 88 | 48 |
| GOCC cov by DBM | 11 | 7 |
| GOCC cov by GCG | 61 | 41 |
| LWDs | 89 | 49 |
| **TOTAL** | **359** | **230** |

# PhilGEPS Deficiencies

| | Non-Compliant with January 30 cut-off | | |
|---|---|---|---|
| | Total | No Response from Agency | With Explanation/ Communication |
| Departments | 70 | 32 | 38 |
| OEOs | 11 | 7 | 4 |
| COs | 4 | 1 | 3 |
| SUCs | 48 | 23 | 25 |
| GOCC cov by DBM | 7 | 2 | 5 |
| GOCC cov by GCG | 41 | 31 | 10 |
| LWDs | 49 | 37 | 12 |
| **Total** | **230** | **133** | **97** |

# Explanations of Non-Compliant Agencies

## Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| Posted<br>Awarded | Transaction not updated in the PhilGEPS |

## Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| The project failed and the status was updated as of April 3, 2017 | There is a facility in the PhilGEPS website to post bid failure/cancellation except for cases related to the limitation of the system to fail/cancel on a per line item basis |

## Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| The HOPE, upon proper determination, opted to declare failure of bidding and cancellation of NOA | There is a facility in the PhilGEPS website to post bid failure/cancellation except for cases related to the limitation of the system to fail/cancel on a per line item basis |

## Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| Failed bid<br>1st failure of bidding /<br>2nd failure of bidding | There is a facility in the PhilGEPS website to post bid failure/cancellation except for cases related to the limitation of the system to fail/cancel on a per line item basis |

# Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| Please see attached BAC Resolution Declaring Failure of Bidding.<br>Due to failure of bidding for the second time, the procuring agency resulted to a Negotiated Procurement as provided in the Section 53 of the revised IRR of RA 9184. | There is a facility in the PhilGEPS website to post bid failure/cancellation except for cases related to the limitation of the system to fail/cancel on a per line item basis |

# Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| The SBAC Secretary updated the Notice for Posting, but PhilGEPS site can't be reached. | PhilGEPS System Error due to multiple users |

# Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| With NOA and PO dated September 21, 2016. However, PhilGEPS Posting cannot be done as of the moment since we are still waiting for the renewal of the PhilGEPS registration of the supplier. | Contract should only be awarded to PhilGEPS registered supplier |

# Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| Awarded to supplier is not PhilGEPS registered. Included BAC resolution | Contract should only be awarded to PhilGEPS registered supplier |

# Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| Leave of absence of person in charge of posting and big work load of BAC Secretariat | Responsibility of BAC Chair and Secretariat to ensure transactions are updated in PilGEPS |
| Person in charge is not trained | |
| Requested more time since only received email | |

# Examples of Explanations provided by Agencies

| Remark from Agency | Remark of PhilGEPS |
|---|---|
| On-going transactions | Provide details in Annex 6 form |

## Annex 6: Sample Letter

## PhilGEPS Deficiencies

| | Non-Compliant Feb 4 NC List | Non-Compliant AO May 15 NC List |
|---|---|---|
| Departments | 70 | 14 |
| OEOs | 11 | - |
| COs | 4 | 1 |
| SUCs | 48 | 5 |
| GOCC cov by DBM | 7 | - |
| GOCC cov by GCG | 41 | 8 |
| LWDs | 49 | 21 |
| **Total** | **230** | **49** |

Thank you!

# Open Forum

# Reminders

## IATF Communication Channels

http://www.dap.edu.ph/rbpms

ao25secretariat@dap.edu.ph

facebook.com/PBBSecretariat

twitter.com/PBBSecretariat

0920-498-9121 / (02) 631-2139
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