

ARTICLE I - GENERAL PROVISIONS

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SECTION 1. Short Title. - This Act shall be known as the “Government Procurement Reform Act.”

SEC. 2. Declaration of Policy. - It is the declared policy of the State to promote the ideals of good governance in all its branches, departments, agencies, subdivisions, and instrumentalities, including government-owned and/or -controlled corporations, and local government units.

SEC. 3. procurement of the national government, its departments, bureaus, offices and agencies, including state universities and colleges, government-owned and/or -controlled corporations, government financial institutions and local government units, shall, in all cases, be governed by these principles:

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R.A. 9184 was signed by Her Excellency President Gloria Macapagal-Arroyo on 10 January 2003, and was published on 11 January 2003, in two (2) newspapers of general nationwide circulation, namely, Manila Times and Malaya. It took effect fifteen (15) days after its publication or on 26 January 2003.

(a) Transparency in the procurement process and in the implementation of procurement contracts.

(b) Competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in public bidding.

(c) Streamlined procurement process that will uniformly apply to all government procurement. The procurement process shall be simple and made adaptable to advances in modern technology in order to ensure an effective and efficient method.

(d) System of accountability where both the public officials directly or indirectly involved in the procurement process as well as in the implementation of procurement contracts and the private parties that deal with government are, when warranted by circumstances, investigated and held liable for their actions relative thereto.

(e) Public monitoring of the procurement process and the implementation of awarded contracts with the end in view of guaranteeing that these contracts are awarded pursuant to the provisions of this Act and its implementing rules and regulations, and that all these contracts are performed strictly according to specifications.

SEC. 4. Scope and Application. - This Act shall apply to the Procurement of Infrastructure Projects, Goods, and Consulting Services, regardless of source of funds, whether local or foreign, by all branches and instrumentalities of government, its departments, offices and agencies, including government-owned and/or -controlled corporations and local government units, subject to the provisions of Commonwealth Act No. 138. Any treaty or international or executive agreement affecting the subject matter of this Act to which the Philippine government is a signatory shall be observed.

SEC. 5. Definition of Terms. - For purposes of this Act, the following terms or words and phrases shall mean or be understood as follows:

[SECTION 5A](#)

[SECTION 5B](#)

[SECTION 5C](#)

[SECTION 5D](#)

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(a) Approved Budget for the Contract (ABC) - refers to the budget for the contract duly approved by the Head of the Procuring Entity, as provided for in the General Appropriations Act and/or continuing appropriations, in the case of National Government Agencies; the Corporate Budget for the contract approved by the governing Boards, pursuant to E.O. No. 518, series of 1979, in the case of Government-Owned and/or - Controlled Corporations, Government Financial Institutions and State Universities and Colleges; and the Budget for the contract approved by the respective Sanggunian, in the case of Local Government Units.

(b) BAC - refers to the Bids and Awards Committee established in accordance with Article V of this Act.

(c) Bidding Documents - refers to documents issued by the Procuring Entity as the basis for Bids, furnishing all information necessary for a prospective bidder to prepare a bid for the Goods, Infrastructure Projects, and Consulting Services to be provided.

(d) Bid - refers to a signed offer or proposal submitted by a supplier, manufacturer, distributor, contractor or consultant in response to the Bidding Documents.

(e) Competitive Bidding - refers to a method of procurement which is open to participation by any interested party and which consists of the following processes: advertisement, pre-bid conference, eligibility screening of prospective bidders, receipt and opening of bids, evaluation of bids, post-qualification, and award of contract, the specific requirements and mechanics of which shall be defined in the IRR to be promulgated under this Act.

(f) Consulting Services - refer 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 and/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 technical services or special studies.

(g) G-EPS - refers to the Government Electronic Procurement System as provided in Section 8 of this Act.

(h) Goods - refer to all items, supplies, materials and general support services, except consulting services and infrastructure projects, which may be needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity, whether in the nature of equipment, furniture, stationery, materials for construction, or personal property of any kind, including non-personal or contractual services such as the repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services, as well as procurement of materials and supplies provided by the procuring entity for such services.

(i) GPPB - refers to the Government Procurement Policy Board established in accordance with Article XX of this Act.

(j) Head of the Procuring Entity - refers to:

(i) the head of the agency or his duly authorized official, for national government agencies;

(ii) the governing board or its duly authorized official, for government-owned and/or -controlled corporations; or

(iii) the local chief executive, for local government units. Provided, That in a department, office or agency where the procurement is decentralized, the Head of each decentralized unit shall be considered as the Head of the Procuring Entity subject to the limitations and authority delegated by the head of the department, office or agency.

(k) 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.

(L) IRR - refer to the implementing rules and regulations to be promulgated in accordance with Section 75 this Act.

(m) Portal - refers to a website that aggregates a wide variety of content for the purpose of attracting a large number of users.

(n) Procurement - refers to the acquisition of Goods, Consulting Services, and the contracting for Infrastructure Projects by the Procuring Entity. Procurement shall also include the lease of goods and real estate. With respect to real property, its procurement shall be governed by the provisions of Republic Act No. 8974, entitled An Act to Facilitate the Acquisition of Right-of-Way Site or Location for National Government Infrastructure Projects and for Other Purposes, and other applicable laws, rules and regulations.

(o) Procuring Entity - refers to any branch, department, office, agency, or instrumentality of the government, including state universities and colleges, government- owned and/or -controlled corporations, government financial institutions, and local government units procuring Goods, Consulting Services and Infrastructure Projects.

Sec 6. Standardization of Procurement Process and Forms. -To systematize the procurement process, avoid confusion and ensure transparency, the procurement process, including the forms to be used, shall be standardized insofar as practicable.

For this purpose, the GPPB shall pursue the development of generic procurement manuals and standard bidding forms, the use of which once issued shall be mandatory upon all Procuring Entities.