



## RESOLUTION NO. 39-2017

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### **APPROVING AND ADOPTING THE 2017 REVISED AGENCY PROCUREMENT COMPLIANCE AND PERFORMANCE INDICATORS (APCPI) SYSTEM AS THE PROCUREMENT MONITORING AND ASSESSMENT TOOL OF THE GOVERNMENT OF THE PHILIPPINES**

**WHEREAS**, Section 63 of Republic Act (RA) 9184 mandates the Government Procurement Policy Board (GPPB) to ensure the proper implementation by Procuring Entities of the Act, its Implementing Rules and Regulations (IRR) and all other relevant rules and regulations pertaining to public procurement and to conduct an annual review of the effectiveness of the Act and recommend any amendments thereto, as may be necessary;

**WHEREAS**, the 2008 Country Procurement Assessment Report (CPAR) identified several recommendations to improve public procurement systems in the Philippines, among them: 1) the development and strengthening of the procurement monitoring system at the agency and national levels; 2) the development of systems for the analysis of procurement related information and linkage with other government-related databases for policy and decision making purposes; and 3) the need to strengthen the capacity of the GPPB - Technical Support Office (TSO) to monitor compliance with the procurement law among government agencies;

**WHEREAS**, the GPPB-TSO with support from the World Bank, started developing the Agency Procurement Compliance and Performance Indicators (APCPI), in the early part of 2010, a self-assessment tool of procuring entities based on the Base Line Indicator and Compliance and Performance Indicator Systems of the Organisation for Economic Co-operation and Development – Development Assistance Committee (OECD-DAC) Methodology for the Assessment of National Procurement Systems (MAPS), the Agency Procurement Performance Indicators (APPI), and the Online Monitoring Evaluation System (OMES) used by GPPB to measure and evaluate agency procurement practices;

**WHEREAS**, the GPPB, through Resolution No. 10-2012, resolved to confirm, adopt, and approve the use of the APCPI as the standard procurement monitoring and assessment tool of the Philippine Government on 1<sup>st</sup> day of June 2012;

**WHEREAS**, the OECD-DAC released the MAPS, Version of 2016, for public consultations on 1 August 2016 to 31 October 2016;

**WHEREAS**, the GPPB, through Resolution No. 13-2016, resolved to confirm, adopt, and approve the 2016 Revised IRR of RA 9184 and its relevant Annexes, on 9th day of August 2016;

**WHEREAS**, the GPPB-TSO updated the APCPI in view of the 2016 IRR of RA 9184, the 2016 version of the OECD-MAPS, and feedback and comments from procuring entities that have implemented the APCPI system;

**WHEREAS**, the proposed updated APCPI was presented to the Inter Agency Technical Working Group, which deliberated, and approved to recommend with modifications to the GPPB the proposed revisions on the APCPI, during its 7<sup>th</sup> meeting held on 14 December 2017;

**WHEREAS**, the revised 2017 APCPI system was presented to the Government Procurement Policy Board in the Joint GPPB and IATWG meeting held on 21 December 2017, and was unanimously approved ;

**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 use of the 2017 APCPI system as the procurement monitoring and assessment tool of the Philippine Government. A copy of the APCPI User’s Guide is hereto attached as **Annex “A”** of this Resolution.

This resolution shall take effect immediately.

**APPROVED** this 21<sup>st</sup> day of December 2017 at Pasig City, Philippines

Sgd.

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**DEPARTMENT OF BUDGET AND  
MANAGEMENT**

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**NATIONAL ECONOMIC AND  
DEVELOPMENT AUTHORITY**

Sgd.

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**DEPARTMENT OF EDUCATION**

Sgd.

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**DEPARTMENT OF ENERGY**

Sgd.

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**DEPARTMENT OF FINANCE**

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**DEPARTMENT OF HEALTH**

Sgd.

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**DEPARTMENT OF THE INTERIOR  
AND LOCAL GOVERNMENT**

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**DEPARTMENT OF NATIONAL  
DEFENSE**

Sgd.

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**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

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**DEPARTMENT OF SCIENCE AND  
TECHNOLOGY**

Sgd.

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**DEPARTMENT OF TRADE AND  
INDUSTRY**

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**DEPARTMENT OF TRANSPORTATION  
AND COMMUNICATIONS**

Sgd.

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**DEPARTMENT OF INFORMATION  
AND COMMUNICATION  
TECHNOLOGY**

Sgd.

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**PRIVATE SECTOR REPRESENTATIVE**



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**AGENCY PROCUREMENT COMPLIANCE AND  
PERFORMANCE INDICATORS (APCPI) SYSTEM USER’S GUIDE**

**SECTION ONE: INTRODUCTION**

**1. Background**

The 2008 Country Procurement Assessment Report (CPAR) of the World Bank identified several recommendations to improve public procurement systems in the Philippines, among them: the development and strengthening of the procurement monitoring system at the agency and national levels; the development of systems for the analysis of procurement related information and linkage with other government-related databases for policy and decision making purposes; and the need to strengthen the capacity of the Government Procurement Policy Board - Technical Support Office (GPPB-TSO) to monitor compliance with the procurement law among government agencies. Under Section 63.1 of RA 9184, otherwise known as the Government Procurement Reform Act, the GPPB is vested with the responsibility of ensuring the proper implementation of relevant rules and regulations pertaining to public procurement and the TSO with evaluating the effectiveness of the government procurement system. In this regard, the Agency Procurement Compliance and Performance Indicators (APCPI) was approved by the GPPB as a methodology to assess the performance of a government agency’s procurement activities and to compare its effectiveness against that of the national public procurement systems and international best practices and standards using baseline standards and indicators.

The APCPI is derived from the Baseline Indicator System (BLI) and Compliance and Performance Indicator (CPI) Systems prescribed guidelines under the OECD-DAC Methodology for the Assessment of National Procurement Systems (MAPS) where the Philippines served as a pilot country. It is also a modification of the Agency Procurement Performance Indicators (APPI) and the Online Monitoring and Evaluation System (OMES) used by the GPPB to measure and evaluate the effectiveness of the procurement practices of various government agencies, and approximate the methodology and criteria prescribed by the current OECD-DAC guidelines.

In July 2016, the revised MAPS was shared for public consultations. Moreover, the Implementing Rules and Regulations of RA 9184 was amended and took effect on 28 October 2016. Thus, this User’s Guide has been updated to harmonize with the revised MAPS and 2016 IRR of RA 9184.

**Objectives and Purposes of the Assessment:**

The APCPI has the following objectives and purposes:

- a. To provide a standard procurement performance monitoring and evaluation tool for use by all procuring entities on a regular basis;

- b. To identify strengths and weaknesses in the agency’s procurement systems and to develop an Action Plan for Procurement Improvement to address the areas of risk and weakness;
- c. To utilize the information submitted by the agencies as part of the procurement database that will be linked to other government related databases to analyze national procurement performance for more effective policy and decision making; and,
- d. To assist in strengthening the GPPB-TSO capability in monitoring national compliance with procurement regulations and in implementing the agency level Action Plans.

**3. General Considerations**

The APCPI assessment is the responsibility of the Head of the Procuring Entity (HOPE) with the assistance of the Bids and Awards Committee (BAC) and its Secretariat and other departments/divisions/units concerned within the procuring entity. The head of the BAC Secretariat and his staff shall be responsible for the conduct of the assessment and internal coordination of all relevant stakeholders and shall submit the results to the BAC who will review the findings and results, and subsequently submit the same to the Confirmation Team for verification and to the HOPE for approval. The HOPE however, in its discretion, may create an *ad hoc* Assessment Committee for purposes of the assessment which will be conducted on an annual basis on the first quarter of the year, and will cover performance and accomplishments of the previous year. Agencies with attached agencies/offices, regional and sub-regional units are encouraged to conduct the assessment at the same time and to submit the results and the report to the BAC Secretariat or the ad hoc Assessment Committee at the Central Office for consolidation into a single agency report. Upon completion, final review, confirmation and approval of the APCPI results by the HOPE, the BAC Secretariat of the Central Office shall immediately submit a copy of the consolidated report to GPPB TSO.

**4. The Indicators**

There are four key areas - called "Pillars" – that characterize the basic elements of an agency’s procurement as patterned after the national public procurement system. These “pillars” are further defined by a number of baseline indicators and sub-indicators to which the existing elements of the agency’s procurement system may be assessed. These are:

Pillar I	Compliance with the Legislative and Regulatory Framework
Pillar II	Agency Institutional Framework and Management Capacity
Pillar III	Procurement Operations and Market Practices
Pillar IV	Integrity and Transparency of the Agency Procurement System

The APCPI consists of sixteen (16) indicators and forty-one (41) sub-indicators representing the four pillars. The APCPI shall be based on a review of an agency’s compliance with the implementation of the procurement law in its central office and its regional and sub-regional units, of actual procurement contracts and of the participation of other procurement stakeholders such as bidders and observers of the Bids and Awards Committees (BACs).

In order to harmonize with the revised OECD-MAPS of 2016, sub-indicators shall also be classified as Core or Conditional. The self-assessment for Core sub-indicators are mandatory for all Procuring Entities while Conditional sub-indicators are complied with if certain conditions are met. Each sub-indicator will be classified according to the foregoing.

The use of the APCPI is an important aspect in monitoring the effectiveness of procurement reforms as well as in the implementation of measures to help the agency identify their strengths and weak areas and to address these weaknesses in the overall public procurement system. The APCPI will provide useful information for the management of the system and for a more in-depth review of deficiencies that can also pinpoint specific areas of risk or weakness in the implementation process.

The results of the assessment will thus, serve as a roadmap on areas of strengths, weaknesses and improvements in the agency's procurement processes, and will assist the GPPB and other related national agencies in enhancing current procurement reform strategies and regulations.

## **5. Assessment Methodology**

The head of the BAC Secretariat or the *ad hoc* Assessment Committee constituted by the HOPE shall be responsible for the conduct of the assessment and shall coordinate with the respective units within the agency, including its internal and external (COA) auditors to ensure the availability of information.

There are six major steps in the conduct of an APCPI assessment. These are:

### **5.1. Data Collection**

The following are some of the prescribed data-gathering instruments to be used in the conduct of an APCPI assessment:

- a. Annual Procurement Plan (APP) – this is the regular form of consolidated PMPs by the BAC and approved by the HOPE. The APPs to be reviewed shall include the original as well as the supplemental amendments made during the year;
- b. Procurement Monitoring Report (PMR) - Under Sec. 12.2 of the 2016 revised IRR of RA 9184, the BAC prepares a procurement monitoring report in the form prescribed by the GPPB, which shall cover all procurement activities specified in the APP, whether ongoing and completed, from the holding of the pre-procurement conference to the issuance of notice of award and approval of the contract, including the standard and actual time for each major procurement activity. The PMR shall be approved and submitted by the head of the procuring entity to the GPPB in printed and electronic format within fourteen (14) calendar days after the end of each semester;
- c. Consolidated Procurement Monitoring Report (CPMR) – this form found in Annex B provides a profile of agency procurement for one

calendar/fiscal year which include information such as breakdown of APP according to types and methods of procurement, number of procurement activities, number and value of contracts together with contracts awarded with only one (1) bidder participating, number of failed biddings, number of posting in PhilGEPS website for invitations to bid and contracts awarded, number of bidders who acquired bidding document, who submitted bids, and who passed bid evaluation; number of contracts awarded within prescribed timeframes. These shall be submitted together with the APCPI Assessment Form (Annex “A” of this User’s Guide);

- d. PhilGEPS Data – these include such information as the number of bid opportunities, contract award and procurements using alternative methods notices posted at the PhilGEPS. The agency shall use information based on its own records and data posted at PhilGEPS;
- e. Procurement related documents, such as, but not limited to: Office Orders creating the BAC and BAC Secretariat, procurement contracts, Bidding Documents, submitted Bids, Abstract of Bids, Supplemental Bid Bulletins, Minutes of Meetings, Request/s for Reconsideration, Protest and Resolutions, and Observer’s Report, COA Audit Reports/APYAR; and
- f. Contract Management Records such as, but not limited to: payment schedules, purchase requests, purchase orders, delivery receipts, receiving reports, and invoices, etc.

## **5.2. Data Consolidation and Scoring**

The BAC Secretariat shall complete the above data gathering instruments based on records of all procurements conducted for the previous year. It is strongly recommended that these data be lodged in a database (i.e. CPMR) during, and not after, the target procurement year. When all the information in the instruments is ready, the BAC Secretariat shall consolidate such using the APCPI Assessment Form found in Annex A. It shall also provide information on other indicators that are not included in the abovementioned instruments (e.g. procedures for evaluating performance of procurement personnel, among others) and shall organize the supporting documents for submission to GPPB.

## **5.3 Scoring and Rating System**

The APCPI scoring system uses a four point rating scale based on:

- 1. Recommended benchmarks obtained from the average scores of a pilot assessment for eighteen (18) government agencies conducted earlier; and
- 2. A scoring criteria based on a set of conditions.

The rating system ranges from a score of poor (0) to very satisfactory (3) for each sub-indicator (*Refer to Annex C*). Most sub-indicators have recommended benchmark or threshold: performance above the threshold or meeting a particular condition will merit either a satisfactory or very satisfactory rating and

performance below will receive either an acceptable or poor score. The ranges and scores vary depending on the sub-indicator.

For indicators with a scoring criteria based on a set of conditions, the rating varies depending on the conditions met by the procuring entities. The electronic copy of the CPMR has embedded formula wherein the procuring entity can record the information in the fields provided and an additional worksheet in the file automatically calculates their scores for related sub-indicators. The procuring entity may refer to these formulas in the event they wish to compute their rating for the sub-indicators manually.

A column for comments portion of the assessment form is provided to discuss the reasons behind the score, in the same manner, provide information that may not be reflected by the numeric score. The assessor should exert every effort to provide scores for each sub-indicator. Each score has equivalent rating. After all sub-indicators have received the corresponding score and ratings, the assessors shall aggregate the scores and ratings to obtain an overall score and rating. From these, the assessor should have a profile of strengths and weaknesses of the agency procurement system.

The scoring and rating systems are indicative measure of the actual procurement performance of an agency and should really be used more to identify areas of strength and improvement in its procurement processes. The quantitative information requested for certain sub-indicators will be used by the GPPB in its own procurement monitoring database.

In computing the final score and rating, the procuring entity may refer to the electronic copy of the Assessment Form and input their rating for each indicator based on the Scoring System. The electronic copy of the Assessment Form has embedded formulas that compute the scores for each Pillar and subsequently, the total score of the procuring entity. The average of the ratings for each indicator in each Pillar shall be calculated; then, the average score for all four Pillars shall comprise the procuring entity's total score.

#### **5.4 Analysis of Results and Identification of Strengths and Weaknesses**

Upon completion of the assessment form, the agency shall have a picture of the performance of its procurement system based on the identified set of indicators. The results should not be used to compare the agency's score against that of other agencies but to provide a benchmark against which it will measure its own subsequent performance. The assessors shall then identify areas of strength (sub-indicators receiving a Satisfactory or Very Satisfactory score) where it can continue to improve and weaknesses (sub-indicators rated poor or acceptable) where it needs to develop a specific plan of action. The results shall be discussed first within the BAC and then with the HOPE.

#### **5.5 Preparation of Action Plan to Improve Procurement Capacity**

A document that will outline the strategy and proposal on how to improve Procurement Capacity shall be developed by the BAC in coordination with the

concerned units of the agency and presented to the HOPE for approval. (*Refer to Annex D for prescribed template*)

Upon approval, the HOPE shall submit the Action Plan together with the confirmed Assessment Form (Annex A and D) and all supporting documents including Annex B to the GPPB.

### 5.6 Confirmation of the Assessment Form

The confirmation process is an important feature of the APCPI Assessment which highlights procurement transparency, public monitoring and accountability. The confirmation process defines an analytical requirement

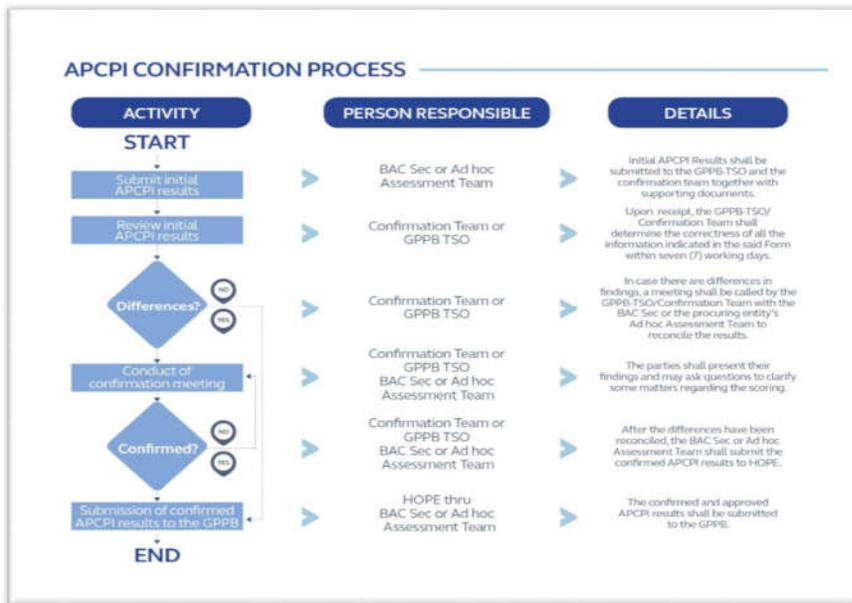


Fig. 1 - Confirmation Process Flow

which confirms that the APCPI results under consideration are consistent with what the assessment requires. The Confirmation Team shall take the role of an independent entity that will carry on the task of confirming the results of the APCPI using the same set of data used in the conduct of the APCPI. The confirmation team shall check the APCPI results of the procuring entity in terms of completeness, correctness, consistency and responsiveness. The confirmation team shall be identified by the GPPB-TSO and assigned to the procuring entity concerned.

### 6. Access to Information

All information related to the APCPI assessment shall be confidential and may not be shared in whole or in part without knowledge and written consent of the procuring entity.

However, final ratings and scores of each agency may be shared in whole or in part by the GPPB-TSO upon written request made by proper parties. The GPPB-TSO shall notify the concerned procuring entity for such action.

## SECTION TWO: ASSESSMENT METHODOLOGY

### *Pillar I — Legislative and Regulatory Framework*

Pillar I looks at compliance with key legal requirements under RA 9184 and its IRR as it relates to competitiveness.

#### **Indicator 1. Competitive Bidding as Default Method of Procurement<sup>1</sup>**

Section 10 of RA 9184 and its IRR states that all procurement shall be done through competitive bidding, except as provided in Rule XVI. Competitive bidding is defined in R.A. 9184 and its IRR as the 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, award of contract and issuance of notice to proceed. This is in conjunction with OECD DAC MAPS Indicator 1(b) requiring the legal framework of a national system to make open competitive tendering the default method of procurement.

The purpose of this sub-indicator is to determine if the procuring entity complies with the requirement on competitive bidding. Through the Consolidated Procurement Monitoring Report (CPMR)<sup>2</sup>, it is important to determine if competitive bidding is the default method of procurement (at least seventy percent (70%) of all procurements in terms of value and 21% in terms of volume). In case competitive bidding is less than seventy percent (70%) of total procurement in terms of value, the Procuring Entity will need to explain the reason in the comment portion of the assessment form (e.g., most procurements are for office supplies or goods that may be obtained through the Procurement Service). The Procuring Entity should also make sure that the prevailing contract management practices ensures that there is no splitting of contracts to avoid competitive bidding.

Furthermore, Limited Source Bidding as an alternative modality, as prescribed under Section 49 or the revised 2016 Implementing Rules and Regulations (IRR) of Republic Act No. 9184 (RA 9184) is also included in this pillar for the reason that all the procedures for competitive bidding should be undertaken, except for the advertisement of Invitation to Bid/Request for Expression of Interest under Section 21.2.1 of the IRR.

Lastly, for common use supplies and equipment which should be mandatorily be procured using Negotiated Procurement - Agency-to-Agency modality through the Department of Budget and Management-Procurement Service (DBM-PS), the amount of contracts awarded and the number of procurement activities as prescribed by Letter of Instructions 755 Series of 1978, Executive Order No. 359 Series of 1989, and Administrative Order No. 17 Series of 2011, and printing services involving Accountable Forms and Sensitive High Quality/Volume requirements which should be procured from

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<sup>1</sup> Under this Indicator, note that for Procuring Entities with foreign-funded procurement adopting IFI rules, the data for Row 3 (Foreign Funded Procurement) and its sub rows must be included in getting the percentage of competitive bidding contracts and alternative methods of contracts, in terms of amount and volume.

<sup>2</sup> Annex B of the User's Guide

any of the three (3) Recognized Government Printers (RGPs) through an Agency-to-Agency Agreement pursuant to Section 53.5 of the revised Implementing Rules and Regulations (IRR) of RA 9184, as prescribed under the General Appropriations Act (GAA).

There are two **core** sub indicators used to measure agency compliance with the requirements of RA 9184.

These are:

Core Sub-Indicator 1a. Percentage of competitive bidding and limited source bidding contracts in terms of amount of total procurement.

This percentage is obtained by dividing the total amount of contracts awarded through competitive bidding for goods and services, civil works and consulting services and limited source bidding by the total amount of all contracts awarded less the total amount of contracts procured through DBM-PS and from any of the three (3) RGPs as found in the CPMR Column No. 5 and multiplying the answer by 100.

*For this sub indicator:*

$$\frac{\text{Column No. 5 of Competitive Bidding Subtotal + Column No. 5 of Row 2.4 (Limited Source Bidding)}}{\text{Total amount of Column No. 5 – (Column No. 5 of Row 2.5.1 + Column No. 5 of Row 2.5.2)}} \times 100$$

Scoring Range	Qualitative Rating	Numerical Score
Percentage is above 91-100%	Very Satisfactory	3
Percentage is between 81-90.99%	Satisfactory	2
Percentage is between 70-80.99%	Acceptable	1
Percentage is below 70%	Poor	0

Core Sub-Indicator 1b. Percentage of competitive bidding and limited source bidding contracts in terms of volume of total procurement.

This percentage is obtained by dividing the total number of contracts awarded through competitive bidding for goods and services, civil works and consulting services and limited source bidding by the total number of all contracts awarded less the total number of all contracts procured through DBM-PS and from any of the three (3) RGPs, as found in the CPMR Column No. 4 and multiplying the answer by 100.

For this sub indicator:

**Column No. 4 of Competitive Bidding Subtotal +  
Column No. 4 of Row 2.4 (Limited Source Bidding)**  
----- X 100  
**Total number of activities of Column No. 4 –  
(Column No. 4 of Row 2.5.1 + Column No. 4 of Row 2.5.2)**

Scoring Range	Qualitative Rating	Numerical Score
Percentage is above 50%	Very Satisfactory	3
Percentage is between 40-50%	Satisfactory	2
Percentage is between 20 – 39.99%	Acceptable	1
Percentage is below 20%	Poor	0

### Indicator 2. Limited Use of Alternative Methods of Procurement<sup>3</sup>

Sections 48 to 54 of RA 9184 and its IRR stipulate that alternative methods of procurement may be resorted to only in highly exceptional cases and shall be indicated in the approved Annual Procurement Plan. This indicator is used to determine whether the agency resorts to alternative methods of procurement as defined under Sections 48 to 54 of IRR, whether the alternative methods are included in the approved Annual Procurement Plan (APP), and whether prerequisite conditions for its use are complied with as provided under the law. This may be done through a review of the Annual Procurement Plan (APP) identifying the alternative procurement methods and its value, and the Consolidated Procurement Monitoring Report. If such conditions are not complied with, the BAC Secretariat shall determine the reasons for such and include the findings in the comments portion of the Assessment Form. For procuring entities that resort to alternative methods of procurement as the prevailing mode, the HOPE should review its procurement processes to find ways of minimizing the use of such method and maximizing the use of competitive bidding.

Core Sub-Indicator 2a. Percentage of shopping contracts in terms of amount of total procurement

This *percentage* is obtained by dividing the amount of contracts awarded through Shopping by the total *amount* of all contracts awarded as found in the CPMR Column No. 5 less total amount of contracts awarded for common use supplies and equipment procured through DBM-PS and from any of the three (3) RGPs and multiplying the answer by 100.

<sup>3</sup> Under this Indicator, note that for Procuring Entities with foreign-funded procurement adopting IFI rules, the data for Row 3 (Foreign Funded Procurement) and its sub rows must be included in getting the percentage of contracts procured through alternative methods of contracts, in terms of amount and volume.

For this sub indicator:

**Total amount of contract awarded through shopping  
(Rows 2.1.1, 2.1.2 and 2.1.3) on Column No. 5**

----- X 100

**Total amount of all contracts [Column No. 5, last Row –  
(Column No. 5 of Row 2.5.1 + Column No. 5 of Row 2.5.2)]**

Scoring Range	Qualitative Rating	Numerical Score
Percentage is below 4%	Very Satisfactory	3
Percentage is between 4-5.99 %	Satisfactory	2
Percentage is between 6-7 %	Acceptable	1
Percentage is above 7 %	Poor	0

Core Sub-Indicator 2b. Percentage of negotiated contracts in terms of amount of total procurement

This *percentage* is obtained by dividing the total amount of contracts awarded through Negotiation by the total amount of all contracts awarded as found in the CPMR Column No. 5 less total amount of contracts awarded for common use supplies and equipment procured through DBM-PS and from any of the three (3) RGPs and multiplying the answer by 100.

For this sub indicator:

**Total amount of contract awarded through negotiation  
(Rows 2.5.3, 2.5.4, 2.5.5 and 2.5.6) on Column No. 5**

----- X 100

**Total amount of all contracts [Column No. 5, last Row –  
(Column No. 5 of Row 2.5.1 + Column No. 5 of Row 2.5.2)]**

Scoring Range	Qualitative Rating	Numerical Score
Percentage is below 6%	Very Satisfactory	3
Percentage is between 6-10.99%	Satisfactory	2
Percentage is between 11 - 15%	Acceptable	1
Percentage is above 15%	Poor	0

Core Sub-Indicator 2c. Percentage of direct contracting in terms of amount of total procurement

This percentage is obtained by dividing the total amount of contracts awarded through direct contracting by the total amount of all contracts awarded as found in the CPMR Column No. 5 less total amount of contracts awarded for common use supplies and equipment procured through DBM-PS and from any of the three (3) RGPs and multiplying the answer by 100.

For this sub indicator:

**Total amount of contract awarded through direct contracting (Row 2.2.1 and 2.2.2) on Column No. 5**

----- X 100

**Total amount of all contracts [Column No. 5, last Row – (Column No. 5 of Row 2.5.1 + Column No. 5 of Row 2.5.2)]**

Scoring Range	Qualitative Rating	Numerical Score
Percentage is below 1%	Very Satisfactory	3
Percentage is between 1-2.99%	Satisfactory	2
Percentage is between 3-4%	Acceptable	1
Percentage is above 4%	Poor	0

Core Sub-Indicator 2d. Percentage of repeat order contracts in terms of amount of total procurement

This *percentage* is obtained by dividing the total amount of contracts awarded through repeat order by the total amount of all contracts awarded as found in the CPMR Column No. 5 less total amount of contracts awarded for common use supplies and equipment procured through DBM-PS and from any of the three (3) RGPs and multiplying the answer by 100.

For this sub indicator:

**Total amount of contract awarded through repeat order (Row 2.3.1 and 2.3.2) on Column No. 5**

----- X 100

**Total amount of all contracts [Column No. 5, last Row – (Column No. 5 of Row 2.5.1 + Column No. 5 of Row 2.5.2)]**

Scoring Range	Qualitative Rating	Numerical Score
Percentage is below 1%	Very Satisfactory	3
Percentage is between 1-2.99%	Satisfactory	2
Percentage is between 3-4%	Acceptable	1
Percentage is above 4%	Poor	0

Conditional Sub-Indicator 2e. Compliance with Repeat Order procedures.

This conditional sub-indicator aims to determine the Procuring Entity’s compliance with the conditions set forth under Section 51 of the revised 2016 IRR of RA 9184 for the use of repeat order as an alternative modality. Since this alternative modality can only be resorted to by the PE only after competitive bidding was resorted to, this sub-indicator gives premium to its proper adoption of the conditions for its implementation. If it does not have any procurement contracts awarded for this modality, this sub-indicator is not applicable.

Since all conditions must be present prior to resorting to any Alternative Mode of Procurement, it must be noted that a failure of the PE to comply with a single criterion will mean non-compliance with a numerical score of zero.

This is verified by randomly checking the PE’s procurement documents relative to their conduct of repeat order.

*Scoring Criteria:*

- a) Original contract was awarded through competitive bidding;
- b) The goods under the original contract must be quantifiable, divisible and consisting of at least four (4) units per item;
- c) The unit price is the same or lower than the original contract awarded through competitive bidding which is advantageous to the government after price verification;
- d) The quantity of each item in the original contract should not exceed 25%; and,
- e) Modality was used within 6 months from the contract effectivity date stated in the NTP arising from the original contract, provided that there has been a partial delivery, inspection and acceptance of the goods within the same period;

Scoring Range	Qualitative Rating	Numerical Score
Compliant	Very Satisfactory	3
Not Compliant	Poor	0

**Conditional Sub-Indicator 2f. Compliance with Limited Source Bidding procedures.**

This conditional sub-indicator aims to determine the Procuring Entity’s compliance with the conditions set forth under Section 49 of the revised 2016 IRR of RA 9184 for the use of limited source bidding as an alternative modality. Since selective bidding has semblance to competitive bidding, this sub-indicator gives premium to Procuring Entity’s adopting such modality. If the procuring entity does not have any procurement contracts awarded for this modality, this sub-indicator is not applicable.

Since all conditions must be present prior to resorting to any Alternative Mode of Procurement, it must be noted that a failure of the PE to comply with a single criterion will mean non-compliance with a numerical score of zero.

This is verified by randomly checking the PE’s procurement documents relative to their conduct of LSB.

*Scoring Criteria:*

- a) Upon recommendation by the BAC, the HOPE issues a Certification resorting to LSB as the proper modality;
- b) Preparation and issuance of a List of Pre-Selected Suppliers/Consultants by the PE or an identified relevant government authority;
- c) Transmittal of the Pre-Selected List by the HOPE to the GPPB;

- d) Within 7cd from the receipt of the acknowledgement letter of the list by the GPPB, the PE posts the procurement opportunity at the PhilGEPS website, agency website, if available and at any conspicuous place within the agency.

Scoring Range	Qualitative Rating	Numerical Score
Compliant	Very Satisfactory	3
Not Compliant	Poor	0

**Indicator 3 — Competitiveness of the Bidding Process**

This indicator looks at the competitiveness of the bidding process within the procuring entity through the participation of a sufficient number of bidders acquiring, submitting bid documents and passing bid evaluation within the agency procurement processes and the sufficiency of the period allotted by the procuring entity to the bidders in preparation of the bids. This should result in keen competition, better prices, higher level of confidence of the private sector and equitable distribution of business. The Procuring Entity shall review all contract documents for this indicator. If they find out that there are insufficient bidders buying bid documents, submitting bids and passing bid evaluation or if the period given is insufficient to prepare bids, they should explain the reasons and include the findings in the appropriate column of the Assessment Form.

For sub-indicators 3a to 3c, the average is calculated using the total number of procurement activities conducted in Column 3 of the CPMR. Procurement activities refer to all procurement opportunities posted and/or advertised. If a contract to be bid out consists of more than one lot/item, the number of procurement opportunities shall be based on the actual number of lots/items as intended to be awarded.

Conditional Sub-indicator 3a. Average number of entities who acquired bidding documents

The result of this sub-indicator is obtained through a review of all contracts awarded through competitive bidding. The average number of entities acquiring bid documents is calculated by adding the total number of entities who acquired bid documents (CPMR Column 7), and dividing them by the number of procurement activities in Column 3 of the CPMR. The total number of entities shall be based on the agency records and the PhilGEPS, if applicable. For procurement per lot or line item, the number of entities who acquired bidding documents shall be counted per lot or per line item as they are considered as separate procurement activities.

Only bidders who purchased the bidding documents from the Procuring Entity are considered. If the bidding documents are free of charge, bidders who obtained bidding documents from the PhilGEPS Website are also included.

*For this sub indicator:*

**Sub-total of number of entities who acquired bidding documents on competitive bidding contracts (Column 7)**

-----  
**Sub-total of number of procurement activities through competitive bidding (Column 3)**

Scoring Range	Qualitative Rating	Numerical Score
6 and above	Very Satisfactory	3
4 to 5.99	Satisfactory	2
3 to 3.99	Acceptable	1
Below 3	Poor	0

Conditional Sub-indicator 3b. Average number of bidders who submitted bids

The average number of bidders submitting bid documents is calculated by adding the total number of entities submitting bid documents for all contracts awarded through competitive bidding (CPMR Column 8) and dividing by the number of procurement activities through competitive bidding in Column 3 of the CPMR. Procurement activities refer to all procurement opportunities posted and/or advertised. On instances where a contract to be bid out consists of more than one lot or line items, the number of procurement opportunities shall be based on the actual number of lots or line items.

This is verified from the minutes of the meeting of the bid opening and/or the abstract of bids.

*For this sub indicator:*

**Sub-total of number of entities who submitted bids on competitive bidding contracts (Column 8)**

**Sub-total of number of procurement activities through competitive bidding (Column 3)**

Scoring Range	Qualitative Rating	Numerical Score
5 and above	Very Satisfactory	3
3 to 4.99	Satisfactory	2
2 to 2.99	Acceptable	1
Below 2	Poor	0

Conditional Sub-Indicator 3c<sup>4</sup>. Average number of bidders who passed eligibility stage  
The average number bidders who passed the eligibility stage is calculated by adding the total number of bidders who passed the eligibility stage (CPMR Column 9) and dividing them by the number of procurement activities through competitive bidding in Column 3 of the CPMR. Under Section 30 of the IRR, the eligibility stage is the process of opening the two bid envelopes containing the eligibility and technical documents to determine the bidders' compliance with the requirements using the non-discretionary "pass-fail" criterion. For consulting services, the stage contemplated in this sub-indicator is the bid evaluation stage under Section 33 of the revised 2016 IRR of RA 9184 and not the

<sup>4</sup> While it is true that this sub-indicator may signify either efficiency or inefficiency of the BAC and/or the bidders, there was a recommendation to retain it provided that aside from the numerical rating, comments and findings shall also be taken into account to understand whether the reasons for ineligibility or disqualification of bidders refer to efficiency or inefficiency of the BAC and/or bidder. (Refer to 3<sup>rd</sup> column of Annex A of the APCPI User's Guide to include comments and findings for this sub-indicator.)

eligibility stage as a condition for the shortlisting of bidders as provided forth in Section 24 of the revised 2016 IRR of RA 9184.

*For this sub indicator:*

**Sub-total of number of bidders who passed eligibility stage  
(Column 9)**

-----  
**Sub-total of number of procurement activities  
through competitive bidding (Column 3)**

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
3 and above	Very Satisfactory	3
2 to 2.99	Satisfactory	2
1 to 1.99	Acceptable	1
Below 1	Poor	0

Conditional Sub-Indicator 3d. Sufficiency of period to prepare bids

One of the major factors affecting competition is the period allotted to prospective bidders to prepare their bids. To ensure that enough time is provided to prospective bidders to prepare a responsive bid, the procuring entity shall: (1) make the bidding documents available at the time of advertisement/posting of the ITB/REI; (2) issue supplemental bid bulletins for purposes of clarifying or modifying any provisions of the bidding documents not later than seven (7) calendars days before the deadline for the submission and receipt of bids, if applicable; and, (3) prepare and approve the minutes of the meeting within five (5) calendars days after the pre-bid conference.

Scoring Criteria:

- a) Bidding documents are available at the time of advertisement/posting at the PhilGEPS website and Agency website;
- b) Supplemental bid bulletins are issued at least seven (7) calendar days before bid opening;
- c) Minutes of pre-bid conference are prepared and approved within five (5) calendar days after the pre-bid conference.

A score of full compliance means that the Procuring Entity has met all the above conditions (a. to c). Substantial compliance refers to existence of condition (a) and either condition (b) or (c); partial compliance refers to the existence of condition (a) only, and not compliant refers to the absence of all three conditions. If no supplemental bid bulletin was necessary, existence of conditions (a) & (c) shall be considered fully compliant.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

Core Sub-Indicator 3e. Use of proper and effective procurement documentation and technical specifications/requirements

This sub-indicator aims to measure if the Procuring Entity, through its end-user, has crafted and used technical specifications/requirements for its procurement projects, incorporating relevant characteristics, functionality and/or performance requirements and the ability of the bidders to understand clearly what is requested from them and the procurement process which will be carried out by the Procuring Entity.

Prior to the conduct of the procurement activity, the end-user should submit its final and approved purchase request, terms of reference or other applicable documents being used by the agency which clearly indicates the technical specifications which covers the functional and performance description, environmental interface and/or design of the requirements. The end-user should also submit other relevant document required by the procurement office prior to the conduct of the activity.

This is verified by randomly asking for cost benefit analysis, work plans, purchase requests, technical specifications, request for quotations, bidding documents and resolutions, among others.

*Scoring Criteria*

- a) The end-user submits final, approved and complete Purchase Requests, Terms of Reference, and other documents based on relevant characteristics, functionality and/or performance requirements, as required by the procurement office prior to the commencement of the procurement activity;
- b) No reference to brand names, except for items/parts that are compatible with the existing fleet or equipment; and
- c) Bidding Documents and Requests for Proposal/Quotation are posted at the PhilGEPS website, if applicable, Agency website, and in conspicuous places.

A score of full compliance means that the Procuring Entity has met all the conditions (a to c). Substantial compliance refers to existence of any of the two (2) of the above conditions, partial compliance refers to the existence of only one condition, and not compliant refers to absence of all three conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

***PILLAR II. Agency Institutional Framework and Management Capacity***

Pillar II looks at how the procurement system is operational through the management systems in the agency.

#### **Indicator 4. Presence of Procurement Organization**

This indicator will determine the existence of procurement organizations and its composition as required by Sections 11-14 of RA 9184 and its IRR, as well as the effectivity of these organizations. There are two sub-indicators to be scored.

##### **Core Sub-Indicator 4a. Creation of Bids and Awards Committee(s)**

This sub-indicator assesses the degree to which the agency complies with the requirement of establishing its Bids and Awards Committee (BAC) as mandated by law. This is verified by providing copies of agency orders creating the BAC and appointing the Chairman and members and submitting this with the assessment form. This sub-indicator also aims to assess whether the BAC members meet the qualifications required under Section 11.2.2 of the revised IRR of R.A. 9184 as well as the minimum number prescribed for BAC composition. Moreover, in line with the thrust to professionalize procurement organizations, this indicator will examine the BAC's training and background on RA 9184 and its IRR.

##### **Scoring Criteria:**

- a) Existence of agency order creating the Bids and Awards Committee;
- b) There are at least five (5) members of the BAC;
- c) Members of BAC meet qualifications; and/or
- d) Majority of the members of BAC are trained on R.A. 9184.

A score of full compliance means that the Procuring Entity has met all the above conditions (a-d). Substantial compliance refers to existence of conditions (a to c); partial compliance refers to the existence of condition (a) only, and not compliant refers to the absence of all four conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

##### **Core Sub-Indicator 4b. Presence of a BAC Secretariat or Procurement Unit**

This sub-indicator assesses the degree to which the agency complies with the establishment of the BAC Secretariat and/or Procurement Unit as mandated by law. This is verified by providing copies of office orders appointing members of the BAC Secretariat and the Procurement Unit or the organizational structure of the agency showing the Procurement Unit, its composition and submitting this with the assessment form. Alongside the thrust to professionalize procurement organizations, this sub indicator shall also look into the background of the BAC Secretariat or Procurement Unit on RA 9184 and its IRR, to call on the procuring entities to further enhance the knowledge and background of the BAC Secretariat and the Procurement Units on the procurement law, rules and regulations.

Scoring Criteria:

- a) Existence of agency order creating the Bids and Awards Committee Secretariat or Procurement Unit;
- b) The Head of the BAC Secretariat meets the minimum qualifications;
- c) Majority of the members of BAC Secretariat are trained on R.A. 9184.

A score of full compliance means that the Procuring Entity has met all the conditions (a to c). Substantial compliance refers to existence of condition (a) and either condition (b) or (c); partial compliance refers to the existence of condition (a) only, and not compliant refers to absence of all three conditions.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

**Indicator 5 – Procurement Planning and Implementation**

Section 7.2 of RA 9184 states that no procurement shall be undertaken unless it is in accordance with the approved Annual Procurement Plan (APP) of the procuring entity. The purpose of procurement planning is for the agency to schedule its procurement activities in advance. This includes among others, all operating requirements and projects funded under the national budget consistent with the approved budget and its target for implementation.

The purpose of this indicator is to determine if the agency complies with the requirements for procurement planning particularly the preparation of the Annual Procurement Plan (APP) and uses the APP as basis for its annual procurement. The APPs need to be approved by the Head of Procuring Entity and the prerequisite conditions for the use of each of the methods of procurement have to be complied with. The BAC Secretariat shall look at copies of the original APPs and the approved supplemental APPs and compare this with the Procurement Monitoring Reports for the year to determine the ratio of total value of procurements with the ratio of approved APP. If the agency does not prepare the APP, it should explain the reason in the appropriate column in the Assessment Form.

Sub-indicator 3a of the draft 2016 MAPS looks at Sustainable Public Procurement (SPP) and is assessed by:

1. Determination if the country has adopted a policy and implementation plan to support SPP;
2. The legal and regulatory framework includes provisions on the inclusion of sustainable criteria in public procurement; and
3. The provisions are balanced against primary objectives of public procurement and ensure value for money.

Thru GPPB Resolutions No. 15-2013 and 25-2017, the GPPB has resolved to “[s]upport the implementation of Sustainable Public Procurement and/or Green Public Procurement

in Government acquisition system”; recognize the Green Public Procurement Roadmap, and adopt the Technical Specifications for 10 CSE and 10 Non-CSE Products. To support the GPP Roadmap, an optional sub-indicator has been added to this indicator to familiarize procuring entities with the prioritized 10 Non-CSE Products and their Green Technical Specifications and to encourage procuring entities to adopt the Green Technical Specifications of non-CSEs prior to 2019; thereafter, it shall be mandatory to adopt such specifications for procurement of the identified non-CSEs.

The 10 prioritized non-CSEs are:

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Computer Monitors, Desktop Computers and Laptops;</li> <li>2. Air Conditioners;</li> <li>3. Vehicles;</li> <li>4. Fridges and Freezers;</li> <li>5. Copiers;</li> </ol> | <ol style="list-style-type: none"> <li>6. Paints and Varnishes;</li> <li>7. Food and Catering Services;</li> <li>8. Training Facilities / Hotels / Venues;</li> <li>9. Toilets and Urinals; and</li> <li>10. Textiles / Uniforms and Work Clothes.</li> </ol> |
|---|---|

Core Sub-Indicator 5a. An approved APP that includes all types of procurement

This sub indicator examines the procuring entities’ compliance with the requirement of preparing the APP in the prescribed format<sup>5</sup>; its submission by the procuring entity after the end of January of the budget year<sup>6</sup>; its revisions also submitted to the GPPB by the end of each semester<sup>7</sup> and for it to be posted on the procuring entity’s own website and the GPPB website.

Scoring Criteria:

- a) Agency prepares APP using the prescribed format;
- b) Approved APP is posted at the Procuring Entity's Website; and
- c) Submission of the approved APP to the GPPB within the prescribed deadline.

A score of full compliance means that the Procuring Entity has met all of the above conditions (a to c); and not compliant refers to the absence of any of the three conditions.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Not Compliant	Poor	0

This sub-indicator is verified depending on the compliance with each criteria, which are the following:

- Criterion (a) – Procuring Entity’s APP/s follows the prescribed format of the APP under GPPB Circular No. 07-2015<sup>8</sup>;

<sup>5</sup> GPPB Circular No. 07-2015; <http://www.gppb.gov.ph/downloadables/SampleForms.html>

<sup>6</sup> Section 7.3.5 of the 2016 IRR

<sup>7</sup> Section 7.4 of the 2016 IRR

<sup>8</sup> <http://www.gppb.gov.ph/downloadables/SampleForms.html>

- Criterion (b) – Presence of the APP and its revisions, updates, and/or supplemental APPs are viewable in the PE’s website.
- Criterion (c) – Primary APP, with the PE’s budget as given by the appropriate ordinance, is submitted to and received by GPPB and/or its Technical Support Office within the prescribed deadline;

**Core Sub-Indicator 5b. Preparation of Annual Procurement Plan for Common-Use Supplies and Equipment (APP-CSE) and Procurement of Common-Use Supplies and Equipment from the Procurement Service**

Letter of Instructions 755 Series of 1978, Executive Order No. 359 Series of 1989 and Administrative Order No. 17 Series of 2011 espouse a policy of procuring supplies and materials in the most economical and efficient manner through the implementation of a government wide integrated procurement system for supplies, materials and other items needed by the government by the Procurement Service. In line with these policies and in order to encourage procuring entities to purchase common use supplies from the Procurement Service, this sub indicator aims to examine procuring entity’s procurement of its common use supplies and equipment, as well as their compliance with the Department of Budget and Management Circular No. 2011-06 and 2011-6A, which directs the preparation and submission of the procuring entity’s Annual Procurement Plan for Common Use Supplies and Equipment (APP-CSE), consistent with the objective of strengthening the service delivery of the Procurement Service.

**Scoring Criteria:**

- a) Agency prepares APP-CSE using prescribed format
- b) Submission of the APP-CSE within the period prescribed by the Department of Budget and Management;
- c) Proof of actual procurement of Common-Use Supplies and Equipment from DBM-PS

A score of full compliance means that the Procuring Entity has met all the above conditions (a to c). Substantial compliance refers to existence of condition (a) and either condition (b) or (c); partial compliance refers to the existence of condition (a) only, and not compliant refers to the absence of all three conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

This sub-indicator is verified depending on the compliance with each criteria, which are the following:

- Criterion (a) – Procuring Entity’s APP-CSE follows the prescribed format of the APP-CSE under DBM Circular Letter No. 2013-14;
- Criterion (b) – Primary APP-CSE is submitted to and received by DBM Procurement Service on or before the prescribed due date; and

- Criterion (c) – This is verified by asking for copies of APP-CSE, APRs, CNAS, and examining the Procurement Monitoring Reports of the agency.

Conditional Sub-Indicator 5c. Existing Green Specifications for GPPB-identified non-CSE items are adopted<sup>9</sup>

This sub-indicator is conditional whether the procuring entity had procurement activities for any of the 10 non-CSE items.

- |  |  |
|--|--|
| 1. Computer Monitors,<br>Desktop Computers and<br>Laptops; | 6. Paints and Varnishes;                     |
| 2. Air Conditioners;                                       | 7. Food and Catering Services;               |
| 3. Vehicles;   | 8. Training Facilities / Hotels /<br>Venues; |
| 4. Fridges and Freezers;                                   | 9. Toilets and Urinals; and                  |
| 5. Copiers;  | 10. Textiles / Uniforms and Work<br>Clothes. |

This sub-indicator is verified by asking for copies of ITBs and/or RFQs which clearly indicate that green technical specifications were used for the procurement activity.

Full compliance is considered if all procurement activities for any of the 10 non-CSEs have green technical specifications.

The rating and verification process shall be the following:

Scoring Range	Qualitative Rating	Numerical Score
Green specifications were used to procure the 10 non-CSE GPP products. (Fully Compliant)	Very Satisfactory	3
Green specifications were not used to procure the 10 non-CSE GPP products. (Not Compliant)	Poor	0

Prior to 2019, procuring entities which use green technical specifications for any of the 10 non-CSEs will be considered as fully compliant.

### **Indicator 6 – Use of Government Electronic Procurement System<sup>10</sup>**

Section 8 of RA 9184 establishes a single portal that shall serve as the primary source of information on all government procurement known as the Philippine Government

<sup>9</sup> Procurement of GPPB-identified non-CSE items with green specifications shall be mandatory by 2019.

<sup>10</sup> There will be instances when the number of bid opportunities will be more than 100% due to failure of bidding or because of counting various lots under one contract. For purposes of the APCPI, each lot under one bid opportunity posted shall be counted as one separate bid opportunity and/or procurement activity/project, if any. In the same manner that each award of line item or lot shall be counted as one separate contract award in determining the total number of contracts awarded. The actual number of bid opportunities posted in the PhilGEPs, shall be noted in the comments portion of the APCPI Self-Assessment Form (Annex A). Likewise, re-advertisement of bid opportunity due to previous failure of bidding is not counted.

Electronic Procurement System (PhilGEPS). All Procuring Entities are mandated to register with the PhilGEPS and undertake measures to ensure their access to an on-line network to facilitate the open, speedy and efficient on-line transmission, conveyance and use of electronic data messages or electronic documents.

This indicator assesses agency compliance with the use of PhilGEPS as mandated to promote transparency and efficiency in procurement operations, and verifies the following: (a) agency registration with the PhilGEPS; (b) Percentage of bid opportunities posted with the PhilGEPS; (c) percentage of contract award information posted; (d) percentage of contract awards procured through alternative means posted. The agency may use information based on its own records or may request the same from the PhilGEPS.

Core Sub-Indicator 6a<sup>11</sup>. Percentage of bid opportunities posted by the PhilGEPS-registered Agency

This is obtained by computing the total number of bid opportunities posted by method of procurement for goods, for civil works and for consulting services at the PhilGEPS website (CPMR Column 10) either from PhilGEPS or based on agency records and dividing the amount with the total number of procurement activities conducted (Column 3 of the CPMR) using only total number of competitive bidding contracts, Limited Source Bidding (Row 2.4), Shopping under Section 52.1 [b] valued over Fifty Thousand Pesos [P50, 000.00] (Row 2.1.1), Two-Failed Biddings (Row 2.5.2), and Small Value Procurement with ABC's above Fifty Thousand Pesos [P50, 000] (Row 2.5.3), which methods of procurement are required under the 54.2 of the IRR to be posted in the PhilGEPS website, and multiplying the result by 100.

*For this sub indicator:*

**Sub total number of bid opportunities posted done through competitive bidding, Shopping (52.1[b] above 50k), Nego Proc (Small Value Procurement above 50k), Limited Source Bidding, and Two-Failed biddings (Column No. 10)**

X 100

**Sub total of number of procurement activities (Column No. 3) done through competitive bidding, Shopping (52.1[b] above 50k), Nego Proc (Small Value Procurement above 50k), Limited Source Bidding, and Two-Failed biddings (Column No. 10)**

Scoring Range	Qualitative Rating	Numerical Score
Between 91-100%	Very Satisfactory	3
Between 81- 90.99%	Satisfactory	2
Between 71-80.99%	Acceptable	1
Below 70% or above 100%	Poor	0

Conditional Sub-Indicator 6b. Percentage of contract award information posted by the PhilGEPS-registered Agency.

<sup>11</sup> There was an observation that the PhilGEPS system double-counts re-posting invitations to bid due to previous failure of bidding. There was a recommendation to enhance PhilGEPS system to identify re-posting and not to count them as new bid invitations.

This is obtained by computing the total number of contract award posted for competitive bidding in the PhilGEPS website (Column 11) either from PhilGEPS or based on agency records, divided by the total number of competitive bidding contracts awarded (Column 4) of the CPMR and multiplying the result by 100.

*For this sub indicator:*

**Sub total number of contract award posted for competitive bidding (Column No. 11)**

X 100

**Sub total of number of competitive bidding contracts awarded (Column No. 4)**

Scoring Range	Qualitative Rating	Numerical Score
Above 80%	Very Satisfactory	3
Between 51-80%	Satisfactory	2
Between 20-50.99 %	Acceptable	1
Below 20%	Poor	0

This conditional sub-indicator will not be considered as applicable for a Procuring Entity without any planned and started competitive bidding transactions.

Core Sub-Indicator 6c. Percentage of contract awards procured through alternative methods posted by the PhilGEPS-registered Agency.

This is obtained by computing the total number of contracts procured through alternative mode, posted at PhilGEPS<sup>12</sup> (Column 11) using the total number from either the PhilGEPS or based on agency records, divided by the total number of alternative contracts awarded (Column 4) of the CPMR and multiplying the result by 100.

*For this sub indicator:*

**Sub total of number of contracts procured through alternative mode Posted at PhilGEPS (Column No. 11)**

X 100

**Sub total number of alternative contracts awarded (Column No. 4, Rows 2.1.1, 2.1.2, 2.2.1, 2.3.1, 2.5.3, 2.5.4, and 2.5.5)**

Scoring Range	Qualitative Rating	Numerical Score
Above 80%	Very Satisfactory	3
Between 51 -80 %	Satisfactory	2
Between 20-50.99 %	Acceptable	1
Below 20 %	Poor	0

### **Indicator 7 - System for Disseminating and Monitoring Procurement Information**

The objective of this indicator is to determine the existence of an integrated procurement information system in the agency that includes a website that provides as a minimum,

<sup>12</sup> 2016 Revised IRR, Annex H, Section L, number 2

up-to-date information and is easily accessible to all interested parties at no or minimum cost. To further enhance transparency, Section 12.2 of RA 9184 and its IRR require the BAC to prepare and submit procurement monitoring reports approved by the HOPE in electronic and printed format within 14 calendar days after the end of each semester. The following sub-indicators assess agency compliance with these provisions of law.

Core Sub-Indicator 7a. Presence of website that provides up-to-date procurement information easily accessible at no cost.

The “up-to-date procurement information” for this sub indicator shall include all required procurement information such as bid notices, annual procurement plan etc.<sup>13</sup>, of the current assessment year and the period assessed. These may be verified by checking the agency website<sup>14</sup> and by inquiring from the web/system administrator of the website of the procuring entity.

Procurement information may be linked to the PEs PS-PhilGEPS account by contacting PhilGEPS to secure the Integrated Notices Publication (INP) which will help the PE embed opportunities and award notices posted in PhilGEPS in the PEs website.

Scoring Criteria:

- a) Agency has a working website;
- b) Procurement information is up-to-date;
- c) Information is easily accessible at no cost.

A score of full compliance means that the Procuring Entity has met all the conditions (a to c). Substantial compliance refers to existence of condition (a) plus an additional condition, either (b) or (c); partial compliance refers to the existence of condition (a) only, and absence of all three conditions means not compliant.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

Core Sub-Indicator 7b. Preparation of Procurement Monitoring Reports using the GPPB-prescribed format, submission to the GPPB, and posting in agency website

This sub indicator examines the procuring entities’ compliance with the requirement of preparing the PMR in the GPPB-prescribed format<sup>15</sup>; its submission to the GPPB by the procuring entity after the end of each semester as required by Section 12.2 of the IRR of RA 9184 and its compliance with EO 662 which provides for the BAC, through its Secretariat, to post the PMR, on the procuring entity’s website and the GPPB website.

<sup>13</sup> Please see Executive Order No. 662 (E.O. 662) , as amended by E.O.No. 662-A, entitled “*Enhancing the Transparency Measures under RA 9184 and Creating the Procurement Transparency Group*”

<sup>14</sup> For PEs without a website, DICT provides free training and guidance for website developing services and webhosting.

<sup>15</sup> GPPB Circular 03-2015 & GPPB Resolution 08-2017;  
<http://www.gppb.gov.ph/downloadables/SampleForms.html>

This is verified by asking for copies of the Procurement Monitoring Report (PMR) duly signed and endorsed by the HOPE and submitting copies with the assessment or by checking with the GPPB records and checking the procuring entity website for the posting of Procurement Monitoring Report.

Scoring Criteria:

- a) Agency prepares the PMRs;
- b) PMRs are submitted to the GPPB within prescribed period;
- c) PMRs are posted in the agency website;
- d) PMRs are prepared using the prescribed format;

A score of full compliance means that the Procuring Entity has met all the above conditions (a to d). Substantial compliance refers to the existence of condition (a) plus two of the other conditions, partial compliance refers to the existence of condition (a) plus any of the conditions, and not compliant refers to the absence of all four conditions.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

### ***PILLAR III. PROCUREMENT OPERATIONS AND MARKET PRACTICES***

This Pillar looks at the operational effectiveness and efficiency of the procurement system at the agency level.

#### **Indicator 8 – Efficiency of Procurement Processes**

This indicator looks at the efficiency of the operations as implemented by the procuring agencies. Efficiency is considered to mean that the operational practices result in a high number of contracts processed and awarded, very limited numbers of bidders disqualified and a minimal number of failed biddings due to the acceptable implementation of procurement procedures. The BAC Secretariat shall look at the results of the CPMR in terms of number of bidding processes conducted and awarded, number of bidders declared ineligible and failed bidding processes. This indicator will measure the percentage of successful procurement activities materializing into contracts within the target and/or planned timeframes.

Moreover, this indicator intends to determine the efficiency of the agency procurement process vis-à-vis the amount of contracts awarded and planned procurement.

Core Sub-Indicator 8a. Percentage of total amount of contracts signed within the assessment year against total amount in the approved APPs.

This percentage is obtained by dividing the total amount of contracts awarded (Column 5) with the sum of the total amount of procurements under the approved APPs (Column 2) in the CPMR.

For this sub indicator:

$$\frac{\text{Total amount of contracts awarded (Column 5)}}{\text{Total amount of procurement (Column 2)}} \times 100$$

Scoring Range	Qualitative Rating	Numerical Score
Above 80%	Very Satisfactory	3
Between 61-80%	Satisfactory	2
Between 40-60.99%	Acceptable	1
Below 40% or above 100%	Poor	0

Conditional Sub-Indicator 8b<sup>16</sup>. Percentage of total number of contracts signed against total number of procurement projects done through competitive bidding (if applicable)

The number of contracts executed denotes the number of projects contracted out. If a contract consists of more than one lot or project to be contracted, the number of contract shall be based on the actual number of lots or projects contracted out. In the same manner, the total number of contracts awarded shall include all lots.

This percentage is obtained by dividing the total number of contracts awarded through competitive bidding (Column 4) by the total number of procurement activities conducted through competitive bidding (Column 3) of the CPMR and multiplying this by 100.

For this sub indicator:

$$\frac{\text{Sub total number of contracts awarded through competitive bidding (Column No. 4)}}{\text{Sub total number of procurement activities conducted through competitive bidding (Column No. 3)}} \times 100$$

Scoring Range	Qualitative Rating	Numerical Score
Above 95%	Very Satisfactory	3
Between 93-95%	Satisfactory	2
Between 90-92.99%	Acceptable	1
Below 90%	Poor	0

In case the quantitative data does not have planned and awarded procurement activities through competitive bidding, this sub-indicator shall not be applicable and shall be excluded from the Procuring Entity's APCPI rating.

Core Sub-Indicator 8c. Planned procurement activities achieved desired contract outcomes and objectives within the target/allotted timeframe

<sup>16</sup> Procurement activities refer to undertakings from procurement planning up to contract implementation and termination, while bidding refers to posting of invitations to bid until the awarding of contracts.

Efficiency and effective operational planning at the end-user/implementing unit level help ensure that desired outcomes of procurement programs and activities are achieved. Planning process no longer pertains only to the preparation of project proposals but also includes the conduct of market studies (if necessary) by the project proponents/end-user-units that will help them make informed decisions and identify the appropriate performance, functional, technical and environmental interface of specifications.

This results to timely delivery and effective implementation of the procurement programs in accordance with the contract agreement in terms of time, quality, cost and other conditions. By assessing the procuring entity’s performance in terms of planning and contract management, opportunities for improvement may be identified.

Scoring criteria:

- a) There is an established procedure for needs analysis and/or market research.
- b) There is a system to monitor timely delivery of goods, works, and consulting services.
- c) Agency complies with the thresholds prescribed for amendment to order, variation orders, and contract extensions, if any, in competitively bid contracts.

A score of full compliance means that the Procuring Entity has met all the above conditions (a to c). Substantial compliance refers to existence of condition (a) and either condition (b) or (c); partial compliance refers to the existence of condition (a) only, and not compliant refers to the absence of all three conditions.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

Compliance with Condition (a) is verified through evidence of a procedure or system followed by the procuring entity to conduct needs analysis or market research.

Condition (b) is verified by asking the procuring entity to show evidence of a procedure or system they use to monitor timely delivery of goods, works, or services.

Condition (c) is checked by reviewing the conditions of amendments to orders particularly on the amount of amendment to order or the variation orders issued for each of the procurement contract, particularly if said orders (its aggregate value, if several amendment to order or variation orders were issued in one procurement contract) exceeded the 10% limitation under the contract implementation guidelines. The total number of contracts with amendment to order or variation orders shall be reported in Column 13 of the CPMR.

**Indicator 9: Compliance with Procurement Timeframes**

Section 38 of RA 9184 states that the procurement process from the openings of bids up to the award of contract shall not exceed three (3) months. This sub indicator assesses

agency compliance with the established period of action of action from the opening of bids up to the award of contract.

The timely award of contracts at competitive market prices indicates an efficient, effective and acceptable implementation of procurement procedures. The average number shall be the result of all procurements conducted through competitive bidding. If the BAC Secretariat finds out that there are substantial deviations from compliance with time frames, it should explain the reasons in the appropriate column of the Assessment Form (Annex A).

Conditional Sub-Indicator 9a. Percentage of contracts awarded within prescribed period of action to procure goods

This sub-indicator refers to the percentage of contracts that complied with the period of action to procure goods within three (3) months from the opening of bids up to the award of contract. The contract is considered awarded when the Lowest Calculated and Responsive Bidder (LCRB) or Single Calculated and Responsive Bidder (SCRB) and the procuring entity have signed the contract. This is obtained by dividing the number of procurement contracts for goods that complied with the period of action (Column 14) by the total number of procurement contracts for goods awarded through competitive bidding (Column 4) and multiplying this by 100.

**This is a conditional sub-indicator, where if there were no competitively-bid goods/service contracts awarded within the year, the score and rating shall be “Not Applicable”, N/A.**

*For this sub indicator:*

**No. of Contracts awarded complying with prescribed period for goods (Row 1.1 of Column 14)**  
 ----- X 100  
**Sub total of number of procurement contracts for goods awarded through competitive bidding (Row 1.1 of Column No. 4)**

Scoring Range	Qualitative Rating	Numerical Score
100%	Very Satisfactory	3
Between 96 to 99%	Satisfactory	2
Between 90 to 95.99%	Acceptable	1
Below 90%	Poor	0

Conditional Sub-Indicator 9b. Percentage of contracts awarded within prescribed period of action to procure infrastructure projects

This sub-indicator refers to the percentage of the contracts that complied with the prescribed period to procure infrastructure projects within three (3) months from the opening of bids up to the award of contract. The contract is considered awarded when the Lowest Calculated and Responsive Bidder (LCRB) or Single Calculated and Responsive Bidder (SCRB) and the procuring entity have signed the contract. This is obtained by dividing the number of procurement contracts for infrastructure projects that complied with the prescribed period (Column 14) by the total number of procurement

contracts for infrastructure projects awarded through competitive bidding (Column 4) and multiplying this by 100.

*For this sub indicator:*

**Total No. of Contracts awarded complying with prescribed period for infrastructure projects (Row 1.2 of Column 14)**

----- X 100

**Sub total of number of procurement contracts for infrastructure projects Awarded through competitive bidding (Row 1.2 of Column No. 4)**

Scoring Range	Qualitative Rating	Numerical Score
100%	Very Satisfactory	3
Between 96 to 99%	Satisfactory	2
Between 90 to 95%	Acceptable	1
Below 90%	Poor	0

This is a conditional sub-indicator, where if there were no competitively-bid infrastructure project contracts awarded within the year, the score and rating shall be “Not Applicable”, N/A.

Conditional Sub-Indicator 9c. Percentage of contracts awarded within prescribed period of action to procure consulting services

This sub-indicator refers to the percentage of contracts that complied with the prescribed period to procure consulting services within three (3) months from the opening of bids up to the award of contract. The contract is considered awarded when the Highest Rated and Responsive Bidder (HRRB) or Single Rated and Responsive Bidder (SRRB) and the procuring entity have signed the contract. This is obtained by dividing the number of procurement contracts for consulting services that complied with the prescribed period (Column 14) by the total number of contracts for consulting services awarded through competitive bidding (Column 4) and multiplying this by 100.

*For this sub indicator:*

**No. of Contracts awarded complying with prescribed period for consulting services (Row 1.3 of Column 14)**

----- X 100

**Sub total of number of procurement activities for consulting services through competitive bidding (Row 1.3 of Column No. 4)**

Scoring Range	Qualitative Rating	Numerical Score
100%	Very Satisfactory	3
Between 96 to 99%	Satisfactory	2
Between 90 to 95.99%	Acceptable	1
Below 90%	Poor	0

This is a conditional sub-indicator, where if there were no competitively-bid consulting service contracts awarded within the year, the score and rating shall be “Not Applicable”, N/A.

## **Indicator 10. Capacity Building for Government Personnel and Private Sector Participants**

This indicator assesses capacity building programs instituted by the procuring entity for its personnel and for the suppliers/contractors/consultants who participate in its procurement processes. It verifies the existence of a system within the agency to evaluate performance of procurement personnel, the existence of permanent and relevant training and professionalization programs for these personnel and their attendance to in-house or national training and professionalization programs approved and conducted by GPPB, and the existence of regular activities initiated and conducted by the agency to inform and update bidders on public procurement.

Core Sub-Indicator 10a. There is a system within the procuring entity to evaluate the performance of procurement personnel on a regular basis

To ensure optimum performance of functions by procurement organizations and ensure operational efficiency and effectiveness, it is essential that the procuring entity regularly monitors work quality by establishing evaluation procedures to assess the performance of its procurement personnel, and communicate these standards for evaluation purposes on a regular basis. The results of the evaluation shall be the bases for the procuring entity to adopt appropriate measures to improve performance and quality of work.

This is verified by inquiring from the BAC Secretariat or Personnel Office for written copies of procedures or Individual Performance Commitment Report (IPCR) forms used for evaluating procurement performance on top of or incorporated within the regular assessment scheme used by the Civil Service Commission (CSC), and by attaching samples to the APCPI Self-Assessment Form.

Scoring criteria:

- a) Personnel roles, duties and responsibilities involving procurement are included in their individual performance commitment/s.
- b) Procuring entity communicates standards of evaluation to procurement personnel;
- c) Procuring entity and procurement personnel acts on the results and takes corresponding action.

A score of full compliance means that the Procuring Entity has met all the above conditions (a to c). Substantial compliance refers to existence of conditions (a and b or c); partial compliance refers to the existence of condition (a) only, and not compliant refers to the absence of all three conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

Core Sub-Indicator 10b. Percentage of participation of procurement staff in procurement training and/or professionalization program

This is obtained by dividing the number of procurement staff personnel participating in staff training, equivalent to corresponding weights by the total number of procurement personnel and multiplying the amount by 100. *Staff training may include in-house procurement related training or professionalization program participated by or conducted by the agency for its procurement personnel down to the regional and provincial levels.* Copies of Office Orders, attendance sheets, list of participants, schedules of actual training conducted may be attached to the evaluation report to substantiate this rating.

Scoring Criteria:

Personnel/Participant	Weight
Head of Procuring Entity (HOPE)	25%
Bids and Awards Committee (BAC)	20%
BAC Secretariat/ Procurement/ Supply Unit	20%
BAC Technical Working Group	15%
End-user Unit/s	15%
Other staff	5%

When the designations are extended or for organic personnel, trainings within the last three (3) years from designation or appointment can be considered for purposes of compliance.

To obtain the full percentage, majority in each of the identified personnel/participant groups should comply with the training requirements.

Scoring Range	Qualitative Rating	Numerical Score
Between 91-100% of staff trained	Very Satisfactory	3
Between 76-90.99% of staff trained	Satisfactory	2
Between 60-75.99% of staff trained	Acceptable	1
Less than 60% of staff trained	Poor	0

Core Sub-Indicator 10c. The procuring entity has open dialogue with private sector and ensures access to the procurement opportunities of the procuring entity.

Scoring Criteria:

- a) Forum, dialogues, meetings and the like (apart from pre-bid conferences) are conducted for all prospective bidders at least once a year; or
- b) The PE promptly responds to all interested prospective bidders' inquiries and concerns, with available facilities and various communication channels.

This is verified by asking for copies of the memos, invitation letters, programs, list of participants, schedules of activities for bidders, and attaching them to the Assessment Form. *Activities may take the form of regular workshops or dialogues conducted by the agency with its bidders to improve its procurement processes.*

Contact details and exact address of PE and/or BAC Secretariat are completely stated in the Invitations to Bid and/or Requests for Proposals/Quotation with available options for other means of communication, such as email or mobile number. The Procurement Unit or BAC Secretariat Office has an available holding or reception area for walk-in queries of bidders with a designated personnel of the day that is ready to attend to them.

Sample of requests for clarification with corresponding replies, if any, maybe checked to verify compliance with Criteria (b).

Full compliance means that the Procuring Entity has met either condition (a) or (b), in the above criteria, and non-compliance refers to absence of both conditions (a) and (b).

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Not Compliant	Poor	0

### **Indicator 11 - Management of Procurement and Contract Management Records**

This indicator assesses the manner by which an agency manages its procurement and contract management records and documents through the existence of policies, guidelines or procedures for the identification, classification, retrieval, transmission, storage, disposition, preservation and sharing of information and records such as the purchase requests, vouchers, invoices etc., as found in the *General Records Disposition Schedule*, attached in the *National Archive of the Philippines Circular 1&2* dated 20 January 2009. It should be noted that weaknesses in the record-keeping infrastructure have resulted in the poor collection of significant records that are not managed according to sound management practices and internal controls. At the same time, these pose risks to the preservation of the integrity of data and information, as well as possible unauthorized destruction or intentional loss of significant records and important original documents.

This indicator assesses the existence of records management policies and guidelines for procurement and contract management transactions at the BAC Secretariat and the implementing units of the agency. Agency records should be readily accessible and available for audit and other purposes.

Core Sub-Indicator 11a. The BAC Secretariat has a system for keeping and maintaining procurement records

This is verified by asking for copies of the memos, procedures and description of the records keeping and maintenance system for procurement *using the following criteria*.

- a. There is a list of procurement related documents that are maintained for a period of at least five years;
- b. The documents are kept in a duly designated and secure location with hard copies kept in appropriate filing cabinets and electronic copies in dedicated computers;
- c. The documents are properly filed, segregated, easy to retrieve and accessible to authorized users and audit personnel.

Full compliance means that the Procuring Entity has met all (a to c) in the above criteria. Substantial compliance refers to existence of two of the above conditions, partial compliance refers to the existence of only one, and not compliant refers to absence of all three conditions. Refer to the *General Records Disposition Schedule*, attached in the *National Archive of the Philippines Circular 1&2* dated 20 January 2009 as additional reference on the list of procurement related documents for record keeping and maintenance.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

Core Sub-Indicator 11b. Implementing Units has and is implementing a system for keeping and maintaining complete and easily retrievable contract management records.

This is verified by asking for copies of the memos, procedures and description of the records keeping and maintenance system for contract management *using the following criteria*.

- a. There is a list of contract management related documents that are maintained for a period of at least five years;
- b. The documents are kept in a duly designated and secure location with hard copies kept in appropriate filing cabinets and electronic copies in dedicated computers;
- c. The documents are properly filed, segregated, easy to retrieve and accessible to authorized users and audit personnel.

A score of full compliance means that the Procuring Entity has met all (a to c) of the above criteria. Substantial compliance refers to existence of two of the above conditions, partial compliance refers to the existence of only one, and not compliant refers to absence of all three conditions. If an agency is newly created and the records generated is less than five years, then condition (a) shall be reported as “not applicable”.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

## Indicator 12 - Contract Management Procedures

Contract implementation covers the execution of the contract including the following milestones: effectivity of the contract; contractor’s performance of his contractual obligations; Procuring Entity’s performance of its contractual obligations, as specified in the Contract; final acceptance or project sign-off; all other related activities; and payment by the Procuring Entity.

Annexes D, E and F of the IRR of RA 9184 provide guidelines for the implementation of goods, services, infrastructure and consulting services contracts. In addition, the

Philippine Biddings Documents and the Generic Procurement Manuals released by GPPB include the procedures for contract implementation.

This indicator aims to determine whether the agency has clearly defined procedures for undertaking contract administration responsibilities in accordance with appropriate rules and regulations issued by the GPPB and the government in general.

Core Sub-Indicator 12a. Agency has defined procedures or standards in such areas as quality control, acceptance and inspection, supervision of works and evaluation of contractors' performance.

Scoring criteria:

- a) Agency has written procedures for quality control, acceptance and inspection of goods, services and works;
- b) Supervision of civil works is carried out by qualified construction supervisors;
- c) Agency implements CPES for its works projects and uses results to check contractors' qualifications (applicable for works only).

Condition (a) is verified by asking for copies of the written procedures for quality control, acceptance and inspection of goods. The written procedures may refer to specific internal guidelines and or office order specifying and/or creating the Inspection Committee or an equivalent similar to the functions of an Inspection and Acceptance Committee, if any. If the PE was not able to provide for written procedures for inspection and acceptance of goods and services, but claims to follow accounting and auditing rules, the PE must then prove that said rules were being followed through the accomplished forms and reports as required by COA. If none of those mentioned criteria were met, then it shall merit non-compliance with condition (a).

Condition (b) is verified by asking copies of the written procedures for supervision of civil works projects and/or requesting for information pertaining to the qualified construction supervisor.

Condition (c) is verified by asking for copies of completed CPES Evaluation Reports and agency orders creating the CPES Implementing Unit. For the procurement of infrastructure projects, one of the eligibility criteria provided for in Section 23.5.2.4 of the IRR is a satisfactory rating for the Constructors Performance Evaluation System (CPES) and/or certificate of completion and owners acceptance of the contract. Section 12 of Annex E of the IRR discusses the details of the evaluation of constructors' performance.

A score of full compliance means that the Procuring Entity has met all the conditions (a to c). Substantial compliance refers to existence of two of the above conditions, partial compliance refers to the existence of only one, and not compliant refers to absence of all three conditions. If the agency does not implement infrastructure projects, it shall report that conditions b and c are not applicable. Thus, in the absence of civil works projects, only compliance with condition (a) shall be the basis for a rating of 3 and noncompliance with condition (a) shall have a rating of 0.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

#### Core Sub-Indicator 12b - Timely Payment of Procurement Contracts

This indicator assesses the efficiency, quality and consistency of the payment procedures through the timely release of payments within the time frame prescribed under the contract documents from date of receipt of invoice to receipt of payment based on sample contracts reviewed as supported by Disbursement Vouchers, Receipts of Payments and other related documents. If the BAC Secretariat finds the time for payment to exceed 30 days, it shall note the reasons provided by the responsible office in the appropriate column in the Assessment Form<sup>8</sup>.

This sub-indicator is verified by asking the Finance or Accounting Head of Agency for the normal period for the release of payments for procurement contracts *and comparing the time frames with those normally found in the contract documents of the sampled contracts or, if permitted, asking for a sample copy of accounts payable aging report/s*. Where release of procurement related payments is outside the control of the Procuring Entity, the Head of the BAC Secretariat should explain this in the comments portion of the Assessment Form. The Finance or Accounting Head and/or similar designation thereof may certify also the average number of days based on its records.

Scoring Range	Qualitative Rating	Numerical Score
On or Before 30 days	Very Satisfactory	3
Between 31-37 days	Satisfactory	2
Between 38-45 days	Acceptable	1
After 45 days	Poor	0

### **PILLAR IV. Accountability, Integrity and Transparency of the Agency Procurement System**

Pillar IV looks at indicators of the procurement system that contribute to accountability, integrity and transparency of procurements system of government entities.

#### **Indicator 13 - Observer Participation in Competitive Bidding**

Section 13.1 of RA 9184 mandates the BAC to invite at least two observers during the eligibility checking, shortlisting, pre-bid conference, preliminary examination of bids, bid evaluation, and post-qualification, that shall come from a duly recognized private group in a sector or discipline relevant to the procurement at hand and from a non-government organization (NGO), apart from the COA representative.

<sup>8</sup> Take into account instances when payment delays are due to Notice of Cash Allocation (NCA) delays. If this is the case, reflect in the comments and findings section of the APCPI Self-Assessment Form. (Refer to 3<sup>rd</sup> column of Annex "A" of the APCPI User's Guide").

This indicator shall assess whether there is active participation of civil society organizations, professional associations and the COA representative in the agency bidding activities as non-voting members of the BAC and as mandated by law to ensure transparency. The BAC Secretariat shall use the data in Column 15 of the CPMR for this indicator.

Conditional Sub-Indicator 13a. Observers are invited to attend stages of procurement as prescribed in the IRR.

This is verified by asking for copies of **duly received** invitation letters to Observers, and attaching samples to the evaluation report.

Per Section 13.1 of the Revised IRR of 2016, to enhance the transparency of the process, the BAC shall invite Observers, during the procurement activities below:

1. Eligibility Checking (For Consulting Services Only)
2. Shortlisting (For Consulting Services Only)
3. Pre-bid conference
4. Preliminary examination of bids
5. Bid evaluation
6. Post-qualification

This sub-indicator is not applicable if there were no Competitive Bidding, Limited Source Bidding, or Two-Failed Bidding activities.

Scoring Criteria:

- a) Observers are invited to attend stages of procurement as prescribed in the IRR;
- b) Observers are allowed access to and be provided documents, free of charge, as stated in the IRR; and
- c) Observer reports, if any, are promptly acted upon by the procuring entity.

A score of full compliance means that the Procuring Entity has met all the above conditions (a. to c). Substantial compliance refers to existence of condition (a) and either condition (b) or (c); partial compliance refers to the existence of condition (a) only, and not compliant refers to the absence of all three conditions. If no requests to access procurement documents were received, existence of conditions (a) & (c) shall be considered fully compliant.

Scoring Range	Qualitative Rating	Numerical Score
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

#### **Indicator 14. Internal and External Audit of Procurement Activities**

This indicator aims to examine the existence of formal internal control and audit mechanisms that provide for checks and balances within an agency for processing of

procurement actions in terms of the appropriate organization and procedures. This is measured by the presence or absence of such unit within the agency and the conduct of regular internal audit of procurement processes.

This indicator also aims to assess the extent to which the agency complies with the recommendations of the Commission on Audit (COA) within a reasonable period. The BAC Secretariat shall review the recommendations of their resident COA on procurement related matters, and determine the length of time it took to act upon these recommendations.

Core Sub-Indicator 14a. Creation and operation of Internal Audit Unit (IAU) that performs specialized procurement audits

This existence of the Internal Audit Service/Unit (IAS) or Management Division/Unit (MD) is verified by checking compliance with the following criteria:

- a. The IAU is independent and reports directly to the HOPE and is staffed appropriately;
- b. The IAU conducts comprehensive audit of agency's procurement activities

To verify the creation of IAU, the confirmator to the agency's APCPI may request copies of the agency order creating the Internal Audit Unit and the organizational structure showing where the unit is attached to in the agency are important supporting documents.

This sub indicator shall also examine the operations of the IAS/MD. This is verified by asking the Head of the Internal Audit Unit if regular audits of procurement processes are conducted.

The National Guidelines on Internal Control Systems (NGICS) serves as the guide to the heads of departments and agencies in designing, installing, implementing and monitoring their respective Internal Control Systems (ICS) taking into consideration the requirements of their organization and operations<sup>17</sup>. The objectives of an effective ICS are to:

1. Safeguard government assets;
2. Check accuracy and reliability of accounting data;
3. Ensure economical, efficient, effective and ethical operations;
4. Comply with laws and regulations; and
5. Adhere to managerial policies.

Scoring Criteria:

- a) Creation of Internal Audit Unit (IAU) in the agency
- b) Conduct of audit of procurement processes and transactions by the IAU within the last three years; and/or
- c) Internal audit recommendations on procurement-related matters are implemented within 6 months of the submission of the internal auditor's report.

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<sup>17</sup> Section 1.2 of Department of Budget and Management Circular Letter No. 2008-5

A score of full compliance means that the Procuring Entity has met all the conditions (a to c). Substantial compliance refers to existence of criterion (a) plus an additional condition, partial compliance refers to the existence of condition (a) only, and not compliant refers to absence of all three conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

**Core Sub-Indicator 14b. Audit Reports on procurement related transactions**

As underlined in the Methodology for Assessing Procurement Systems (MAPS), this sub-indicator reviews the effectiveness of the implementation of an external auditors' recommendations. Promoting transparency and accountability, this sub-indicator serves to check if the existing framework adequately covers procurement operations or expenditure for procurement projects.

To verify the score of the agency for this sub-indicator, the BAC Secretariat shall confer with its agency Auditor (head of the IAU) and look at audit reports in the previous year to identify procurement related recommendations that that have been complied with by the procuring entity within a reasonable time. COA Audit Reports include:

1. Audit Observation Memorandum (AOM), which is a written notification to the agency head and concerned officer/s informing of deficiencies noted in the audit of accounts, operations of transactions and requiring comments thereto and/or submission of documentary and other information requirements within a reasonable period;
2. Management Letter, which is prepared for agencies with complete set of books (central and regional offices/field units), no independent auditor's opinion; and
3. Annual Audit Report, which is the final output of the regular yearly audit conducted by the auditor assigned to audit the accounts and operations of a government agency, and basically consists of the Auditor's Certificate (also called Independent Auditor's Report), the financial statements and the audit observations and recommendations.

For the purposes of this sub-indicator, audit findings as reported thru AOMs, Notice of Suspension, and/or Notice of Disallowance shall be considered if the Annual Audit Report is not available at the time of assessment and confirmation.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
90% compliance	Very Satisfactory	3
Between 71-89% compliance	Satisfactory	2
Between 61-70% compliance	Acceptable	1
Below 60% compliance	Poor	0

## **Indicator 15. Capacity to Handle Procurement Related Complaints**

This indicator deals specifically with the efficiency of the procurement complaints system and the procuring entity's capacity to observe procedural requirements under the IRR specifically on the protest mechanism. This indicator also examines the receptiveness and willingness of the procuring entity to address and act upon complaints, referrals, orders, or requests made by quasi-judicial/quasi-administrative bodies relative to procurement.

Core Sub-Indicator 15a. The Procuring Entity has an efficient procurement complaints system and has the capacity to comply with procedural requirements

This is verified by checking the records of the BAC Secretariat and other offices within the agency which are responsible in dealing complaints against the agency. If there are protests and complaints filed within the year being assessed, the data required in the CPMR must be filled out.

The period to resolve requests for reconsiderations and protests may be verified by checking the date of receipt of request or protest and the date of issuance of the BAC or HOPE's decision. The PE may prepare a list of all the MRs and Protests received during the year which indicates the pertinent information for reference.

Other systems that addressed procurement-related complaints pertains to those that are filed before the agency without following the procedures of Section 55 of the IRR. This may include the institutionalization of the 8888 Citizens' Complaint Hotline and filing of complaints before the office of the HOPE, BAC, Legal and other committees within the agency such as Grievance Committee, if any. The PE may gather such information and check the procedure being done to address it.

Scoring Criteria:

- a) The HOPE resolved Protests within seven (7) calendar days per Section 55 of the IRR;
- b) The BAC resolved Requests for Reconsideration within seven (7) calendar days per Section 55 of the IRR;
- c) Procuring entity acts upon and adopts specific measures to address procurement-related complaints, referrals, subpoenas by the Office of the Ombudsman, COA, or any quasi-judicial/quasi-administrative body.

A score of full compliance means that the Procuring Entity has met all the conditions (a to c). Substantial compliance refers to existence of two (2) of the above conditions, partial compliance refers to the existence of only one condition, and not compliant refers to absence of all three conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0

## **Indicator 16. Anti-Corruption Programs Related to Procurement**

This indicator assesses the existence, nature, scope and implementation of the anti-corruption programs in the agency's procurement system. It is measured through the existence and implementation of agency wide anti-corruption programs such as, but not limited to, integrity development, transparency measures, and anti-red tape.

Core Sub-Indicator 16a. Agency has a specific anti-corruption program/s related to procurement

This indicator is verified by reviewing the office orders pertaining to the creation of the committee within the agency which is responsible on the good governance and anti-corruption program of the agency. Such programs should be related to the procurement and may include training and seminar on the integrity development of the procurement staff, feedback mechanism on the agency procurement system, no receiving of gifts from the contractors/suppliers, transparency on the procurement system, etc.

Review of the process flow, reports and other documents and interview with the members of the committee and procurement staff will be helpful in identifying the programs implemented within the assessed year.

For regional offices and attached agencies, the related programs in their main/central office are considered acceptable and compliant for the first criteria of this indicator. However, these offices should provide proof/s that these programs are applied in procurement within their agency to be considered compliant in the two (2) other conditions/criteria of this indicator, and accordingly, get a full rating.

Scoring Criteria:

- a) Agency has a specific office responsible for the implementation of good governance programs;
- b) Agency implements a specific good governance program including anti-corruption and integrity development;
- c) Agency implements specific policies and procedures in place for detection and prevention of corruption

A score of full compliance means that the Procuring Entity has met all the above conditions (a to c). Substantial compliance refers to existence of condition (a) plus any of the other conditions, partial compliance refers to the existence of only one condition, and not compliant refers to absence of all three conditions.

<b>Scoring Range</b>	<b>Qualitative Rating</b>	<b>Numerical Score</b>
Fully Compliant	Very Satisfactory	3
Substantially Compliant	Satisfactory	2
Partially Compliant	Acceptable	1
Not Compliant	Poor	0