

MALACAÑANG

MANILA

BY THE PRESIDENT

EXECUTIVE ORDER NO. 262

AMENDING EXECUTIVE ORDER NO. 302, SERIES OF 1996, ENTITLED "PROVIDING POLICIES, GUIDELINES, RULES AND REGULATIONS FOR THE PROCUREMENT OF GOODS/SUPPLIES BY THE NATIONAL GOVERNMENT" AND SECTION (3) OF EXECUTIVE ORDER NO. 201, SERIES OF 2000, ENTITLED "PROVIDING ADDITIONAL POLICIES AND GUIDELINES IN THE PROCUREMENT OF GOODS AND SUPPLIES BY THE NATIONAL GOVERNMENT"

WHEREAS, the amendments to Executive Order (EO) No. 302, series of 1996, are based on the basic principles of: shifting emphasis from pre-qualification to eligibility check, and strengthening post qualification; changing the criterion for award from lowest evaluated responsive bid to lowest calculated responsive bid; and use of available budget as the ceiling in evaluating bid price;

WHEREAS, the Prequalification, Bids and Awards Committee shall be replaced by the Bids and Awards Committee to de-emphasize prequalification in favor of postqualification;

WHEREAS, the function on the Procurement Policy Board created under EO No. 359, series of 1989, shall be extended to formulate and promulgate the amendments to the implementing rules and regulations of this Executive Order.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

SECTION 1. Section 1 of EO No. 302, series of 1996, as amended by EO No. 201, series of 2000, is hereby amended to read as follows:

"SECTION 1. A set of rules and regulations covering contracts for the procurement of goods and supplies for both project-related and normal/regular operation and maintenance activities of the National Government including Government-Owned and Controlled Corporation (GOCCs) be adopted for the following purposes:

- a. To purchase goods of acceptable quality at fair and reasonable prices from qualified and capable suppliers/manufacturers/distributors, with on time delivery and satisfactory compliance of all contract terms and conditions;
- b. To assure fair and equitable treatment of suppliers/manufacturers/ distributors, including arrangements for prompt payments;
- c. To accomplish procurement through open competitive bidding in the interest of economy and efficiency;
- d. To adopt procurement procedures that utilize information technology; and
- e. To maintain and collect data for refinement of procurement policies and procedures

based on experiences gained.”

SECTION 2. Section 2 of EO No. 302, series of 1996, is hereby amended to read as follows:

“**SECTION 2.** Level of approving authority for contracts involving the procurement of goods/supplies for project-related and normal/regular operations and maintenance activities of all agencies of the National Government including GOCCs, shall be as prescribed under pertinent provisions of EO Nos. 301 and 380 dated 26 July 1987 and 27 November 1989, respectively.”

SECTION 3. Section 4 of EO No. 302, series of 1996, is hereby amended to read as follows:

“**SECTION 4.** The Prequalification, Bid and Award Committee shall be replaced by the Bid and Award Committee which shall be responsible for the conduct of bidding in each and every agency, subdivision and instrumentality of the National Government....”

SECTION 4. Section 5 of EO No. 302, series of 1996, is hereby amended to read as follows:

“**SECTION 5.** The primary functions of the Committee shall be to:

1. Determine the eligibility of prospective bidders;
2. Conduct bidding;
3. Evaluate bidding results; and
4. Recommend award of contract.”

SECTION 5. Section 6 of EO No. 302, series of 1996, is hereby amended to read as follows:

“**SECTION 6.** The Procurement Policy Board created under EO No. 359, series of 1989, composed of the Secretary of Budget and Management as Chairman and, as members, the Secretaries of Finance, Trade and Industry, Health, National Defense, Public Works and Highways, Education, Culture and Sports and a representative from the Philippine Institute of Certified Public Accountants shall, subject to the approval of the President, formulate and promulgate the rules and regulations to implement the amendments to EO No. 302, series of 1996, and EO No. 201, series of 2000, and any other executive orders or amendments that pertain to the procurement of goods/supplies by the national government.”

SECTION 6. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 5th day of July in the year of Our Lord, Two Thousand.

JOSEPH EJERCITO ESTRADA

By the President:

RONALDO B. ZAMORA
Executive Secretary