

**Government Procurement Policy Board (GPPB) – Technical Support Office (TSO)  
CALENDAR YEAR – 2003**

<b>For the Month of April</b>				
<b>NON-POLICY MATTERS</b>				
Name of Agency	Date Received by GPPB-TSO	Date Released by GPPB- TSO	Issues/ Concerns/ Queries	Brief Conclusion of the Reply of GPPB-TSO
1. Armed Forces of the Philippines – Logistics Center (AFP-LC)	02/20/03	04/04/03  (TSO NPM No. 07-2003)	<p><b>Re: Shopping as an Alternative Method of Procurement</b></p> <ul style="list-style-type: none"> <li>• Is it proper to use “Shopping” as an alternative method of procurement on Work Orders for the repair and maintenance of organic vehicles of the Armed Forces of the Philippines (AFP)?</li> </ul>	<p>Shopping is a method of procurement whereby the purchaser simply requests for the submission of price quotations for the goods/services to be procured directly from suppliers of known qualifications and, to ensure competitive prices determined after verification of the prevailing market prices, the BAC concerned shall obtain quotations from at least three (3) suppliers; provided, that, the prohibition against splitting of contracts shall be equally applicable to this alternative method of procurement.</p>

				<p>However, in the procurement of services for Work Orders for the repair and maintenance of organic vehicles, it seems that shopping is not the applicable alternative method, considering that "repair services" is neither contemplated in the concept of "off-the-shelf goods," nor in the common acceptance of "ordinary/regular equipment." Negotiation as an alternative method may be adopted by the AFP for the procurement of services for Work Orders.</p>
			<ul style="list-style-type: none"> <li>• What is the appropriate alternative method of procurement to be employed for Work Orders in case "Shopping" would be inappropriate?</li> </ul>	<p>Negotiation as an alternative method of procurement maybe adopted by the AFP for the procurement of services for Work Orders. However, AFP would have to cautiously consider the adoption of the alternative method of negotiation because of the general policy in favor of public bidding. In other words, in the absence of an actual imminent danger or detriment to public service, it is always safe to conduct public bidding, because it is the generally accepted method of procurement under the law.</p>