



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Manila

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DEPARTMENT MEMORANDUM)

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Series of 2023)

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**FOR/TO : UNDERSECRETARIES
ASSISTANT SECRETARIES
REGIONAL DIRECTORS
BUREAU DIRECTORS
SERVICE DIRECTORS
HEADS OF UPMOs
DISTRICT ENGINEERS
HEADS OF ATTACHED AGENCIES
OTHERS CONCERNED
This Department**

For information and guidance, attached is a copy of **GPPB Resolution No. 06-2022** dated September 12, 2022, with the subject: **"APPROVING THE GUIDELINES ON THE RENEWAL OF REGULAR AND RECURRING SERVICES."**

A copy of the said Resolution may also be downloaded from the DPWH website: <http://dpwhweb>. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

MARICHU A. PALAFOX, CESO II
Assistant Secretary for Support Services

Encl: GPPB Resolution No. 06-2022 dated September 12, 2022

cc: Office of the Secretary

10.1.4 JVL/CDP/VGV/MSV

APPROVING THE GUIDELINES ON THE RENEWAL OF REGULAR AND RECURRING SERVICES

WHEREAS, Republic Act (RA) No. 9184, otherwise known as the “Government Procurement Reform Act,” took effect on 26 January 2003, while its 2016 revised Implementing Rules and Regulations (IRR) took effect on 28 October 2016;

WHEREAS, Section 63 of RA No. 9184 and its 2016 revised IRR authorizes the Government Procurement Policy Board (GPPB) to formulate public procurement policies, rules and regulations, and amend its IRR, whenever necessary;

WHEREAS, the GPPB issued Resolution No. 23-2007 on 28 September 2007 which approved and adopted the revised Guidelines on the Extension of Contracts for General Support Services;

WHEREAS, since 2016, the General Provisions of the General Appropriations Act (GAA) contain a provision that requires the issuance of a Multi-Year Contracting Authority (MYCA) or any similar document before government agencies may commence with the procurement of multi-year projects and enter into multi-year contracts (MYCs);

WHEREAS, Item 3.3 of the Department of Budget and Management (DBM) National Budget Circular (NBC) No. 570¹ defines Regular and Recurring Services as services that are essential, indispensable, or necessary to support the operations of the Procuring Entity (PE) or for the enhancement of the welfare of its personnel, such as: (i) janitorial and security services; (ii) telecommunication requirements; (iii) provision for water; and (iv) rental of office space and equipment;

WHEREAS, since 2019, the General Provisions of the GAA include a provision that states “[i]n case of recurring procurement projects such as, but not limited to, janitorial and security services, supply of drinking water, telecommunications requirements, and rental of office and equipment, government agencies may either secure a MYCA or an equivalent authority, or renew the ongoing contract to not more than one (1) year subject to assessment or evaluation of the contractor’s performance. In no case shall the total contract renewals exceed two (2) years. Implementation of this provision shall be subject to the relevant GPPB Guidelines issued thereon;”

WHEREAS, the GPPB - Technical Support Office (GPPB-TSO), during its review of the existing Guidelines on the Procurement of Security and Janitorial Services and the revised Guidelines on the Extension of Contracts for General Support Services, noted the issues raised by various PEs regarding their difficulties in complying with the procedure in securing MYCA for Regular and Recurring Services entailing multi-year contract implementation;

WHEREAS, in 2021, the GPPB-TSO conducted a focused group discussion² to determine the general support services that were regularly procured by PEs, including the gaps and challenges in procurement, particularly the expiration of the existing contract for

¹ Dated 19 May 2017, entitled: Guidelines for issuance of Multi-Year Obligational Authority for Multi-Year Projects covering the Procurement of Regular and Recurring Services.

² Focused group discussion with GPPB Recognized Trainers conducted last 8 May 2021.

such services before the procurement activities were completed, and the need to increase or decrease the quantity of items in renewal contracts;

WHEREAS, to address the said gaps and challenges, the GPPB-TSO drafted its proposed Guidelines for the Renewal of Regular and Recurring Services (Guidelines), whereby the general parameters of which were presented to the Inter-Agency Technical Working Group (IATWG) during its 5th and 6th meetings for inputs and comments;³

WHEREAS, in the 6th IATWG meeting, the Group emphasized the need to specify the excluded services from the coverage of the proposed Guidelines, among which is cloud computing services, as recommended by the representative from the Department of Information and Communications Technology (DICT).⁴ According to the DICT, it intends to propose separate guidelines for the procurement of information and communications technology resources;

WHEREAS, on 23 June 2022, during the Joint GPPB and IATWG Mid-Year meeting, the GPPB-TSO presented the general parameters of the Guidelines for comments of the Board and its IATWG;

WHEREAS, in the inaugural meeting of the GPPB and its IATWG last 12 September 2022, the GPPB-TSO presented the revised proposed Guidelines, incorporating the initial comments of the Board, with the following provisions:

- a. The proposed Guidelines shall apply to all existing contracts for general support services that are regularly procured in accordance with RA No. 9184 and its 2016 revised IRR, and other associated issuances. These Regular and Recurring Services refer to those:
 - i. defined under DBM NBC No. 570, s. 2017 and other issuances⁵ that may be issued for the purpose, such as (i) janitorial services; (ii) security services; (iii) telecommunication requirements; (iv) supply of drinking water; and (v) rental of office space, venue, and equipment;
 - ii. which by their nature are deemed essential, indispensable, or necessary to the day-to-day operations of the PE; or
 - iii. procured repeatedly by the PE in the last three (3) years;
- b. A Cost-Benefit Analysis must be undertaken by the End-User to show the comparative advantage of renewal over the conduct of another procurement;
- c. The renewal of contract is subject to (i) a satisfactory performance by the service provider, as evaluated by the End-User, and (ii) submission of updated eligibility documents and performance security by the service provider;
- d. The renewal of contract shall be included in the Annual Procurement Plan (APP) which shall be approved by the Head of the Procuring Entity (HoPE), upon recommendation of the Bids and Awards Committee (BAC);
- e. The duration for each renewal contract shall not exceed one (1) year; however, the total combined period covering the original contract, renewal contract/s, and contract extension/s, if applicable, shall not exceed three (3) years;
- f. The amendment of contract shall be allowed in the following instances:
 - (i) price adjustment was prescribed by laws, rules and regulations, and other issuances such as wage orders issued by the National Wages and Productivity Commission; or
 - (ii) increase or decrease in the quantity of items that were determined to be necessary by the End-User, subject, however, to the following:

³ 5th and 6th IATWG meetings held on 18 May 2022 and 02 June 2022, respectively.

⁴ As recommended during the subsequent Group meeting on 02 June 2022.

⁵ Such as the General Appropriations Act.

- 1) the unit prices for the increased or decreased items are the same as, or lower than, those in the existing contract; and
 - 2) any increase in the quantity of items shall not result in more than twenty-five percent (25%) increase in the amount of the original contract price and the updated contract price shall be within the threshold for the applicable alternative method of procurement;
- g. A provision for renewal of contract, including the performance evaluation of the service provider, must be incorporated in the Philippine Bidding Documents (PBD), particularly in Special Conditions of the Contract and Technical Specifications, and in the Request for Quotation of the original contract;
 - h. The contract for Regular and Recurring Services may be extended by the PE if it has commenced with another procurement or the renewal process but was unable to award a new contract or renew the existing contract within fifteen (15) calendar days prior to the expiration of the existing contract for reasons beyond its control;
 - i. The notice of renewal and renewal contract shall be posted by the PE on its official website and the Philippine Government Electronic Procurement System, and submitted to the GPPB for monitoring; and
 - j. The renewal of contract must be reflected in the following procurement reports: (i) APP; (ii) Procurement Monitoring Report; and (iii) Agency Procurement Compliance and Performance Indicator System;

WHEREAS, the DICT representative withdrew the prior recommendation of the agency to exclude cloud computing services from the scope and application of the proposed Guidelines and recommended to include the same pending the formulation of its proposed guidelines for the procurement of cloud computing services;⁶

WHEREAS, the Board, after careful review and deliberations on the comments and recommendations of its members, resolved to approve the GPPB-TSO proposed Guidelines on Renewal of Regular and Recurring Services, including the relevant amendments in the following:

- a. Sections 7.5 and 7.6 of the 2016 revised IRR of RA No. 9184 to allow the renewal of contract for Regular and Recurring Services to be undertaken through Early Procurement Activities (EPA);
- b. Section 17.2 of the 2016 revised IRR of RA No. 9184 to include the provision on renewal of contract for Regular and Recurring Services and the conduct of performance evaluation of the service provider;
- c. Annex "H" of the 2016 revised IRR of RA No. 9184 entitled, "Consolidated Guidelines for the Alternative Methods of Procurement" to include the provision on renewal of contract for Regular and Recurring Services and the conduct of performance evaluation of the service provider and delete the provision on renewal of contract for lease of real property;
- d. Revised Guidelines on the Extension of Contracts for General Support Services issued through GPPB Resolution No. 23-2007 to amend the conditions and procedure for the extension of contracts for Regular and Recurring Services;
- e. Guidelines on the Procurement of Security and Janitorial Services issued through GPPB Resolution No. 24-2007 to amend the performance criteria in the conduct of performance evaluation as required in the implementation of MYCs for Security and Janitorial Services;
- f. Guidelines on Water, Electricity, Telecommunications, and Internet Service Providers issued through GPPB Resolution No. 019-2006 to delete the provision on renewal of contracts for telecommunications and internet service providers;

⁶ As provided in the letter submitted by the DICT, dated 14 September 2022.

- g. Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants issued through GPPB Resolution No. 40-2017 to include the additional ground for Blacklisting when the service provider refused to accept the Notice of Renewal or failed to submit its updated documentary requirements for the renewal of contract without any justifiable reason; and
- h. 6th Edition of the PBD for Goods, particularly, Section V. Special Conditions of Contract and Section VII. Technical Specifications to include the clause and instructions in the requirements for the renewal of Regular and Recurring Services.

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 and other executive issuances, hereby **RESOLVE** to confirm, adopt, and approve, as **WE** hereby confirm, adopt, and approve the following:

- a. **APPROVE** the proposed Guidelines on Renewal of Regular and Recurring Services, a copy of which is attached as Annex “A” and made an integral part hereof; and
- b. **AMEND** the relevant provisions in the following:
 - i. Sections 7.5 and 7.6 of the 2016 revised IRR of RA No. 9184 to allow the renewal of contract for Regular and Recurring Services to be undertaken through EPA;
 - ii. Section 17.2 of the 2016 revised IRR of RA No. 9184 to include the provision on renewal of contract for Regular and Recurring Services and the conduct of performance evaluation of the service provider;
 - iii. Annex “H” of the 2016 revised IRR of RA No. 9184 entitled, “Consolidated Guidelines for the Alternative Methods of Procurement” to include the provision on renewal of contract for Regular and Recurring Services and the conduct of performance evaluation of the service provider and delete the provision on renewal of contract for lease of real property;
 - iv. Revised Guidelines on the Extension of Contracts for General Support Services issued through GPPB Resolution No. 23-2007 to amend the conditions and procedure for the extension of contracts for Regular and Recurring Services;
 - v. Guidelines on the Procurement of Security and Janitorial Services issued through GPPB Resolution No. 24-2007 to amend the performance criteria in the conduct of performance evaluation as required in the implementation of MYCs for Security and Janitorial Services;
 - vi. Guidelines on Water, Electricity, Telecommunications, and Internet Service Providers issued through GPPB Resolution No. 019-2006 to delete the provision on renewal of contracts for telecommunications and internet service providers;
 - vii. Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants issued through GPPB Resolution No. 40-2017 to include the additional ground for Blacklisting when the service provider refused to accept the Notice of Renewal or failed to submit its updated documentary requirements for the renewal of contract without any justifiable reason; and
 - viii. 6th Edition of the PBD for Goods, particularly, Section V. Special Conditions of Contract and Section VII. Technical Specifications to include the clause and

instructions in the requirements for the renewal of Regular and Recurring Services.

A copy of the said amendments is attached as Annex “B” and made an integral part hereof.

This Resolution shall take effect immediately.

APPROVED this 12th day of September 2022 at Pasay City, Philippines.

Sgd.	Sgd.
<i>GPPB, Chairperson</i> DEPARTMENT OF BUDGET AND MANAGEMENT	<i>Alternate to the Chairperson</i> DEPARTMENT OF BUDGET AND MANAGEMENT
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY	DEPARTMENT OF EDUCATION
DEPARTMENT OF ENERGY	Sgd. DEPARTMENT OF FINANCE
Sgd. DEPARTMENT OF HEALTH	Sgd. DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT
DEPARTMENT OF NATIONAL DEFENSE	Sgd. DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
DEPARTMENT OF SCIENCE AND TECHNOLOGY	Sgd. DEPARTMENT OF TRADE AND INDUSTRY
Sgd. DEPARTMENT OF TRANSPORTATION	DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY
PHILIPPINE SPACE AGENCY	Sgd. PRIVATE SECTOR REPRESENTATIVE

GUIDELINES ON RENEWAL OF REGULAR AND RECURRING SERVICES

1. PURPOSE

This Guidelines is formulated to establish the rules and procedures for the renewal of Regular and Recurring Services.

2. SCOPE AND APPLICATION

- 2.1 This Guidelines shall govern the renewal of contracts for Regular and Recurring Services executed upon the effectivity hereof by any branch, constitutional commission or office, agency, department, bureau, office, or instrumentality of the Government of the Philippines (GoP), National Government Agencies, including Government-Owned and/or Controlled Corporations, Government Financial Institutions, State Universities and Colleges, and Local Government Units.
- 2.2 This may likewise apply to the renewal of contracts executed prior to the effectivity hereof but subject to concurrence of the service provider.
- 2.3 However, this Guidelines shall not apply to the renewal of the following services considering that these are covered by existing laws, rules and regulations, or are granted with exclusive franchises to operate within a specific area:
 - a) Lease-purchase Agreements;
 - b) Water and electricity services; and
 - c) Radio-Frequency Identification subscriptions.

3. CONDITIONS

The renewal of contracts for Regular and Recurring Services shall comply with the following:

- 3.1 The renewal shall cover Procurement Projects that are regular and recurring. For this purpose, Regular and Recurring Services refer to those:
 - a. defined under Department of Budget and Management National Budget Circular No. 570, s. 2017 and other issuances⁷ that may be issued for the purpose, such as (i) janitorial services; (ii) security services; (iii) telecommunication requirements; (iv) supply of drinking water; and (v) rental of office space, venue, and equipment;
 - b. which by their nature are deemed essential, indispensable, or necessary to the day-to-day operations of the Procuring Entity (PE); or
 - c. procured repeatedly by the PE in the last three (3) years;

⁷ Such as the General Appropriations Act.

- 3.2 The original contract covering the Regular and Recurring Services was awarded in accordance with the Republic Act (RA) No. 9184 and its 2016 revised Implementing Rules and Regulations (IRR), and other associated issuances;
- 3.3 A Cost-Benefit Analysis (CBA) undertaken by the End-User to show the comparative advantage of renewal over the conduct of another procurement;
- 3.4 A performance evaluation conducted by the End-User showing Satisfactory performance by the service provider and submission of updated documentary requirements and performance security by the service provider;
- 3.5 The duration for each renewal contract shall not exceed one (1) year; however, the total combined period covering the original contract, renewal contract/s and contract extension/s, if applicable, shall not exceed three (3) years;
- 3.6 The service provider must not be a Blacklisted Entity at the time of the conduct of the performance evaluation until the signing of the renewal contract; and
- 3.7 Funds are available for the renewal of contracts in accordance with existing budgeting, accounting and auditing rules.

4. PROCEDURE

- 4.1 At any time after the mid-point of the contract duration, the End-User shall conduct a CBA to show the comparative advantage of renewal over the conduct of another procurement.
- 4.2 At the same time, the End-User shall evaluate the performance of the service provider for possible renewal of its contract based on the mandatory performance criteria provided below, which must be indicated in the procurement documents:⁸

	Performance Criteria	Weight
I	Conformity to Technical Requirements	(25)
II	Timeliness in the Delivery of Services	(25)
III	Behavior of Personnel (Courteous, Professional, and Knowledgeable)	(20)
IV	Response to Complaints	(20)
V	Compliance with set office policies for such services	(10)
Performance Rating		

- 4.3 The End-User may include up to three (3) additional criteria to the mandatory criteria, if deemed necessary. However, the minimum weight for the mandatory criteria, as stated below, shall be observed:

⁸ Philippines Bidding Documents, particularly in Special Conditions of the Contract and Technical Specifications, or in the Request for Quotation of the original contract.

	Performance Criteria	Minimum Weight
I	Conformity to Technical Requirements	(20)
II	Timeliness in the Delivery of Services	(20)
III	Behavior of Personnel (Courteous, Professional, and Knowledgeable)	(10)
IV	Response to Complaints	(5)
V	Compliance with set office policies for such services	(5)

- 4.4 The total weight for the performance rating must be equivalent to 100 points. The service provider must attain at least a “Satisfactory” rating of 80 points.
- 4.5 In case of a favorable CBA or one that supports the renewal of contract and a “Satisfactory” rating on the performance of the existing service provider, the End-User may recommend for the renewal of the existing contract to the Bids and Awards Committee (BAC) for inclusion in the Annual Procurement Plan (APP).
- 4.6 Upon receipt of the recommendation of the End-User to renew the existing contract, the BAC shall require the service provider to submit the following updated eligibility documents within ten (10) calendar days from the receipt of the said request for submission, as may be applicable:

Procurement Modality	PhilGEPS Platinum Certificate	PhilGEPS Registration Number	Mayor's/ Business Permit	Income/ Business Tax Return	Omnibus Sworn Statement
I. Competitive/ Public Bidding	✓				
II. Negotiated Procurement A. Two Failed Biddings (Section 53.1)	✓ **PhilGEPS Platinum Certificate if legal eligibility requirements are not subject to revision after conducting the mandatory review.				
B. Take-Over of Contracts (Section 53.3)		✓	✓		
C. Small Value Procurement (Section 53.9)		✓	✓	✓ For ABCs above P500K	✓ For ABCs above P50K

D. Lease of Real Property (Section 53.10)		✓ Except for government agencies as lessors	✓ Except for government agencies as lessors	✓ Except for government agencies as lessors	
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- 4.7 The BAC shall validate the CBA, performance evaluation of the service provider, updated eligibility documents of the service provider, certificate of budget availability, and other relevant documents to ensure compliance with this Guidelines.
- 4.8 Once the said requirements for the renewal of contract have been validated, the BAC shall recommend for approval of the Head of the Procuring Entity (HoPE) or his/her duly authorized representative the inclusion of the renewal of contract in the APP and issuance of the Notice of Renewal.
- 4.9 Within a period not exceeding fifteen (15) calendar days from the receipt of the said recommendation of the BAC, the HoPE shall decide to approve or disapprove the same.
- 4.10 Upon approval of the recommendation of the BAC, the HoPE shall immediately issue the Notice of Renewal (Appendix "1") to the service provider within the same period.
- 4.11 If applicable, the service provider shall post a performance security in favor of the PE within ten (10) calendar days from the receipt of the Notice of Renewal.
- 4.12 Within the same ten (10) day period, the HoPE or his/her duly authorized representative shall sign a renewal contract with the service provider, provided that the applicable performance security has been complied with.
- 4.13 The effectivity of the renewal contract shall immediately commence upon the expiration of the existing contract, except for justifiable reasons, as determined by the End-User. In which case, the gap between the period of the existing contract and renewal contract shall not be covered by the total combined period of three (3) years stated under Item 3.5 hereof.

5. CONTRACT EXTENSION

- 5.1 To avoid any interruption of service, the contract for Regular and Recurring Services may be extended by the PE if it has commenced with another procurement or the renewal process but was unable to award a new contract or renew the existing contract not later than fifteen (15) calendar days prior to the expiration of the existing contract.
- 5.2 The duration for each contract extension shall not exceed three (3) months. However, the total combined period covering all contract extensions shall not exceed six (6) months. The duration of contract extension/s shall form part of the total combined period of three (3) years stated under Item 3.5 hereof.
- 5.3 Not later than fifteen (15) calendar days prior to the expiration of the existing contract, the BAC shall determine if there is a need to extend the existing contract, then recommend the same and the issuance of the Notice of Extension for approval of the HoPE.

- 5.4 Within a period not exceeding ten (10) calendar days from the receipt of the said recommendation of the BAC, the HoPE shall decide to approve or disapprove the same.
- 5.5 Upon approval of the recommendation of the BAC, the HoPE shall immediately issue the Notice of Extension (Appendix “2”) within the same period to the service provider.

6. CONTRACT AMENDMENT

As a rule, the renewal of contract is undertaken to continue the Regular and Recurring Services for a specific period with the same terms and conditions of the existing contract. However, the PE may amend the terms and conditions in the following instances:

- 6.1 A price adjustment was prescribed by laws, rules and regulations, and other issuances, such as wage orders issued by the National Wages and Productivity Commission, promulgated after the bid opening, in accordance with Section 61.2 of the 2016 revised IRR of RA No. 9184 which shall be applied on a “no loss, no gain” basis, such that neither party gains nor loses anything from the resulting price adjustment; or
- 6.2 An increase or decrease in the quantity of items that were determined to be necessary by the End-User, subject to the following:
 - a. The unit prices for the increased or decreased items are the same as, or lower than, those in the existing contract; and
 - b. Any increase in the quantity of items shall not result in more than twenty-five percent (25%) increase in the amount of the original contract price and the updated contract price shall be within the threshold for the applicable alternative method of procurement.
- 6.3 Amendments to the contract price are subject to existing budgeting, accounting and auditing rules.

7. EARLY PROCUREMENT ACTIVITY

The renewal of contract may be undertaken as an Early Procurement Activity in accordance with Sections 7.5 and 7.6 of the 2016 revised IRR of RA No. 9184.

8. REPORTORIAL AND POSTING REQUIREMENTS

- 8.1 To ensure transparency, accountability and proper monitoring of public funds, the PEs shall reflect the renewal of contract in the following:⁹
 - a. APP¹⁰

⁹ The revised procurement forms are undergoing pilot testing as approved by the GPPB through its Resolution No. 02-2022, dated 7 April 2022.

¹⁰ For purposes of the APP, the BAC shall indicate the original mode of procurement undertaken for the Regular and Recurring Services and state under remarks that the Procurement Project is subject to renewal.

- i. Indicative APP in case the renewal contract is going to take effect the following year in accordance with Section 7.2 of the revised IRR of RA No. 9184; and
- ii. Supplemental APP for any amendment in the APP as a result of change in contract amount;
- b. Procurement Monitoring Report; and
- c. Agency Procurement Compliance and Performance Indicator System.

8.2 The Notice of Renewal, Notice of Extension, renewal contract, and contract extension, if any, shall be posted on the Philippine Government Electronic Procurement System and the PE's website. Likewise, the same shall be submitted to the GPPB for purposes of monitoring.

9. ADMINISTRATIVE SANCTION FOR NOT ENTERING INTO A RENEWAL CONTRACT

For contracts of Regular and Recurring Services that were procured upon the effectivity of this Guidelines, the PE may blacklist the service provider if it refuses to accept the notice of renewal or fails to submit its updated documentary requirements without any justifiable reason in accordance with Item 4.2 (h) of the Uniform Guidelines for Blacklisting.

10. REPEALING CLAUSE

The portion of Annex H of the 2016 revised IRR of RA No. 9184 entitled Renewal of Contract of Lease of Real Property is hereby repealed.

This Guidelines also repeals the relevant provisions of the Revised Guidelines on the Extension of Contracts for General Support Services, Guidelines on the Procurement of Security and Janitorial Services, and Guidelines on Procurement of Water, Electricity, Telecommunications, and Internet Service Providers issued through GPPB Resolution Nos. 23-2007, 24-2007, and 019-2006, respectively.

11. EFFECTIVITY

This Guidelines shall take effect immediately upon publication in the Official Gazette or in a newspaper of general nationwide circulation.

NOTICE OF RENEWAL

[Insert Date]

[Insert Addressee]

Dear _____:

We are pleased to inform you that the contract for the *[Insert Procurement Project]* is hereby renewed in the amount of *[Insert amount in words and in figures]* in accordance with the Guidelines on Renewal of Regular and Recurring Services provided under 2016 revised Implementing Rules and Regulations of Republic Act No. 9184.

[Include this paragraph if applicable] You are hereby required to provide within ten (10) calendar days from the receipt of this Notice of Renewal the performance security in the form and amount not less than the required percentage of the total contract price allowed in accordance with Section 39 of the 2016 revised IRR of RA No. 9184.

We appreciate your interest in renewing the contract for *[Insert Procurement Project]* and we look forward to your satisfactory performance of your obligations under the project.

Sincerely yours,

[Insert Head of the Procuring Entity]

Received By:

(Signature above printed name)

(Date and Time of receipt)

**Kindly email to sender to acknowledge receipt*

NOTICE OF EXTENSION

[Insert Date]

[Insert Addressee]

Dear _____:

We are pleased to inform you that the contract for the *[Insert Procurement Project]* is hereby extended for a period of *[Insert period]* in the amount of *[Insert amount in words and in figures]* in accordance with the Guidelines on Renewal of Regular and Recurring Services provided under 2016 revised Implementing Rules and Regulations of Republic Act No. 9184.

We appreciate your interest in extending the contract for *[Insert Procurement Project]* and we look forward to your satisfactory performance of your obligations under the project.

Sincerely yours,

[Insert Head of the Procuring Entity]

Received By:

(Signature above printed name)

(Date and Time of receipt)

**Kindly email to sender to acknowledge receipt*

**2016 REVISED IMPLEMENTING RULES AND REGULATIONS (IRR) OF THE REPUBLIC
ACT (RA) NO. 9184**

ORIGINAL	AMENDED
<p>RULE II – PROCUREMENT PLANNING</p> <p>Section 7. Procurement Planning and Budget Linkage</p> <p>Section 7.5. Except for procurement projects undertaken through early procurement activities (EPA), the ABC as reflected in the approved APP shall be at all times consistent with the appropriations for the project authorized in the GAA, continuing, and automatic appropriations, the corporate budget, and the appropriations ordinance, as the case may be.</p> <p>xxx</p>	<p>RULE II – PROCUREMENT PLANNING</p> <p>Section 7. Procurement Planning and Budget Linkage</p> <p>Section 7.5. Except for procurement projects AND RENEWAL OF CONTRACT FOR REGULAR AND RECURRING SERVICES undertaken through early procurement activities (EPA), the ABC as reflected in the approved APP shall be at all times consistent with the appropriations for the project authorized in the GAA, continuing, and automatic appropriations, the corporate budget, and the appropriations ordinance, as the case may be.</p> <p>xxx</p>
<p>Section 7.6. To facilitate the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services, even pending approval of the GAA, corporate budget, appropriations ordinance or loan agreements in the case of FAPs, as the case may be, and notwithstanding Section 7.2 hereof, the Procuring Entity may undertake EPA.</p> <p>Procuring Entities are encouraged to undertake EPA to ensure the timely delivery of goods, implementation of infrastructure projects and rendition of consultancy services. The conduct of EPA for nationally-funded procurement projects may commence as early as the submission of the NEP to Congress, usually in July. No EPA may be conducted without an indicative APP duly approved by the HoPE and the MYCA issued by the DBM, in the case of multi-year projects. This will facilitate the awarding of procurement contracts upon approval and effectivity of their respective funding sources or the reenactment of the previous year’s budget which constitutes the current year’s authorized budget, when authorized by the Constitution, law or rules.</p>	<p>Section 7.6. To facilitate the immediate implementation of procurement of Goods, Infrastructure Projects or Consulting Services AND RENEWAL OF CONTRACT FOR REGULAR AND RECURRING SERVICES, even pending approval of the GAA, corporate budget, appropriations ordinance or loan agreements in the case of FAPs, as the case may be, and notwithstanding Section 7.2 hereof, the Procuring Entity may undertake EPA.</p> <p>Procuring Entities are encouraged to undertake EPA to ensure the timely delivery of goods, implementation of infrastructure projects, and rendition of consultancy services, OR RENEWAL OF CONTRACT FOR REGULAR AND RECURRING SERVICES. The conduct of EPA for nationally-funded procurement projects may commence as early as the submission of the NEP to Congress, usually in July. No EPA may be conducted without an indicative APP duly approved by the HoPE and the MYCA issued by the DBM, in the case of multi-year projects. This will facilitate the awarding OR RENEWAL of procurement contracts upon approval and effectivity of their respective funding sources or the reenactment of the previous</p>

<p>For EPA, the indicative APP shall be based on the ABC in the proposed national budget submitted by the President to Congress; for GOCCs, on budget levels as proposed to the governing board; for LGUs, on budget levels as proposed in the executive budget submitted to the Sanggunian; and for foreign-assisted projects (FAPS), on the document issued by the foreign donor or financing institution explicitly stating that a loan is to be made available to the Philippines or any of its agencies or instrumentalities with borrowing authority.</p> <p>No award of contract shall be made until the approval and effectivity of the GAA, corporate budget, appropriations ordinance or the loan agreement in the case of FAPs.</p> <p>Notwithstanding the approval and effectivity of the GAA, reenacted budget, appropriations ordinance, corporate budget or loan agreement, Procuring Entities shall not award contracts for procurement projects requiring Special Allotment Release Order or Sub-Allotment Release Order until the same has been issued, secured or released.</p>	<p>year's budget which constitutes the current year's authorized budget, when authorized by the Constitution, law or rules.</p> <p>For EPA, the indicative APP shall be based on the ABC in the proposed national budget submitted by the President to Congress; for GOCCs, on budget levels as proposed to the governing board; for LGUs, on budget levels as proposed in the executive budget submitted to the Sanggunian; and for foreign-assisted projects (FAPS), on the document issued by the foreign donor or financing institution explicitly stating that a loan is to be made available to the Philippines or any of its agencies or instrumentalities with borrowing authority.</p> <p>No award of contract shall be made until the approval and effectivity of the GAA, corporate budget, appropriations ordinance or the loan agreement in the case of FAPs.</p> <p>Notwithstanding the approval and effectivity of the GAA, reenacted budget, appropriations ordinance, corporate budget or loan agreement, Procuring Entities shall not award OR RENEW contracts for procurement projects requiring Special Allotment Release Order or Sub-Allotment Release Order until the same has been issued, secured or released.</p>
<p>RULE VI – PREPARATION OF BIDDING DOCUMENTS</p> <p>Section 17. Form and Contents of Bidding Documents</p> <p>Section 17.2 The specifications and other terms in the Bidding Documents shall reflect the necessary specifications required to meet the needs of the Procuring Entity in clear and unambiguous terms.</p> <p>In mixed procurements, the Procuring Entity shall specify in the Bidding Documents the requirements, criteria and other conditions of the bidding procedures and of the ensuing contract as applicable to each component of the project. In the preparation of Bidding Documents, the Procuring Entity shall ensure compliance with the existing laws, rules and regulations, especially those concerning licenses and permits required for the project, in accordance with Section 34.2 of this IRR.</p>	<p>RULE VI – PREPARATION OF BIDDING DOCUMENTS</p> <p>Section 17. Form and Contents of Bidding Documents</p> <p>Section 17.2 The specifications and other terms in the Bidding Documents shall reflect the necessary specifications required to meet the needs of the Procuring Entity in clear and unambiguous terms.</p> <p>[NEW] THE RENEWAL OF CONTRACT FOR REGULAR AND RECURRING SERVICES, INCLUDING THE REQUIRED PERFORMANCE EVALUATION OF THE SERVICE PROVIDER, MUST BE STATED BY THE PROCURING ENTITY IN THE SCOPE OF WORK OR TECHNICAL SPECIFICATIONS AND SPECIAL CONDITIONS OF THE CONTRACT OF THE BIDDING DOCUMENTS.</p> <p>In mixed procurements, the Procuring Entity shall specify in the Bidding Documents the requirements,</p>

	criteria and other conditions of the bidding procedures and of the ensuing contract as applicable to each component of the project. In the preparation of Bidding Documents, the Procuring Entity shall ensure compliance with the existing laws, rules and regulations, especially those concerning licenses and permits required for the project, in accordance with Section 34.2 of this IRR.
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ANNEX “H” OF THE 2016 REVISED IRR OF RA NO. 9184 ENTITLED “CONSOLIDATED GUIDELINES FOR THE ALTERNATIVE METHODS OF PROCUREMENT”

ORIGINAL	AMENDED
<p>Part IV. GENERAL GUIDELINES</p> <p>L. Notice of Award; Contract Approval; Notice to Proceed.</p> <p>1) xxx</p> <p> a. xxx</p> <p> b. xxx</p> <p> c. xxx</p> <p>2) Posting of Notice of Award, Contract and Notice to Proceed. xxx</p>	<p>Part IV. GENERAL GUIDELINES</p> <p>L. Notice of Award; Contract Approval; Notice to Proceed.</p> <p>1) xxx</p> <p> a. xxx</p> <p> b. xxx</p> <p> c. xxx</p> <p>2) [NEW] RENEWAL OF CONTRACT FOR REGULAR AND RECURRING SERVICES. THE END-USER SHALL STATE IN THE CONTRACT/PO THE RENEWAL OF CONTRACT FOR REGULAR AND RECURRING SERVICES AND THE REQUIRED PERFORMANCE EVALUATION OF THE SERVICE PROVIDER.</p> <p>3) Posting of Notice of Award, Contract and Notice to Proceed. xxx</p>
<p>Part V. SPECIFIC GUIDELINES</p> <p>D. NEGOTIATED PROCUREMENT. xxx</p> <p>9. LEASE OF REAL PROPERTY AND VENUE</p> <p>d) Renewal of Contract of Lease of Real Property</p> <p>i. xxx</p>	<p>Part V. SPECIFIC GUIDELINES</p> <p>D. NEGOTIATED PROCUREMENT. xxx</p> <p>9. LEASE OF REAL PROPERTY AND VENUE</p> <p>d) Renewal of Contract of Lease of Real Property</p> <p>i. xxx</p>

<p>ii. If the results of the CBA, conducted by the end-user, continue to favor the existing lessor, then the Head of the Procuring Entity (HoPE) may simply renew its lease contract. If it does not, then the PE should procure a new lease contract in accordance with Section 53.10 of the IRR of RA 9184 and these guidelines. For efficiency and economy, during the effectivity of the contract, or upon its renewal, the PE may consider the expansion or reduction of the space provided by the existing lessor, provided that the leased premises can accommodate the space requirements of the PE in case of expansion, based on the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules.</p>	<p>ii. If the results of the CBA, conducted by the end-user, continue to favor the existing lessor, then the Head of the Procuring Entity (HoPE) may simply renew its lease contract SUBJECT TO THE GUIDELINES ON RENEWAL OF REGULAR AND RECURRING SERVICES. If it does not, then the PE should procure a new lease contract in accordance with Section 53.10 of the IRR of RA 9184 and these guidelines. For efficiency and economy, during the effectivity of the contract, or upon its renewal, the PE may consider the expansion or reduction of the space provided by the existing lessor, provided that the leased premises can accommodate the space requirements of the PE in case of expansion, based on the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules.</p>
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GUIDELINES ON THE PROCUREMENT OF SECURITY AND JANITORIAL SERVICES

ORIGINAL	AMENDED
<p>5.0 MULTI-YEAR CONTRACTS</p> <p>5.4 Procuring entities shall expressly provide, under <i>Section VII. Technical Specifications</i>, which shall form part of the contract under Section 13.1 of the General Conditions of the Contract of the PBDs, that the service provider/contractor shall maintain a satisfactory level of performance throughout the term of the contract based on a prescribed set of performance criteria.</p> <p>The performance criteria to be applied shall include, among others, the following: (i) quality of service delivered; (ii) time management; (iii) management and suitability of personnel; (iv) contract administration and management; and (v) provision of regular progress reports.</p>	<p>5.0 MULTI-YEAR CONTRACTS</p> <p>5.4 Procuring entities shall expressly provide, under <i>Section VII. Technical Specifications</i>, which shall form part of the contract under Section 13.1 of the General Conditions of the Contract of the PBDs, that the service provider/contractor shall maintain a satisfactory level of performance throughout the term of the contract based on a prescribed set of performance criteria.</p> <p>The performance criteria to be applied shall include, among others, the following: (i) quality of service delivered CONFORMITY OF TECHNICAL REQUIREMENTS; (ii) time management TIMELINESS IN THE DELIVERY OF SERVICES; (iii) management and suitability of personnel BEHAVIOR OF THE PERSONNEL; (iv) contract administration and management RESPONSE TO COMPLAINTS; and (v) provision of regular progress reports COMPLIANCE WITH SET OFFICE POLICIES.</p>

**GUIDELINES ON PROCUREMENT OF WATER, ELECTRICITY,
TELECOMMUNICATIONS AND INTERNET SERVICE PROVIDERS**

ORIGINAL	AMENDED
<p>3.0 PROCEDURES AND GUIDELINES</p> <p>3.2 Telecommunications (Landline and Cellular Phones)</p> <p>3.2.1 Existing Lines</p> <p>xxx</p> <p>3.2.1.1 xxx</p> <p>3.2.1.2 xxx</p> <p>3.2.1.3 If results of said assessment or cost-benefit analysis, conducted by the end-user, continue to favor the existing service provider, then the Head of the Procuring Entity may simply renew its services. If it does not, then the procuring entity should bid said services in accordance with Subsection 3.2.2 of these guidelines. For efficiency and economy, during the effectivity of the contract, or upon its renewal, the PE may consider the expansion or reduction of the services provided by the existing service provider subject to the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules.</p> <p>3.2.1.4 xxx</p>	<p>3.0 PROCEDURES AND GUIDELINES</p> <p>3.2 Telecommunications (Landline and Cellular Phones)</p> <p>3.2.1 Existing Lines</p> <p>xxx</p> <p>3.2.1.1 xxx</p> <p>3.2.1.2 xxx</p> <p>3.2.1.3 If results of said assessment or cost-benefit analysis, conducted by the end-user, continue to favor the existing service provider, then the Head of the Procuring Entity may simply renew its services SUBJECT TO THE GUIDELINES ON RENEWAL OF REGULAR AND RECURRING SERVICES. If it does not, then the Head of the Procuring Entity should bid said services in accordance with Subsection 3.2.2 of these guidelines. For efficiency and economy, during the effectivity of the contract, or upon its renewal, the PE may consider the expansion or reduction of the services provided by the existing service provider subject to the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules.</p> <p>3.2.1.4 xxx</p>
<p>3.0 PROCEDURES AND GUIDELINES</p> <p>3.3 Internet Service Providers (ISP)</p>	<p>3.0 PROCEDURES AND GUIDELINES</p> <p>3.3 Internet Service Providers (ISP)</p>

<p>3.3.1 <i>Existing ISPs</i></p> <p>xxx</p> <p>3.3.1.1 xxx</p> <p>3.3.1.2 xxx</p> <p>3.3.1.3 If results of said assessment or cost-benefit analysis, conducted by the end-user, continue to favor the existing ISP, then the Head of the Procuring Entity may simply renew its services. If it does not, then the Head of the Procuring Entity should bid said services in accordance with Subsection 3.3.2 of these guidelines. For efficiency and economy, during the effectivity of the contract, or upon its renewal, the PE may consider the expansion or reduction of the services provided by the existing service provider subject to the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules.</p>	<p>3.3.1 <i>Existing ISPs</i></p> <p>xxx</p> <p>3.3.1.1 xxx</p> <p>3.3.1.2 xxx</p> <p>3.3.1.3 If results of said assessment or cost-benefit analysis, conducted by the end-user, continue to favor the existing service provider, then the Head of the Procuring Entity may simply renew its services SUBJECT TO THE GUIDELINES ON RENEWAL OF REGULAR AND RECURRING SERVICES. If it does not, then the Head of the Procuring Entity should bid said services in accordance with Subsection 3.3.2 of these guidelines. For efficiency and economy, during the effectivity of the contract, or upon its renewal, the PE may consider the expansion or reduction of the services provided by the existing service provider subject to the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules.</p>
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UNIFORM GUIDELINES FOR BLACKLISTING OF MANUFACTURERS, SUPPLIERS, DISTRIBUTORS, CONTRACTORS AND CONSULTANTS

ORIGINAL	AMENDED
<p>4.0 SANCTIONS AND GROUNDS FOR BLACKLISTING</p> <p>4.2 Contract Implementation Stage</p> <p>Pursuant to Section 69 (6) of R.A. 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws, the procuring entity shall impose on contractors after the termination of the contract the penalty of blacklisting for one (1) year for the first offense, blacklisting for two (2) years for the second offense</p>	<p>4.0 SANCTIONS AND GROUNDS FOR BLACKLISTING</p> <p>4.2 Contract Implementation Stage</p> <p>Pursuant to Section 69 (6) of R.A. 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws, the procuring entity shall impose on contractors after the termination of the contract the penalty of blacklisting for one (1) year for the first offense, blacklisting for two (2) years for the second offense</p>

<p>from participating in the public bidding process, for violations committed during the contract implementation stage, which include but not limited to the following:</p> <ul style="list-style-type: none"> a) xxx. b) xxx. c) xxx. d) xxx. e) xxx. f) xxx. g) xxx. h) In case it is determined prima facie that the contractor has engaged, before or during implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation as enumerated in Section III.D of the Guidelines on Termination of Contracts. <p>xxx</p>	<p>from participating in the public bidding process, for violations committed during the contract implementation stage, which include but not limited to the following:</p> <ul style="list-style-type: none"> a) xxx. b) xxx. c) xxx. d) xxx. e) xxx. f) xxx. g) xxx. h) [NEW] FOR THE RENEWAL OF CONTRACTS FOR REGULAR AND RECURRING SERVICES, REFUSAL OF THE SERVICE PROVIDER TO ACCEPT THE NOTICE OF RENEWAL OR FAILURE TO SUBMIT ITS UPDATED DOCUMENTARY REQUIREMENTS FOR THE RENEWAL OF CONTRACT WITHOUT ANY JUSTIFIABLE REASON. i) [RELETTERED] In case it is determined prima facie that the contractor has engaged, before or during implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation as enumerated in Section III.D of the Guidelines on Termination of Contracts. <p>xxx</p>
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6TH EDITION OF PHILIPPINE BIDDING DOCUMENTS FOR THE PROCUREMENT OF GOODS

ORIGINAL		AMENDED	
Section V. Special Conditions of Contract		Section V. Special Conditions of Contract	
GCC Clause		GCC Clause	
1	<p><i>[List here any additional requirements for the completion of this Contract. The following requirements and the corresponding provisions may be deleted, amended, or retained depending on its applicability to this Contract:]</i></p> <p>xxx</p>	1	<p><i>[List here any additional requirements for the completion of this Contract. The following requirements and the corresponding provisions may be deleted, amended, or retained depending on its applicability to this Contract:]</i></p> <p>xxx</p> <p>REGULAR AND RECURRING SERVICES –</p> <p>[IN CASE OF CONTRACTS FOR REGULAR AND RECURRING SERVICES, STATE: “THE CONTRACT FOR REGULAR AND RECURRING SERVICES SHALL BE SUBJECT TO A RENEWAL WHEREBY THE PERFORMANCE EVALUATION OF THE SERVICE PROVIDER SHALL BE CONDUCTED IN ACCORDANCE WITH SECTION VII. TECHNICAL SPECIFICATIONS.”]</p>
Section VII. Technical Specifications		Section VII. Technical Specifications	
Notes for Preparing the Technical Specifications		Notes for Preparing the Technical Specifications	
xxx		xxx	
		<p>IN CASE OF RENEWAL OF REGULAR AND RECURRING SERVICES, THE PROCURING ENTITY MUST INDICATE HERE THE TECHNICAL REQUIREMENTS FOR THE SERVICE PROVIDER, WHICH MUST INCLUDE THE SET CRITERIA IN</p>	

	THE CONDUCT OF ITS PERFORMANCE EVALUATION.
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