



Republic of the Philippines  
Department of Social Welfare and Development  
Batasan Pambansa Complex, Constitution Hills  
Quezon City  
Telephone No. 931-8101 to 07

**MEMORANDUM CIRCULAR**

NO. 02

Series of 2005

**SUBJECT: Guidelines on Annual Procurement Plan**

**RATIONALE:**

Procurement is one of the largest activity the government undertakes in the performance of its role as provider of multiple and wide-ranging variety of services to the public through government agencies. Such procurement involves enormous fund outlay that it calls for an efficient, effective, economical, transparent and accountable system to assure that value for government's money is obtained.

The procurement function involves a series of activities done prior to the actual purchase of goods, civil works and consultancy services. These activities include among others planning and policy decisions to determine the right quality, the right time, the right source, the right quantity, the right price and the right mode of procurement including its alternative actions.

Section 7 of Republic Act No. 9184 (RA 9184) states that "no government procurement shall be undertaken unless it is in accordance with the approved Annual Procurement Plan (APP)" and that the same shall be within the approved budget of the procuring entity/unit. Said Annual Procurement Plan (APP) should show the itemized quantity, description and estimated cost of goods, civil works and consultancy services required for a fiscal year that shall be prepared by the Department through its different offices, bureaus, services and units (OBSUs). Moreover, the approved budget for the contract (ABC) shall be at all times consistent with the appropriations for the project authorized in the General Appropriations Act (GAA) and/or continuing appropriations.

In view of the above and in compliance with the provisions of RA 9184 or the Government Procurement Reform Act (GPRA), all DSWD units shall submit a Project Procurement Management Plan.

**OBJECTIVE:**

This Circular is issued to provide guidelines on the preparation of the Project Procurement Management Plan (PPMP) which shall be consolidated to come up with a DSWD Annual Procurement Plan pursuant to the provisions of Section 7 of the Implementing Rules and Regulations Part A (IRR-A) of RA No. 9184.

**COVERAGE:**

All offices, bureaus, services, units (OBSUs) of the Department in the Central and Field Offices are covered by this Circular.

**GUIDELINES:**

1. To enable DSWD Central and Field Offices to prepare an APP for all its procurement, all OBSUs are hereby directed to submit a Project Procurement Management Plan (PPMP) in accordance with the guidelines prescribed under Section 7 of the IRR-A of RA 9184.
2. The PPMP shall be meticulously and judiciously prepared, maintained and updated by the OBSUs and shall include the following information:
  - 2.1. The type of contract to be employed in the procurement. Example, civil works; goods (supplies, materials, equipment, furniture, materials for construction, repair and maintenance of equipment/furniture, media advertisements, health maintenance services and general support services); and, consultancy services.
  - 2.2. The extent/size of contract proposed to be procured in terms of its scopes or packages or lots as the case may be.
  - 2.3. The procurement methods to be adopted, indicating therein if the procurement items are to be outsourced or to be directly purchased. If outsourced, Section 53(e) of the same IRR-A provides that the procurement shall be through the Procurement Service or other Government Agencies.
  - 2.4. The time schedule for each procurement activity to enable the procuring unit to systematically program the procurement activities, the budget, the cash requirement and the manpower to undertake such procurement.
  - 2.5. The estimated budget for the general components of the contract.
  - 2.6. The forms to be used in the PPMP are attached as Annexes "A" and "B" for Forms I and II, respectively. The instruction on how to use/fill-up the Forms is attached as Annex "C", while the Definition of Terms is attached as Annex "D".
3. Consistent with government fiscal discipline measures, only goods, civil works and consultancy services considered crucial shall be included in the PPMP. Considered crucial are those required for the day-to-day operations of the Department in pursuit of its mandate or its contribution to the delivery of the Department's Major Final Output (MFO).

4. The basic assumption for the PPMP shall include provisions for activities not covered by its regular PPMP. A maximum of fifteen percent (15%) of the estimated requirements may be provided for contingency and miscellaneous items that may include repair, food and disaster-related procurement.
5. The total estimated cost of the PPMP shall not exceed the total expenditure level for the acquisition of goods, civil works and consultancy services as indicated in its Work and Financial Plan (WFP). Those in excess of the budget shall not be procured even if in the PMPP.
6. The Bids and Awards Committee (BAC) Secretariat shall consolidate these PPMPs into an APP that has to be reviewed by the members of the BAC relative to the method of procurement to be used prior to approval of the APP. The form for the consolidated APP is attached as Annex "E" (Form III).
7. The APP shall be approved by the head of the procuring entity or his/her authorized representative and must be consistent with its duly approved WFP for the items to be procured.
8. The APP shall be made an integral part of the Department's Work and Financial Plan required to be submitted to the DBM on or before the end of every November prior to the next budget year. Hence, OBSUs are required to submit their approved PPMPs to the BAC Secretariat on or before the end of every September prior to the next budget year for consolidation into an APP of the Department.
9. The updating of the individual PPMPs for each procuring unit and the Department's consolidated APP shall be undertaken every six (6) months or as often as may be required by the head of the agency or his/her authorized representative.
10. Implementation of any project not included in the APP shall not be allowed except in emergency cases or other cases which could not be reasonably anticipated in the planning stage of the PPMP. Provided, however, that the amount needed for the purpose shall not exceed the 15% allowance provided in item no. 4 of the Guidelines.
11. No procurement shall be undertaken unless it is in accordance with the approved PPMP of the OBSUs or the approved APP of the Central or Field Office.

This Circular shall take effect immediately.

Issued in Quezon City this 17<sup>th</sup> day of January, 2005.

  
**CORAZON N. JULIANO-SOLIMAN**  
Secretary

Republic of the Philippines  
Department of Social Welfare and Development

**PROJECT PROCUREMENT MANAGEMENT PLAN (PPMP)**  
CY \_\_\_\_\_

Name of Office/Bureau/Service/Unit \_\_\_\_\_

Name of Project \_\_\_\_\_

Total Budget \_\_\_\_\_

Source of Fund \_\_\_\_\_

Type of Contract	Contract Package(s)	Procurement Method to be adopted	Time Schedule for each Procurement Activity				Estimated Budget for General Components of the Contract
			1Q	2Q	3Q	4Q	
I. Goods/Services							
A. Common-use Supplies							
B. Semi-expendable Supplies							
C. Equipment							
D. Training Supplies							
E. Furniture /Fixtures							
F. ICT Supplies							
G. Advertisement /Printing							
H. Catering Services							
I. Board and Lodging Services							
J. Other Services							
II. Consulting Services							
A. Individual							
B. Firm							
III. Civil Works							

Prepared by \_\_\_\_\_

Approved by \_\_\_\_\_

Designation \_\_\_\_\_

Designation \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

Republic of the Philippines  
Department of Social Welfare and DevelopmentPROJECT PROCUREMENT MANAGEMENT PLAN (PPMP)  
CY \_\_\_\_\_

Name of Office/Bureau/Service/Unit \_\_\_\_\_

Total Budget \_\_\_\_\_

Source of Fund \_\_\_\_\_

Type of Contract	Contract Package(s)	Procurement Method to be adopted	Time Schedule for each Procurement Activity				Estimated Budget for General Components of the Contract
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I. Goods/Services							
A. Common-use Supplies							
B. Semi-expendable Supplies							
C. Equipment							
D. Training Supplies							
E. Furniture /Fixtures							
F. ICT Supplies							
G. Advertisement /Printing							
H. Catering Services							
I. Board and Lodging Services							
J. Other Services							
II. Consulting Services							
A. Individual							
B. Firm							
III. Civil Works							

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**Project Procurement Management Plan (PPMP) Form**

**FILL-UP INSTRUCTIONS:**

1. **Calendar Year (CY)** - specify the calendar year or the period covering the PPMP.
2. **Name of Project** – indicate the complete name of the project [for Individual project]\*  
  
**Name of Office/Bureau/Service/Unit (OBSU)** – indicate the complete name of the office/bureau/service/unit (OBSU) [for consolidated plan]\*\*  
  
**Central Office/Field Office** – indicate whether central office or field office\*\*\*
3. **Total Budget** – indicate the sum of each project's allocated budget.
4. **Source of Fund** – specify the fund source or code
5. **Type of Contract to be Employed** – specify whether the contract to be employed is (a) Goods/Services, (b) Consultancy, or (c) Repairs/Civil Works, in accordance with the definition of terms attached hereto as Annex "D".
6. **Contract Packages** - indicate the extent/size and duration of the contract proposed to be procured in terms of its scopes and packages or lots as the case may be.
7. **Procurement Method to be Adopted** - to be filled up in coordination with the Bids and Awards Committee (BAC).
8. **Time Schedule for Each Procurement Activity** - indicate the month/date when the project shall take place on quarterly basis.
9. **Estimated Budget for the General Components of the Contract** - indicate the estimated amount of budget allocated for the particular project or contract as contained in the contracts to be employed.
10. **Prepared by** - indicate the name of the employee/officer who prepared the PPMP.
11. **Designation (below the space Prepared by)** - indicate the designation/position title of the employee/officer who prepared the PPMP.
12. **Date**- indicate the date when the PPMP was accomplished/filled-up.
13. **Approved by** - indicate the name of the approving authority in the respective OBSU.
14. **Designation (below the space Approved by)**- indicate the designation/job title of the authority who approved the prepared PPMP.
15. **Date** - indicate the date when the PPMP was approved by the approving authority of the respective OBSU.

**Note:**   \* *Form I*  
          \*\* *Form II*  
          \*\*\* *Form III*

**DEFINITION OF TERMS*****I. Goods/Services***

- refer to all items, supplies, materials and general support services, except consulting services and infrastructure projects, which may be needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity, whether in the nature of equipment, furniture, stationary, materials for construction, or personal property of any kind, including non-personal or contractual services such as repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services, as well as procurement of materials and supplies provided by the procuring entity for such services. The term "related" or "analogous services" shall include, but not limited to, lease or purchase of office space, media advertisements, health maintenance services, and other services essential to the operation of the procuring entity.<sup>1</sup> This is further classified into (a) common-use supplies; (b) semi-expendable supplies; (c) equipment; (d) training supplies; (e) furniture/fixtures; (f) information and communication technology (ICT) supplies; (g) advertisement/printing; (h) catering services; (i) board and lodging services; (j) other services.

***A. Common-use supplies***

- refer to those goods, materials and equipment that are repetitively used on the day-to-day operations of procuring entities in the performance of their functions.
- those included in the Price List of the Procurement Service (PS) of the Department of Budget and Management (DBM).<sup>2</sup> (refer to the list attached hereto for your guidance)

***B. Semi-expendable Supplies***

- refer to property/supplies having a value that may be assigned by Commission on Audit (COA).
- other expendable<sup>3</sup> property consumed in a function, activity, or office.

***C. Equipment***

- all non-expendable property other than land, structure and fixed facilities having a useful life of more than a year and have a value (COA assigned) or more.

***D. Training Supplies***

- refer to materials usually used in trainings, seminars, or workshops such as

<sup>1</sup>Rule I Sec. 5 (h) of R.A. 9184 and its IRR-A

<sup>2</sup>Rule I Sec. 5 (g) of R.A. 9184 and its IRR-A

<sup>3</sup>Expendable supplies are commodities acquired or ordered for immediate use in connection with government's operation, examples – printed forms, pencils, broom, brushes, pads, and inks. (Reference Manual: Seminar-Workshop on the Property and Supply Management System)

bond paper, pencils/pens, envelopes, folders and the like.

***E. Furniture/Fixtures***

- refer to necessary equipment in the office such as tables, chairs, etc.

***F. Information and Communication Technology (ICT) Supplies***

- refer to supplies necessary for ICT such as call and text pre-paid cards, consumables for computer printer/copy printers, etc.

***G. Advertisement/Printing***

- refer to supplies and materials necessary for advertisement/printing such as banners, tarpaulin, etc., to include newspaper publication, printing and delivery of books, manuals, etc.

***H. Catering Services***

- refer to the provision of food and beverage during trainings, seminars, meetings, workshops, etc.

***I. Board and Lodging Services***

- refer to the provision of meals and rooms during trainings, seminars, meetings, workshops, etc.

***J. Other Services***

- refer to general support services such as janitorial services, security services, etc.

- this may also include repair services such as repairs of offices (e.g. installation of dividers, repainting, etc.) motor vehicle, office equipment, and furniture/fixtures.

***II. Consulting Services***

- refer to services for projects or activities of the Government requiring adequate external technical and professional expertise that are beyond the capability and/or capacity of the Government to undertake such as, but not limited to the following: (a) Advisory and review services; (b) Pre-investment or feasibility studies; (c) Design; (d) Construction supervision; (e) Management and related services; and (f) Other technical services or special studies.<sup>4</sup> A consultant may either be:

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<sup>4</sup>Rule I Sec. 5 (i) of R.A. 9184 and its IRR-A



*A. Individual*

*B. Firm*

*III. Civil Works/Infrastructure Projects*

- include the construction, improvement, rehabilitation, demolition, repair, restoration or maintenance of roads, railways, airports, seaports, communication facilities, civil works components of information technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings, hospital buildings, and other related construction projects of the government.<sup>5</sup>

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<sup>5</sup>Rule I Sec. 5 (n) of R.A. 9184 and its IRR-A

COMMON OFFICE SUPPLIES (available at Procurement Service)			
		DESCRIPTION	Unit
1	Alcohol	rubbing, 70% isopropyl, 500 ml.	bottle
2	Air Freshener	aerosol type, 280 ml/can	box
3	Audio Cassette tape	blank, for 90 min. recording, TDK br.	pc.
4	Ballpoint pen	fine point, black, Panda brand	pc.
5	Ballpoint pen	fine point, blue, Panda brand	pc.
6	Ballpoint pen	fine point, red, Panda brand	pc.
7	Blade	for cutter L500	tube
8	Carbon Film	polythelene, 210mmx297mm (A-4)	bx
9	Carbon Film	polythelene, legal size	bx
10	Clip	bulldog, 76mm (3"), Prince	pc.
11	Clip	backfold, 25mm, 12 pcs./bx.	pc.
12	Clip	backfold, 50mm., 12 pcs./bx.	pc.
13	Clip	backfold, 19mm (3/4"), 12 pcs./bx.	pc.
14	Clip	double/binder, 32mm (1-1/4"), 12s	pc.
15	Columnar pad	4 columns	pad
16	Columnar pad	6 columns	pad
17	Columnar pad	10 columns	pad
18	Columnar pad	12 columns	pad
19	Columnar pad	14 columns	pad
20	Columnar pad	16 columns	pad
21	Columnar pad	18 columns	pad
22	Correction fluid	water base, white opaque, 15 ml.	btl.
23	Data File box	with closed ends and finger ring	bx.
24	Data Folder	with finger ring and clear plastic	each
25	Detergent bar	white wash brand	bar
26	Documentary box	5 x 10-1/2 x 15-3/4,	pc.
27	Envelope	documentary, kraft, letter size	pc.
28	Envelope	documentary, kraft, legal size	pc.
29	Envelope	expanding, kraft, w/ string	pc.
30	Envelope	mailing, white, ordinary, legal size	pc.
31	Envelope	expanding, plastic, w/ rubber strap	pc.
32	Eraser	blackboard, 19mm	8.3
33	Eraser	rubber, soft, pencil/draft	pc
34	Folder	pressboard, plain, legal size	pc.
35	Folder	ordinary, tagboard equiv., legal size	pc.
36	Folder	ordinary, tagboard equiv., letter size	pc.
37	Folder	plastic, pre-punched for legal papers	pc.
38	Folder	presentation, A-4 (clear)	pc.
39	Folder	morocco with plastic grip, letter size	pc.
40	Folder	morocco with plastic grip, legal size	pc.
41	Glue	all purpose in jar, 300 grams	jar
42	Illustration board	double face, 30 x 40	each
43	Index card	plain, 3 x 5, 500s	bdl.
44	Index card	ruled, 3 x 5, 500s	bdl.
45	Index card	plain, 5 x 8	bdl.
46	Index card	ruled, 5 x 8, 500s	bdl.
47	Index card box	3 x 5	pc.
48	Index card box	5 x 8	pc.
49	Index tab	self-adhesive, 5 sets/bx	bx.
50	Ink	for fountain pen, black	btl.
51	Ink	copy printer, Gestetner (5327)	tube
52	Insecticide	aerosol type, 280 ml/can	can
53	Lead	for mechanical pencil, 0.5mm	tube

54	Looseleaf cover	w/ paper cloth strap	pc.
55	Map pin	round head	box
56	Marker	flourescent	set
57	Marking pen	for whiteboard, black/blue/red	pc.
58	Marking pen	permanent, black/blue/red	pc.
59	Marking pen	for transparency film	set
60	Masteroll	M-5327, Gestetner, 2 rolls/box	box
61	Notebook	stenographer's, 40 lvs.	pc.
62	Note pad	3 x 3	pad
63	Note pad	3 x 4	pad
64	Oil	multi-purpose	btl.
65	Paper	bond, A-4 size	rm.
66	Paper	mimeo, A-4 , whitewove	rm.
67	Paper	Onion skin, A-4, superfine	rm.
68	Paper	copy, A-4	rm.
69	Paper	ruled, white	pad
70	Paper	thermal, 210mmx30m (1/2") core	rl.
71	Paper	Fastener, metal	bx.
72	Paper	Fastener, plastic	bx.
73	Paper clip	1"	bx.
74	Paper clip	jumbo	bx.
75	Paste	solid w/ water well and applicator	jar
76	Pencil	lead with eraser	doz.
77	Pencil	Mechanical	pc.
78	Rag	cotton	kl.
79	Record book	300 pages	bks.
80	Record book	500 pages	bks.
81	Ribbon	nylon for manual typewriter	spool
82	Ring binder	1/2"	pc.
83	Ring binder	3/4"	pc.
84	Ring binder	1"	pc.
85	Rubberband	#18	bx.
86	Ruler	12", plastic	pc.
87	Ruler	18", plastic	pc.
88	Sign pen	high tech pen, black/blue/green/red	pc.
89	Stamp pad ink	violet	22.45
90	Stamp pad	felt pad	each
91	Staple wire	standard, #35	bx.
92	Tape	adding machine, 2 1/4"	rl.
93	Tape	masking, 2"	rl.
94	Tape	masking, 1"	rl.
95	Tape	transparent, 1"	rl.
96	Tape	transparent, 2"	rl.
97	Tape	packaging, 2"	rl.
98	Toilet tissue	250 twin-ply sheets	packs
99	Trash bag	plastic, black	rl.
100	Transparency film	for OHP/PPC, A-4	bx.
101	Transparency film	for colored presentations, A-4	bx.
102	Twine	plastic, one kilo	rl.
103	Video Cassette Tape	minimum 120 mins.	pc.
104	Wrapping paper	kraft	rl.

Republic of the Philippines  
Department of Social Welfare and Development

ANNUAL PROCUREMENT PLAN (APP)  
CY \_\_\_\_\_

Central Office/Field Office \_\_\_\_\_

Total Budget \_\_\_\_\_

Type of Contract	Contract Package(s)	Procurement Method to be adopted	Time Schedule for each Procurement Activity				Estimated Budget for General Components of the Contract
			1Q	2Q	3Q	4Q	
I. Goods/Services							
A. Common-use Supplies							
B. Semi-expendable Supplies							
C. Equipment							
D. Training Supplies							
E. Furniture /Fixtures							
F. ICT Supplies							
G. Advertisement /Printing							
H. Catering Services							
I. Board and Lodging Services							
J. Other Services							
II. Consulting Services							
A. Individual							
B. Firm							
III. Civil Works							

Prepared by \_\_\_\_\_

Designation \_\_\_\_\_

Date \_\_\_\_\_

Approved by \_\_\_\_\_

Designation \_\_\_\_\_

Date \_\_\_\_\_