

February 19, 1996

**EXECUTIVE ORDER NO. 302**

**PROVIDING POLICIES, GUIDELINES, RULES AND REGULATIONS  
FOR THE PROCUREMENT OF GOODS/SUPPLIES BY THE NATIONAL GOVERNMENT**

**WHEREAS**, the present policies, guidelines, rules and regulations covering contracts for the procurement of goods/supplies for project-related and normal/regular operations and maintenance activities of the National Government appear to be, generally, fragmented;

**WHEREAS**, in the interest of public service, the procurement of goods/supplies by the National Government must be based on the public economy;

**WHEREAS**, as a consequence of the continuous increase in development projects, operations and maintenance requirements of the National Government, contracts for the procurement of goods/supplies have substantially increased;

**NOW, THEREFORE, I, FIDEL V. RAMOS**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**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 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; and
- d. to maintain and collect data for refinement of procurement policies and procedures based on experiences gained.

**SECTION 2.**

Levels 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 shall be as prescribed under the pertinent provisions of Executive Order Nos. 301 and 380 dated 26 July 1987 and 27 November 1989, respectively.

**SECTION 3.**

To ensure efficiency and equitable treatment, awarding of contracts shall be done through public/open competitive bidding unless another type of procurement method is necessary as prescribed under the implementing rules and regulations of this EO.

**SECTION 4.**

There shall be a Prequalification, 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 including Government-Owned or Controlled Corporations to be composed of the following:

Chairman	At least third ranking official of the barangay
Executive Officer and Secretary	Legal Officer of the Agency

Members	One (1) regular technical member and at least two (2) provisional members with knowledge of the project who shall be designated by the head of the agency concerned.
Observer	One (1) representative from the Commission of Audit
Private Sector Representatives	One (1) representative each from: Philippine Chamber of Commerce Industry End-user group or non-government organization to be designated by the Head of office/agency/corporation concerned - Both representatives shall serve only as observers.

#### **SECTION 5.**

The primary function of the Committee shall be:

1. conduct bidding;
2. evaluate bidding results; and
3. recommend award of contract.

#### **SECTION 6.**

The Committee on Infrastructure (INFRACOM) of the NEDA Board shall, subject to the approval of the President, formulate and promulgate the rules and regulations to implement the provisions of this Executive Order.

#### **SECTION 7.**

All Presidential directives, issuances, orders, rules and regulation or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

#### **SECTION 8.**

If any provision of this Executive Order and its implementing rules and regulations is held invalid, the other provisions not affected thereby shall remain valid and continue in operation.

#### **SECTION 9.**

This Executive Order shall take effect immediately.

**DONE** in the City of Manila, this 19th day of February in the year of Our Lord, Nineteen Hundred and Ninety-Six.