

**NPM No. 143-2016**

29 December 2016

**MR. JOMARKIS ILAGAN**  
*Procurement Staff*  
**PHILIPPINE CARABAO CENTER (PCC)**  
National Headquarters and Gene Pool  
Science City of Muñoz, Nueva Ecija

**Re: Lease of Venue**

Dear Mr. Ilagan:

This refers to your electronic mail (e-mail) requesting for clarification as to whether it is required to post in the PhilGEPS website the Request for Quotation in the Procurement of Lease of Venue.

At the outset, we wish to emphasize that Section 10 of Republic Act (RA) No. 9184 and its revised Implementing Rules and Regulations (IRR) mandates that Procuring Entities (PEs) adopt Competitive Bidding as the default mode of procurement; however, in highly exceptional cases, PEs may resort to alternative methods of procurement, in accordance with Rule XVI of RA 9184 and its IRR.

In the case of Lease of Real Property under Section 53.10 of the IRR of RA 9184, PEs may directly negotiate a contract with a technically, legally and financially capable supplier, contractor or consultant, subject to the Implementing Guidelines on the Lease of Privately-Owned Real Estate and Venue ("Guidelines")<sup>1</sup>. The Guidelines sets forth the rules and procedures in entering into contracts for lease of venue by government agencies for official use. It is important to note, however, that Annex H of the 2016 revised IRR or the Consolidated Guidelines for Alternative Methods of Procurement, which took effect last 28 October 2016, repealed the Guidelines.

Anent the posting of the Request for Quotation in the Philippine Government Electronic Procurement System, as a general rule for alternative methods of procurement, advertisement and posting as prescribed in Section 21.2.1 of the IRR, may be dispensed with, except those provided in Section 54.2 of the IRR. Thus, we have clarified in our previous opinion<sup>2</sup> that advertisement or posting of the RFQ for the lease of real property, such as a specific venue, is not required under the rules. It is the contract of lease costing more than PhP50,000.00 that is required to be posted in the PhilGEPS website, the website of the procuring entity concerned,

<sup>1</sup> Issued through GPPB Resolution 08-2009, dated 3 November 2009.

<sup>2</sup> NPM No. 82-2015 dated 13 October 2015

if available, and at any conspicuous place reserved for this purpose in the premises of the procuring entity.

In view of the foregoing, PEs may procure lease of venue through Competitive Bidding or Negotiated Procurement (Lease of Real Property) under Sections 10 and 53.10 of the IRR, respectively. In case the PE resorts to Lease of Real Property, then it should comply with the Guidelines, or the Consolidated Guidelines for Alternative Methods of Procurement if the procurement was posted on 28 October 2016 or thereafter; otherwise, it should observe the associated rules and regulations of Competitive Bidding.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is issued on the basis of particular facts and situations presented, and may not be applicable given a different set of facts and circumstances. Should there be other concerns, please do not hesitate to contact us.

Very truly yours,



DENNIS S. SANTIAGO  
*Executive Director V*

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