

## INSIGHT FROM A DBM JUNIOR LEADER

### Early Procurement: Just Do It!

Procurement reforms are one of the hardest reforms to implement. The early procurement policy is no exception.

My journey as a procurement practitioner started in 2009 when I was designated to be part of the technical working group (TWG) of the DBM Bids and Awards Committee (BAC). As a member of this TWG, I would be assigned a specific project to handle its procurement, from preparation of the bidding documents to the issuance of notice to proceed to the winning bidder. It was challenging at first—but you begin to understand the law more when you actually practice it.

In 2009 and 2010, the GPPB and the DBM issued guidelines on the implementation of the early procurement policy: the GPPB Circular 01-2009 dated January 20, 2009 and the DBM Circular Letter 2010-9 dated December 30, 2010. Both guidelines allow the start of the procurement of projects before awarding of contracts, which means the activity can be done even before the annual GAA is passed provided that the President has submitted the NEP to Congress.

At the DBM, these guidelines enabled us to procure, even before the start of the year, the requirements we needed routinely, such as water supply and janitorial and security services. This practice helped the DBM ensure timely supply of goods, as well as prevent the renewal of contracts. Despite these clear advantages, we found out that, anecdotally, only a few agencies had begun to comply with the early procurement policy.

I further learned that the agencies were skeptical about the validity of issuances that allowed procurement prior to availability of appropriations without a corresponding law to back it up. My counterpart operation bureaus in the other agencies relayed to me this anecdotal account when we would talk about underspending and low performance of agencies. I personally did not find a reason for their concern as early procurement was allowed only until before the awarding of contracts, which meant there was no need to provide appropriations yet.

### By Atty. Maria Paula B. Domingo<sup>1</sup>

The technical working group that worked on the provisions related to budget execution of the Public Financial Accountability Bill, of which I was a part, recommended a provision on early procurement during its conceptualization and drafting. The bill, however, was not passed by Congress.

As a remedy, the DBM Legal Service recommended that the early procurement provision in the PFM Bill be made part of the general provisions of the 2016 GAA. Thus, we now have the general provision on early procurement. Because of this provision, which now serves as the legal basis for the early procurement policy, hopefully more and more agencies implementing projects efficiently and on time.

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