

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 14 P2:15

SENATE
S. No. 618

RECEIVED BY: _____

Introduced by SENATOR FRANCIS "TOL" N. TOLENTINO

AN ACT
PROVIDING FOR A UNIFORM WAREHOUSING AND INVENTORY SYSTEM
FOR ALL GOVERNMENT PROCURING ENTITIES, AMENDING FOR THE
PURPOSE REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS THE
"GOVERNMENT PROCUREMENT REFORM ACT"

EXPLANATORY NOTE

Taxes are the lifeblood of the government and should be collected without unnecessary hindrance.¹ Corollary, public procurement is the process wherein taxes collected are spent by the government. Hence, it is a critical function of the government which is required to be carried out efficiently and with utmost transparency and integrity in order to safeguard public interest.

Procurement is a fundamental aspect of good governance as it gives government access to the right products, services, competencies, and abilities to accomplish government functions properly. The main objective of public procurement is to ensure the appropriate delivery of goods and services necessary for the government to achieve its operations in a timely, efficient, and cost-effective manner.

¹ Commissioner of Internal Revenue v. Next Mobile, Inc. (Formerly Nextel Communications Phils., Inc.), G.R. No. 212825, 7 December 2015.

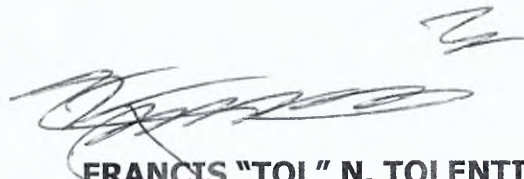
Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act," provides the policy for the Philippine government's procurement of infrastructure projects, goods, and consulting services, regardless of the source of funds, whether local or foreign, by all branches and instrumentalities of the government, its departments, offices, and agencies, including government-owned and/or controlled corporations and local government units.

The occurrence of the COVID-19 pandemic showed the gap in RA 9184 when it came to guidelines providing for a general system of automated warehousing and cloud-based inventory of procured goods by the government.

The existence of a proper system for warehousing and inventory is important to ensure that procured goods are safely and adequately stored, that there is an accurate recording of inventory movements, and that there is an efficient warehouse operation in place, among others. An efficient system ultimately prevents the wastage of procured goods. It is therefore important that proper warehousing and inventory guidelines are in place to address these concerns.

This bill seeks to mandate a uniform warehousing and inventory system for all government procuring entities, including local government units, by amending RA 9184.

In the light of the foregoing, the passage of this bill is earnestly sought.



FRANCIS "TOL" N. TOLENTINO

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 Office of the Secretary

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THE PURPOSE REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS THE
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*Be it enacted by the Senate and the House of Representatives of the Philippines in
Congress assembled:*

1 **Section 1.** A new section designated as **Sec. 38-A** is hereby inserted in Republic
2 Act No. 9184, otherwise known as the "Government Procurement Reform Act," to read as
3 follows:

4 **"SEC. 38-A. WAREHOUSING AND INVENTORY**
5 **SYSTEM. – ALL PROCURING ENTITIES SHALL ADOPT A**
6 **GENERAL SYSTEM OF WAREHOUSING AND CLOUD-BASED**
7 **INVENTORY OF PROCURED ITEMS AND GOODS. FOR THIS**
8 **PURPOSE, THE GPPB SHALL PROMULGATE A STANDARD**
9 **OPERATING PROCEDURE MANUAL ON PROPER**
10 **WAREHOUSING AND INVENTORY OF PROCURED ITEMS**
11 **AND GOODS TO BE USED BY ALL PROCURING ENTITIES."**

1 **Section 2. *Separability Clause.*** – If any part or provision of this Act is held
2 unconstitutional or invalid, the other parts or provisions not otherwise affected shall
3 remain in full force and effect.

4 **Section 3. *Repealing Clause.*** – All laws, orders, rules and regulations, and
5 other issuances, or parts thereof, which are inconsistent with this Act are hereby
6 repealed, amended, or modified accordingly.

7 **Section 4. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days
8 after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,