

Republic of the Philippines OFFICE OF THE SECRETARY Elliptical Road, Diliman 1100 Quezon City

MEMORANDUM ORDER No. <u>13</u> Series of 2022

SUBJECT : ADHERENCE TO THE GUIDELINES ON THE PROCUREMENT OF GOODS AND SERVICES, PARTICULARLY THE TIMELY RELEASE OF PAYMENTS BY PROCURING ENTITIES TO COMPLETED PROJECTS FOR THE SUPPLY OF AGRI-FISHERIES MACHINERY

WHEREAS, Section 68 of the revised Implementing Rules and Regulations of Republic Act No. 9184, otherwise known as the "*Government Procurement Reform Act*" provides for the civil liability of a supplier for "*Liquidated Damages*" which applies when a supplier fails to satisfactorily deliver goods under the contract within the specified delivery schedule, inclusive of any duly granted time extension;

WHEREAS, the Government Procurement and Policy Board (GPPB) manual of procedures for the procurement of goods and services, stipulates that payments to suppliers must be made promptly by any procuring entity, which should be not later than forty-five (45) days after the supplier has submitted the request for payment accompanied by invoices and other documents specified in the contract;

WHEREAS, the issue on the delayed release of payments for procured agricultural and fisheries machinery was raised during the National Agricultural and Fisheries (NAF) Council meeting on January 5, 2022 and further discussed during the special meeting of the PCAF Committee on Agriculture and Fisheries Mechanization (CAFMech) held on January 27, 2022;

WHEREAS, these delayed releases, usually experienced by suppliers, were caused by changes in administration/management consequently resulting to hampered processing of documents due to issues and incongruity in signatories; some officials of procuring entities also refuse to sign and issue checks to suppliers for payments of projects started by the previous administration even if the corresponding machinery/services were already delivered/rendered;

NOW, THEREFORE, I, WILLIAM D. DAR, Secretary of the Department of Agriculture, by the powers vested in me by law, do hereby reiterate the adherence of all procuring offices/entities under the Department of Agriculture to the guidelines on the procurement of goods and services, particularly the timely release of payments of completed projects for the supply of agri-fisheries machinery, in accordance with Republic Act No. 9184 or the *"Government Procurement Reform Act"* and its revised Implementing Rules and Regulations.

This **ORDER** shall take effect immediately.

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Secretary

DEPARTMENT OF AGRICULTURE

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with empowered and prosperous farmers and fisherfolk