

Internet-Based Procurement: An Analysis of the Malpractices and Errors in the use of PHilGEPS Website of the Philippine Center for Postharvest Development and Mechanization

Trixia Kaye S. Dela Cruz¹, Gian Paolo B. Estrada², Aldren C. Garcia³, James Lawrence A. Gose⁴, Mercedes D. Santos⁵

¹Administrative Assistant III, Philippine Rice Research Institute

²Manager, Marianne Family Beach Resort

³Administrative Officer II, DepEd Nueva Ecija

⁴Instructor, Lyceum of the East Aurora

⁵Business Administration Faculty, NEUST

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Abstract— *The strict implementation of the use of PHilGEPS has been a major practice in government agencies, going to lengths such as moving the dates of procurement activities or cancelling bidding projects due to errors in the posting of advertisements. Moreover, it is in no discreet information that PHilGEPS experienced major errors and technical difficulties last year, even opting to use a temporary facility for revamping and improvement of the old PHilGEPS Website. However, despite the strict implementation of the use of the website, errors and malpractices are still a major problem for some government agencies leading up to disallowances and even show-cause orders. This descriptive study aimed to determine the cause of the transgressions and errors in the use of the PHilGEPS Website and the possible solutions to avoid such malpractice in the Philippine Center for Postharvest Development and Mechanization. To obtain the needed information, a survey questionnaire in the form of Google Forms was undertaken for this aim. The participants of the study are employees of the agency that uses and manages the PHilGEPS account of the procurement unit. Findings show the lack of training related to the use of the website contributes to the errors in the transactions. Also, strengthening and continuous improvement of PHilGEPs must be prioritized to avoid errors and transgressions in required postings.*

Keywords – *Errors, malpractice, PHilGEPS, procurement activities, posting of advertisement, transgressions*

I. INTRODUCTION

The Philippine Government Electronic Procurement System (PHilGEPS) is a single, centralized electronic portal that serves as the primary and definitive source of information on government procurement. PHilGEPS or G-EPS, as it may be referred to, was established in November 2000 as the Pilot Electronic Procurement System (Pilot EPS) as a common portal for advertisement of bid opportunities and supplier registration. ⁽¹⁾

The passage of Republic Act 9184 or the “Government Procurement Reform Act” further augmented the importance of the portal. The law set forth the importance of ensuring and promoting transparency and efficiency in government procurement transactions. It required certain government procurement transactions to be centrally posted in the internet infrastructure and the website was further utilized in the conduct of procurement procedures for opportunities with an approved budget of PhP50,000.00 and

above. It now serves as the primary source of information on all government procurement. ⁽²⁾

PHilGEPS is currently being managed by the Department of Budget and Management - Procurement Service (DBM-PS) under the supervision of the Government Procurement Policy Board (GPPB). All National Government Agencies (NGAs), Government Owned and Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), State Universities and Colleges (SUCS) including Local Government Units (LGUs) are mandated to use the PhilGEPS. Suppliers, manufacturers, contractors and consultants who are interested in government procurement activities are required to register, as well. ⁽⁸⁾

An opinion released by the GPPB on the 21st of December 2017 whether PHilGEPS Registration of suppliers is required states that the Bids and Awards Committee (BAC) should require all suppliers to submit PHilGEPS registration for purchases with an Approved Budget for the Contract (ABC) of at least PhP5,000.00, while those below such amount are exempted. ⁽²⁾

The utilization of the G-EPS website is monitored through various reports, such as the Annual Procurement Plan (APP) and Procurement Monitoring Report (PMR) where the reference number, dates of posting, notices of awards, contracts and dates of procurement activities are required to be indicated.

The APP and PMR are required to be submitted in accordance with Section 7 of 2016 revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184. Moreover, for purposes of Performance-Based Bonus (PBB), Procuring Entities (PEs) shall submit an APP consistent with its approved budget and as approved by the Head of the Procuring Entity (HoPE). ⁽⁴⁾

The strict implementation of the use of PHilGEPS has been a major practice in government agencies, going to lengths such as moving the dates of procurement activities or cancelling bidding projects due to errors in the posting of advertisements and/or notices of award and proceedings.

A non-policy opinion released on the 30th of January 2018 regarding the non-compliance with the advertisement requirement for the procurement of common-use supplies and equipment, stated that it is a general rule that all procuring entities must comply with the advertisement and posting requirement as provided in Sec. 21.2.1 of the 2016 IRR of RA9184 in the procurement of goods and equipment. Failure to advertise and/or post the Invitation to Bid or Request for Expression of Interest constitutes a material defect that would affect the validity of the procurement process. ⁽⁵⁾

In an opinion from GPPB, Pursuant to Section 37.1.6 of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 (RA 9184), "the BAC, through the Secretariat, shall post, within three (3) calendar days from its issuance, the Notice of Award in the PhilGEPS, the website of the procuring entity, if any, and any conspicuous place in the premises of the procuring entity." (2012) ⁽⁶⁾

Moreover, it is in no discreet information that PHilGEPS experienced major errors and technical difficulties last year, even opting to use a temporary facility for revamping and improvement of the old PHilGEPS Website.

However, despite the strict implementation of the use of the website, errors and malpractices are still a major problem for some government agencies leading up to disallowances and even show-cause orders. This research aims to show errors and malpractices in the use of PHilGEPS limited to the Philippine Center for Postharvest Development and Mechanization.

In line with this, this study is significant because it will help determine the causes of the errors and transgression in the use of the website and assess whether these problems are intentional or systematical. In addition, this study will recommend solutions to address the current issues faced by PHilMech related to the use of PHilGEPS.

II. METHODOLOGY

This study used the descriptive method of research and convenience sampling technique in selecting its respondents. Moreover, data collection was done through questionnaires facilitated through a Google form. ^[1] Data was then analyzed and interpreted.

A total of five (5) respondents whose work involves the use of the system were asked to answer the form. A questionnaire can be accessed through a Google form and was the main gathering data tool for this research. A review was also conducted and a secondary data gathering in the form of an interview was done to further cross-check the answers provided.

The research has gathered, tabulated, analyzed and interpreted the data. It is used to determine the obtained data regarding the transgressions and errors which are experienced in the course of using the website.

III. RESULTS AND DISCUSSION

A total of five (5) respondents whose job involves the use of the PHilGEPS Website were involved in the study.

Through the tabulated results, the researcher came up with interpretations and quantitative outcomes, to wit:

I. ASSESSING THE CHALLENGES FACED BY PHiLGEPS USERS IN PHiLMech

1. I have had trouble using the PHiLGEPS Website during my course of use.



Fig.1. Result of Question No. 1

In the question of whether they have had trouble using the PHiLGEPS Website, 60% of the respondents agreed that they have had issues and troubles in using the site, whereas, 40% remained neutral.

2. PHiLGEPS is accessible at any time of the day.

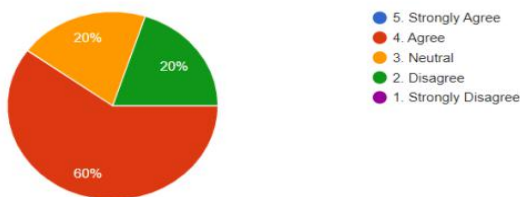


Fig.2. Result of Question No. 2

Although users have had difficulties accessing the PHiLGEPS, the majority of the respondents totalling 60% have answered that they agree that the site is accessible at any time of the day. However, a percentage of 20% disagreed while the remaining percentage remained neutral.

3. PHiLGEPS is convenient and easy to use.

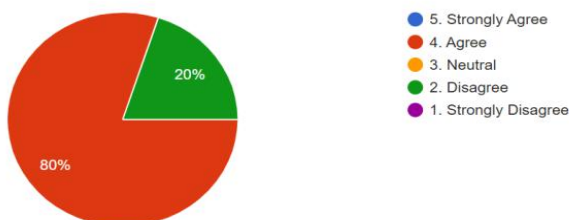


Fig.3. Result of Question No. 3

80% of the respondents agreed that the PHiLGEPS Website is convenient and easy to use. However, 20% of the respondents disagreed.

4. PHiLGEPS has greatly improved in the course of my use.

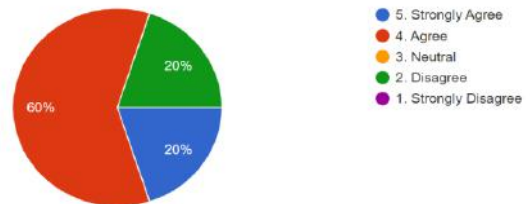


Fig.4. Result of Question No. 4

Despite the difficulties in using the website, 80% of the respondents answered that they agree that PHiLGEPS have greatly improved in the course of their use.

5. What are usually the errors encountered in using the PHiLGEPS Website?

The question of the causes of the misuse of the PHiLGEPS website has varying answers, such as portal user traffic as only one user at a time can access an account. Website unavailability, connection errors, unresponsive website, lagging and irreversible data entry were also stated as the cause of misuse.

II. ASSESSING WHETHER THERE ARE TRAININGS AND SEMINARS RELATED TO THE USE OF PHiLGEPS

1. I have had training related to PHiLGEPS in the last year.

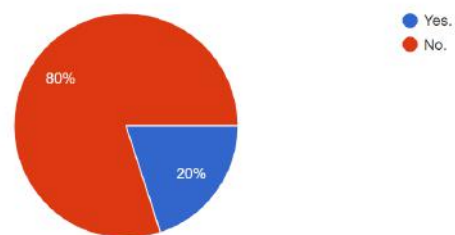


Fig.5. Result of Question No. 5

4 out of 5 respondents answered that they have had no training related to the use of PHiLGEPS in the past year.

2. If you have had training/seminars related to the use of PHiLGEPS, what are the improvements, additions and/or changes that have been made?

Out of five respondents, only one answered that they had training related to the use of the website. In this question, the respondent answered that they have learned about the different features of PHilGEPS, postings of direct contracting/negotiated procurement.

III. ASSESSING THE EFFECT OF PHilGEPS IN THE PROCUREMENT SYSTEM OF PHilMech

1. What are the effects of using PHilGEPS in the procurement process and the repercussions of not using the system?

There were five answers to the question; however, the common denominator between the answers is that PHilGEPS promotes transparency and efficiency in the procurement process of PHilMech. An answer also emphasizes that not using the system will lead to sanctions as it is a law that needs to be followed.

IV. CONCLUSION AND RECOMMENDATION

Along with the strengthening of transparency in government procurement, it is important to understand and unravel the challenges and malpractices in the use of the PHilGEPS Website. The following conclusions were made based on the results and discussion, to wit:

1. Through the perspective of PHilMech employees whose work is particular with the use of the system, this study established that the challenges faced by the users of PHilGEPS are caused by both human and system errors –these challenges are usually portal user traffic as only one user at a time can access the website, irreversible data entry and website unavailability.
2. In terms of human errors in the misuse of the website, it is essential that proper training and seminars are provided to enhance each user's knowledge of the use of the system.
3. Improper use of the website will lead to sanctions as it is under the Republic Act No. 9184.
4. Strengthening and sustaining PHilGEPS operations and maintenance is essential in the use of the system, as well as, providing sufficient knowledge and expertise to its users.

Based on the findings and conclusions, the following are recommended:

1. Strengthening and continuous improvement of PHilGEPs must be prioritized to avoid errors and transgressions in required postings;

2. Training, seminars and other measures should be provided to the users of the website to minimize human errors;
3. Sanctions against the improper use of the website must be strictly implemented;
4. A proper and more efficient monitoring system of all the required postings must be implemented;
5. Future researchers can expand this study by increasing and seeking respondents from other agencies.

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