NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*  Office of the Socretary

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# SENATE S. No. 692

# Introduced by SENATOR RAMON BONG REVILLA, JR.

#### AN ACT

# TO PURSUE THE ARMED FORCES OF THE PHILIPPINES MODERNIZATION PROGRAM, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS THE GOVERNMENT PROCUREMENT REFORM ACT

#### EXPLANATORY MOTE

In line with the Philippine Development Plan 2017-2022 Strategic Framework to Ensure Security, Public Order, and Safety, which among others, aims to pursue and sustain programs for the modernization of the Armed Forces of the Philippines (AFP) and to enhance the capability of military, police, and other law enforcement units to address the internal security threats posed by local and transnational terrorists and criminal groups, and new and emerging security threats, the government proposes a specialized procurement process for defense assets.

Prior to this, the AFP leadership had already asked Congress to introduce amendments to the stringent requirements of the Government Procurement Reform Act to address the unique needs and demands of purchasing defense equipment and services, such as the need for confidentiality and reasonable extension on time frames with respect to supplies sourced overseas.

Recently, the Commission on Audit (COA) called out the AFP for delays and inefficiencies over the implementation of the AFP Modernization Program. Several projects were not completed within the specific contract time, suspended or terminated.

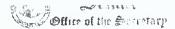
This bill seeks to provide the necessary authority, opportunity and flexibility for the Department of National Defense and the AFP leadership to fast track its implementation of the long-delayed modernization program. While this measure provides an expeditious and specialized procurement for the defense sector, it is still anchored on the basic principles of quality and reliability of purchases, and accountability and integrity.

It is hoped that with the help of this bill, significant gains will be accomplished in fully realizing the objectives of the AFP Modernization Program, particularly the development of a self-reliant and credible strategic armed force, such that it can fully perform its mandate to uphold the sovereignty and territorial integrity of the Republic and to secure the national territory from all forms of intrusion and encroachment.

In this light, the immediate passage of this bill is highly recommended.

RAMON BONG REVILLA, JR.

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## AN ACT

# TO PURSUE THE ARMED FORCES OF THE PHILIPPINES MODERNIZATION PROGRAM, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS THE GOVERNMENT PROCUREMENT REFORM ACT

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Section 4 (Scope and Application), Article I of Republic Act No. 9184,
otherwise known as the Government Procurement Reform Act, is hereby amended to
read as follows:

'Sec. 4. Scope and Application. - This Act shall apply to the 4 5 Procurement of Infrastructure Projects, Goods, and Consulting Services, regardless of source of funds, whether local or foreign, by all branches and 6 instrumentalities of government, its departments, offices and agencies, 7 including government-owned and/or -controlled corporations and local 8 government units, subject to the provisions of Commonwealth Act No. 138. 9 IN THE INTEREST OF NATIONAL SECURITY, THE SECRETARY OF 10 NATIONAL DEFENSE MAY PRESCRIBE RULES AND STANDARDS 11 IN ACCORDANCE WITH THE PERTINENT PROVISIONS OF THIS 12 ACT TO GOVERN THE PROCUREMENT OF DEFENSE ARTICLES, 13 SERVICES, AND INFRASTRUCTURES, AND TO ENHANCE THE 14 NATIONAL DEFENSE PROGRAM OF THE GOVERNMENT. Any treaty 15 or international or executive agreement affecting the subject matter of this 16

Act to which the Philippine government is a signatory shall **LIKEWISE** be observed."

Sec. 2. Section 5 (Definition of Terms), Article I of the same Act is hereby
amended to read as follows:

"Sec. 5(k). Infrastructure Projects - include the construction, 5 rehabilitation, demolition, repair, restoration or improvement, 6 maintenance of roads and bridges, railways, airports, seaports, 7 communication facilities, civil works components of information 8 technology projects AND SHIP-BUILDING PROJECTS AND THE 9 REPAIR, RESTORATION AND MAINTENANCE OF MILITARY 10 SHIPS, AIRCRAFT AND OTHER MAJOR MILITARY EQUIPMENT, 11 irrigation, flood control and drainage, water supply, sanitation, sewerage 12 and solid waste management systems, shore protection, energy/power 13 and electrification facilities, national buildings, school buildings, hospital 14 buildings and other related construction projects of the government." 15

16 Sec. 3. Section 10 (Competitive Bidding), Article IV of the same Act is hereby 17 amended to read as follows:

"Sec. 10. Competitive Bidding. - All procurement shall be done 18 through Competitive Bidding, except as provided for in Article XVI of this 19 Act. HOWEVER, IN FURTHERANCE OF THE AFP MODERNIZATION 20 PROGRAM PURSUANT TO REPUBLIC ACT NO. 7898, AS 21 THE PROCUREMENT AMENDED, AND WHEN INVOLVES 22 NATIONAL SECURITY INTEREST, THE SECRETARY OF NATIONAL 23 DEFENSE, UPON APPROVAL OF THE PRESIDENT, MAY PRESCRIBE 24 ANY OF THE METHODS OF PROCUREMENT PROVIDED FOR IN 25 ARTICLE XVI, AS MAY BE APPLICABLE FOR THE PROCUREMENT 26 OR DEVELOPMENT OF DEFENSE ARTICLES, SERVICES, AND 27 INFRASTRUCTURES, WITHOUT RESORTING TO COMPETITIVE 28 BIDDING." 29

30 Sec. 4. Section 18 (Reference to Brand Names), Article VI of the same Act is 31 hereby amended to read as follows:

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"Sec. 18. Reference to Brand Names. – Specifications for the
Procurement of Goods shall be based on relevant characteristics and/or
performance requirements. Reference to brand names shall not be allowed
[.] EXCEPT AS MAY BE OTHERWISE PROVIDED FOR IN THIS ACT."
Sec. 5. Section 43 (Procurement of Domestic and Foreign Goods), Article XII of
the same Act is hereby amended to read as follows:

"Sec. 43. Procurement of Domestic and Foreign Goods. - Consistent 7 with the country's obligations under international treaties or agreements, 8 Goods may be obtained from domestic or foreign sources and the 9 procurement thereof shall be open to all eligible suppliers, manufacturers 10 and distributors. HOWEVER, IN THE INTEREST OF NATIONAL 11 SECURITY AND TO ENSURE HIGH-QUALITY DEFENSE ITEMS, THE 12 SECRETARY OF NATIONAL DEFENSE, UPON APPROVAL OF THE 13 PRESIDENT, MAY LIMIT THE PROCUREMENT OF DEFENSE 14 ARTICLES FROM KNOWN DIRECT MANUFACTURERS OF THE 15 ITEMS. [However] FURTHER, in the interest of availability, efficiency, 16 and timely delivery of Goods, the Procuring Entity may give preference to 17 the purchase of domestically-produced and manufactured goods, supplies, 18 and materials that meet the specified or desired quality." 19

20 Sec. 6. The last paragraph of Section 48 (Alternative Methods), Article XVI of 21 the same Act is hereby amended to read as follows:

"In all instances NOT INVOLVING THE PROCUREMENT OF 22 DEFENSE ARTICLES, SERVICES, AND INFRASTRUCTURES, the 23 Procuring Entity shall ensure that the most advantageous price for the 24 government is obtained. IN THE PROCUREMENT OF DEFENSE 25 ARTICLES, SERVICES AND INFRASTRUCTURE, THE SECRETARY 26 OF NATIONAL DEFENSE SHALL ENSURE THAT THE NATIONAL 27 SECURITY INTEREST IS PROTECTED IN TERMS OF EFFICIENCY, 28 ECONOMY AND QUALITY OF THE DEFENSE ITEMS TO BE 29 PROCURED." 30

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Sec. 7. Section 49 (Limited Source Bidding), Article XVI of the same Act is
hereby amended, by adding new provisions which shall read as follows:

"(C) PROCUREMENT OF DEFENSE ARTICLES WHERE IT IS 3 DEFEMED OF NATIONAL SECURITY INTEREST AS DETERMINED BY 4 THE SECRETARY OF NATIONAL DEFENSE AND APPROVED BY THE 5 PRESIDENT, TO LIMIT THE BIDDING TO KNOWN LEGITIMATE 6 BIDDERS AND SUPPLIERS OF DEFENSE ARTICLES IN ORDER TO 7 OBTAIN AND MAINTAIN THE DESIRED STANDARDIZATION AND 8 INTEROPERABILITY OF MILITARY ARTICLES INVENTORY, AND 9 TO PROTECT THE PROCUREMENT OF DEFENSE ARTICLES 10 AGAINST UNSCRUPULOUS SUPPLIERS. 11

12(D) THE GOVERNMENT PROCUREMENT POLICY BOARD SHALL13DESIGNATE THE RELEVANT GOVERNMENT AUTHORITY THAT14SHALL FORMULATE AND MAINTAIN THE LIST OF PRE-SELECTED15SUPPLIERS OR CONSULTANTS WITH KNOWN EXPERIENCE AND16PROVEN CAPABILITY IN THE REQUIREMENT FOR A PARTICULAR17PROCUREMENT CONTRACT."

Sec. 8. Section 50. (Direct Contracting), Article XVI of the same Act is hereby
amended, by adding a new provision which shall read as follows:

20 "(D). SUBSEQUENT PROCUREMENT OF THE SAME TYPE OR
21 MODEL OF DEFENSE ARTICLES, SUBJECT TO THE FOLLOWING
22 CONDITIONS:

- 231) THE DEFENSE ITEMS SHALL BE OF UNIFORM, INTER-24OPERABLE AND COMPATIBLE, AND HAVE THE SAME25OR BETTER PERFORMANCE CHARACTERISTICS WITH26THE SIMILAR TYPES OR MODELS OF DEFENSE ITEMS27CURRENTLY IN USE BY THE ARMED FORCES OF THE28PHILIPPINES;
- 292) THE SUBSEQUENT PROCUREMENT WAS PREVIOUSLY30PROGRAMMED OR PLANNED FOR BUT NOT AFFECTED31DUE TO RESOURCE CONSTRAINTS AND OTHER32REASONABLE CAUSES; AND

3) THE ORIGINAL PROCUREMENT OF THE SAME TYPE OR 1 2 MODEL OF THE DEFENSE ITEM WAS UNDERTAKEN THROUGH THE LEGITIMATE PROCESS PRESCRIBED 3 А. UNDER THIS ACT, AND THAT SIMILAR TERMS AND 5 CONDITIONS, OR BETTER, ARE OBTAINED, EXCEPT 6 FOR CHANGES THEREOF FOR REASONS OF 7 IMPROVEMENT OR UPGRADE, 'FORCE MAJEURE' OR 8 SUCH OTHER CAUSES AS THE SECRETARY OF NATIONAL DEFENSE MAY DEEM ACCEPTABLE." 9

Sec. 9. Section 51(c) (Repeat Order), Article XVI of the same Act is hereby
amended to read as follows:

"Sec. 51(c) Except in special circumstances defined in the IRR, the 12 repeat order shall be availed of only within six (6) months from the date 13 14 of the Notice to Proceed arising from the original contract [; and,]. IN THE CASE OF PROCUREMENT OF DEFENSE ARTICLES, SERVICES 15 AND INFRASTRUCTURES, A REPEAT ORDER NOT EXCEEDING 16 FIFTY PERCENTUM (50%) OF THE ORIGINAL CONTRACT VALUE 17 18 MAY BE AVAILED OF WITHIN ONE (1) YEAR FROM THE DATE OF THE LAST DELIVERY OF THE DEFENSE ARTICLES, SERVICES, AND 19 **INFRASTRUCTURE ARISING FROM THE SAID CONTRACT."** 20

Sec. 10. Section 53 (Negotiated Procurement), Article XVI of the same Act is hereby amended, by adding new provisions which shall read as follows:

"(F) WHEN THE PRESIDENT, AS COMMANDER-IN-CHIEF, CALLS 23 **UPON THE ARMED FORCES OF THE PHILIPPINES, TO SUPPRESS** 24 LAWLESS VIOLENCE, INVASION OR REBELLION, OR THE 25 IMMINENT DANGER THEREOF, OR IN TIME OF EMERGENCY AS 26 MAY BE DECLARED BY THE PRESIDENT OR CONGRESS, AND FOR 27 THE DURATION OF SUCH LAWLESS VIOLENCE, INVASION, 28 **REBELLION OR EMERGENCY, OR TO ATTAIN OR UNDERTAKE** 29 PROJECTS FOR SPECIFIC NATIONAL SECURITY OBJECTIVES. 30

31(G) IN THE CASE OF PROCUREMENT INVOLVING MAJOR32DEFENSE EQUIPMENT AND MATERIAL, WHEN THE CAPABILITY

1 REQUIRED IS NOT AVAILABLE LOCALLY, AND WHEN THE 2 SECRETARY OF NATIONAL DEFENSE, UPON APPROVAL OF THE PRESIDENT, HAS DETERMINED THAT IN VIEW OF SECURITY AND 3 OTHER **STRATEGIC** CONSIDERATIONS, 4 INCLUDING CONFIDENTIALITY, INTEROPERABILITY, 5 AND/OR THE **EXISTENCE OF DEFENSE PARTNERSHIPS, THE PROCUREMENT OF** 6 THE ABOVEMENTIONED EQUIPMENT SHOULD BE EXEMPTED 7 FROM THE REQUIREMENT OF PUBLIC BIDDING UNDER THIS 8 ACT; PROVIDED, THAT THE PERFORMANCE BY THE SUPPLIER OF 9 **ITS OBLIGATIONS UNDER THE PROCUREMENT CONTRACT SHALL** 10 BE COVERED BY SECTION 39 OF THIS ACT: PROVIDED, FURTHER 11 THAT MAJOR DEFENSE EOUIPMENT AND MATERIEL SHALL REFER 12 TO AIRCRAFT, VESSELS, TANKS, ARMORED VEHICLES, HIGH 13 COMMUNICATION EQUIPMENT, RADAR TECH SYSTEMS, 14 SOPHISTICATED WEAPONS SYSTEMS AND HIGH-POWERED 15 FIREARMS NOT OTHERWISE LOCALLY AVAILABLE. 16

*Sec. 11. Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision or part not otherwise affected shall remain valid and subsisting.

Sec. 12. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

24 Sec. 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its 25 publication in the *Official Gazette* or in a newspaper of general circulation.

## Approved,

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



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s. No. \_ 691

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#### Introduced by SENATOR RAMON BONG REVILLA, JR.

#### AN ACT

## PROVIDING FOR A NEW PASSPORT LAW, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 8239, OTHERWISE KNOWN AS THE "PHILIPPINE PASSPORT ACT OF 1996"

#### **EXPLANATORY NOTE**

Article III Section 6 of the Constitution provides that the right to travel shall not be impaired, except in the interest of national security, public safety or public health.

Republic Act No. 8239 or the "Philippine Passport Act of 1996" was enacted twenty-six years ago, pursuant to that Constitutional guarantee. It affirmed the inviolability of the people's right to travel. As defined in the said law, the passport is a "document issued by the Philippine government to its citizens and requesting other governments to allow its citizens to pass safely and freely, and in case of need to give him/her all lawful aid and protection."

In 2017, RA 8239 was later amended by RA 10928 to extend the validity of regular passports from five (5) years to ten (10) years.

This bill provides a new passport law that is updated with recent measures enacted by Congress, and that recognizes the advancement of technology to ensure accessibility and convenience in the application process. It also institutes safeguards against unauthorized access and disclosure of personal information, and prohibits unfair and discriminatory practices, such as submission of extraneous and unnecessary documents, as experienced by some applicants. Lastly, this proposed legislation introduces accommodations such as special lanes for the vulnerable sectors and overseas Filipino workers (OFWs), fifty percent (50%) discount rates for senior citizens and persons with disabilities (PWDs), and expedited processing for Muslim Filipinos who are intending pilgrims to the annual hajj pilgrimage.

A similar bill was approved by the House of Representatives on Third and Final Reading during the Eighteenth Congress, and became the subject of public hearings of the Senate Committee on Foreign Relations.

In this light, the passage of this bill is recommended.

RAMON BONG REVILLA, JR.