

**FREQUENTLY ASKED QUESTIONS (FAQs) FOR THE
GOVERNMENT FARES AGREEMENT (GFA)
WITH PHILIPPINE AIRLINES (PAL)**

AWARENESS

1. What is the Government Fares Agreement (GFA)?

The Government Fares Agreement is an initiative of the Department of Budget and Management and the PS-PhilGEPS that will ensure fast, efficient, flexible and savings in time, energy & money when processing the air transportation needs of all government officers, employees and personnel for their official domestic trips.

PS-PhilGEPS has considered Airline Tickets as commonly required by the whole of government. In addition to common supplies, materials, equipment, consumables and Microsoft requirements, Online Travel Booking Services from PAL (and, in the future, from other providers) is now considered part of the PS Catalogue of Common Supplies and Equipment (CSE).

2. Which Government Agencies must use the GFA?

The initial coverage and implementation has initially been limited to 24 selected pilot agencies with which PS-PhilGEPS will enter in to a Memorandum of Agreement (MOA) and undergo hands-on training for the use of the PAL Portal (list appears in Question No. 3).

Eventually, since use of the PS-PhilGEPS for procurement of CSE is mandated under R.A. 9184 and Administrative Order 17 for all government agencies and instrumentalities including local government units, it should be used by the whole of government.

Note that other agencies, not appearing in the list below, may also avail of the GFA by enrolling in the system.

3. Which are the identified pilot agencies for the GFA?

The 24 pilot agencies are as follow:

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| 1. Office of the President of the Philippines | 5. Department of Environment and Natural Resources - Main Office |
| 2. Office of the Vice-President of the Philippines | 6. Department of Budget and Management |
| 3. Department of Education - Main Office | 7. Department of Social Welfare and Development - Main Office |
| 4. Department of Agrarian Reform - Main Office | 8. Department of Energy |

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| 9. Department of Agriculture - Main Office | 18. Department of Science and Technology |
| 10. Department of Finance | 19. Department of Trade and Industry - Main Office |
| 11. Department of Foreign Affairs - Main Office | 20. National Economic and Development Authority - Main Office |
| 12. Department of Health - Main Office | 21. Department of Transportation and Communication |
| 13. Department of Interior and Local Government - Main Office | 22. Presidential Communications Office |
| 14. Department of Justice - Main Office | 23. Department of Tourism |
| 15. Department of Labor and Employment - Main Office | 24. Procurement Service-Philippine Government Electronic Procurement System |
| 16. Department of National Defense - Procurement Unit | |
| 17. Department of Public Works and Highways - Main Office | |

These agencies were identified based from the records of DBM and PAL as having the highest domestic airfare utilization.

4. Is it mandatory for Government Agencies to use only the Philippine Airlines?

No. PS-PhilGEPS' intention for the GFA is for other major airlines to participate so that agencies can choose the best rates and schedules for their local air travel requirements.

It was PAL who was first to comply with the initial requirements set by PS-PhilGEPS. Thus, an agreement for the use of an online portal for the GFA was initiated. In addition, PAL was first in extending special discounts and privileges. PS-PhilGEPS is in the process of making similar arrangements with other major airlines.

While the GFA is being implemented with PAL, it does not prevent government agencies from procuring their requirements from other airlines when their desired travel scheduled cannot be served by PAL.

5. When will the GFA take effect?

The GFA is now in effect and all agencies have to do is register, attend the training, sign the Memorandum of Agreement and deposit in advance the funds against which all availments under the GFA will be charged.

REGISTERING IN THE GFA

6. What are the requirements for an agency to join in the GFA?

The agency must submit to the PS-PhilGEPS the following requirements:

- a. Duly accomplished Registration Form which may be downloaded in the PS-PHILGEPS website at link below:

http://procurementservice.gov.ph/home/images/Downloads/PAL_registration_form.doc

- b. Signed MOA by the Head of the Procuring Entity (HOPE). The copy of the MOA may also be downloaded at this link:

<http://www.procurementservice.gov.ph/home/images/PS%20STANDRAD%20MOA-%20Airline%20v.062916.docx>

- c. Fund Transfer

7. How to Register in GFA?

In order to be enrolled in the GFA to use the portal for reservations and bookings, the government agency must:

1. Download the Registration Form and MOA Template from the PS Website
2. Fill out the Registration Form and sign the MOA including the Credit Line to be submitted to the Sales Division of PS-PhilGEPS
3. Wait for account details through e-mail once the PS-PhilGEPS has already processed its registration in the portal
4. Deposit in advance the amount (Credit Limit) indicated in the MOA and secure the Official Receipt which will be issued by PS-PhilGEPS (credit line activation will take two weeks)
5. Attend the Hands-On Training on using the Online Travel Portal as scheduled by the PS-PhilGEPS

BENEFITS

8. What are the benefits of the Government Fares Agreement to Government Agencies?

Under the GFA, agencies will have following benefits:

1. Ease in procurement of domestic travel tickets through a central web-based portal compatible with the PS Virtual store;

2. No more bidding/shopping for lowest fares
3. 24/7 online access that will allow users to:
 - a. Check available flights and fares
 - b. Reserve or purchase outright the tickets
 - c. Manage booking by ticket issuance of a reservation or changing itinerary;
 - d. Add prepaid baggage
 - e. Assign seats
 - f. View all bookings created
4. Special benefits include eight percent (8%) discount for all government agencies registered under GFA and purchased airline tickets through the web portal provided by the PS-PhilGEPS
5. It is also expected that based on the 2016 General Appropriations Act, agencies will save estimating to P830.93 million from discounts such as:
 - a. 10% discount for business class reservations
 - b. Waiver of ticketing and processing fee of PhP250.00
 - c. Waiver of fee for the first rebooking transaction (PhP1,000 to PhP1,500)
 - d. Access to VIP lounge for Elite Card Holders
 - e. Additional 10kg for baggage for Elite Card Holders

OTHER CONCERNS

9. How would agencies know if the airline ticket in the PAL Portal is already the discounted price?

The PAL Portal already reflects the discounted airfare. Special promotions such as “Weekend Sale” and other promotional airfares are not covered by GFA and agencies are not precluded from availing of these promotions.

10. Can agencies communicate or purchase directly from PAL?

Yes, agencies may transact directly with PAL but discounted rates and other conditions under the GFA will not be extended if it is not done through the PS-PhilGEPS-activated portal access.

11. Can government employees avail of the GFA for personal travel?

No, the special discounted fares and other benefits will only be extended to official travels and agencies enrolled under the GFA.

12. How will agencies replenish their funds under the GFA?

To clarify terminologies, the PAL Portal uses the term “credit line” for the available funds of each agency against which purchase of travel tickets may be drawn against. However, since the agency has duly deposited in advance with the PS-PhilGEPS funds for the GFA, it works as funds held in trust or a “debit line”.

The agency will be notified by the PS-Accounting Division when its deposit with PS-PhilGEPS has been consumed 50% and when it is time to replenish its travel fund.

13. How will bookings be affected when the agency has reached avilment of 50% of their debit/credit line? What if the debit/credit line has been totally exhausted?

The booking of the agency will not be affected if the credit/debit reaches 50% because they still have advance payment. The agency will however be receiving notifications for the replenishment of their funds. When the funds are totally exhausted, the agency will temporarily be unable to book flights and such privilege will only be re-activated by PAL upon the advise of the PS-PhilGEPS Comptroller after receipt of the fund replenishment.

14. Can agencies use or transfer their unutilized deposits from undelivered Common and Non-Common Use Supplies/Requirements lodged under Due To/Due From Agencies and use these to procure under the GFA?

No. While we have classified air fares as Common Use there will be an issue especially in the Accounting Division of the agencies in terms of recording and reporting. The budget for Office Supplies and Travel are separate line items in the MOOE and there is a procedure in order to re-align such funds.. Therefore, for proper monitoring and efficiency of the process, PS-PhilGEPS shall maintain the utilization of these funds separately.

15. Will agencies need to prepare an Agency Procurement Request (APR) Form every time they avail of booking under the GFA?

No. APRs will only be required when the agencies enter into a MOA and deposit the advance funding. Subsequent APRs will only be prepared by the agencies when they replenish their funds with the PS-PhilGEPS.

16. What if an agency will not sign the MOA or enrol in the GFA?

The MOA will ensure that agencies are dedicated to the provisions set forth under GFA and operationalize procurement of domestic air travel tickets at special benefits and discounted fares.

17. From an enrolled agency, who must attend the Orientation and Training on the GFA and use of the PAL Online Portal?

From a government agency, only two (2) representatives are required to attend namely, the Division Head or the authorized signatory of the agency; the appointed Corporate Administrator or the Travel Arranger.

18. Who should be the Corporate Administrator? What are his/her roles?

The Corporate Administrator is:

- a) the Authorized representative of the agency
- b) the initial travel arranger of the agency
- c) responsible in managing travel arrangers and branch office
- d) can add/create new offices, edit details of the offices, activate or deactivate a branch office, and Delete any branch office
- e) can add/create new travel arranger/s, edit details of the travel arranger/s, activate, deactivate, or delete a Travel arranger
- f) can reset password for a specific travel arranger
- g) can assign roles upon creation of new travel arranger, Corp Administrator can assign roles
- h) responsible in handling the credit line of the company
- i) can assign or remove access of a travel arranger to the credit line

19. What does a Travel Arranger do?

The Travel Arranger:

- a) handles the booking facility in the portal
- b) manages the Address book
- c) has access to the reservations list for managing bookings
- d) ensures that ticket numbers are generated once a booking is paid
- e) ensures that passenger receives e-ticket
- f) receives e-mail alerts on flight changes will be received by the travel arranger, he/she therefore, should be able to alert the passenger of any change in the itinerary