

**BIDS AND AWARDS COMMITTEE
 RESOLUTION NO. 555 S. 2020**

**DIRECT CONTRACTING WITH PHILIPPINE NUTRI-FOODS CORPORATION FOR THE PURCHASE OF
 NUTRI-FOODS FOR THE 10TH CYCLE SUPPLEMENTARY FEEDING PROGRAM IN BENGUET**

WHEREAS, the Department of Social Welfare and Development-Cordillera Administrative Region (DSWD-CAR) has been granted appropriations for the **PURCHASE OF NUTRI-FOODS FOR THE 10TH CYCLE SUPPLEMENTARY FEEDING PROGRAM IN CORDILLERA ADMINISTRATIVE REGION (CAR)**. Hence, the purchase of such were assigned in the following manner:

RFQ Number	Area	Approved Budget for the Contract (ABC)
2020-09-627	Benguet	₱5,501,520.00
2020-09-629	Ifugao	₱2,795,385.00
2020-09-630	Kalinga	₱557,025.00
2020-09-631	Baguio City	₱4,050,000.00
2020-09-632	Mt. Province	₱516,300.00
2020-09-633	Apayao	₱1,813,215.00
2020-09-634	Abra	₱2,940,465.00

WHEREAS, in consonance with the Republic Act 9184 and its Implementing Rules and Regulations, a Project Procurement Management Plan (PPMP) which has been consolidated into the Annual Procurement Plan (APP) is in order for procurement of the programs, activities and projects for 2020;

WHEREAS, in consonance with the Republic Act 9184, otherwise known as the Government Procurement Reform Act, in its Implementing Rules and Regulations under Section 10, provides that “all procurement shall be done through competitive bidding, except as provided in Rule XVI”;

WHEREAS, Section 48.1 of the IRR of the above cited act stipulates that “subject to prior approval of the head of procuring entity, and whenever justified by the conditions provided in this Act, the procuring entity may, in order to promote economy and efficiency, resort to any of the alternative mode of procurement;

WHEREAS, Direct Contracting or single source procurement is a method of procurement of goods that does not require elaborate bidding documents hence the supplier is only asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. Moreover, Direct Contracting is also applicable to the “Procurement of Goods of propriety source i.e. when ...those sold by an exclusive dealer or manufacturer which does not have sub dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the government.”

WHEREAS, through various feeding interventions and programs, the DSWD-CAR through the Supplementary Feeding Program is mandated to alleviate the malnutrition in the Cordillera Administrative Region;

WHEREAS, Memorandum Circular No. 12 S. 2020 implementing rules, Food Commodity Schemes on Nutrition in Emergency of SFP recommends the adoption of alternative meal/food commodity such as Nutripacks, Nutribuns an easy to cook foods carefully selected safe consumption and has computed energy and nutrient requirements. Usage of NutriPak during the COVID-19 pandemic would be facilitating as regards to ease of distribution without compromising its freshness and sanitation specially to far-flung areas;

WHEREAS, NutriPaks are nutritionally-dense food items with computed energy and nutrient requirement per child per day. With this, the Procuring Entity and the other partner LGUs opted to procure NutriPaks as their feeding alternative for their respective jurisdiction;

WHEREAS, PHILIPPINE NUTRI-FOODS CORPORATIONS (PNFC) which is located at 605 COHERCO Financial Tower, Investment Drive cor. Trade Ave., Alabang, Muntinlupa is the producer, importer and exclusive distributor of **Nutri-Pak**. PNFC sells the said product to its clients at the lowest price in the market and that no suitable substitute of substantially the same quality are available at lower prices;

WHEREAS, on the 15th day of September 2020, Request for Quotation was transmitted to the End-User. Further, in consonance with the provision of Appendix 9(6) of the 2016 Revised IRR of RA 9184, an invitation to possible foreign bidders was posted in the PhilGEPS website;

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WHEREAS, on 21st day of September 2020 at 6pm was the set deadline for the submission of possible intent of foreign bidders. In relation thereof, other than **PHILIPPINE NUTRI-FOODS CORPORATIONS (PNFC)**, no other bidder or foreign bidder have manifested their intent. With this, the Procuring Entity may now proceed to negotiate with the aforementioned sole distributor of Nutri-Paks;

WHEREAS, on 28th day of September 2020, via video conference, the respective quotations of **PHILIPPINE NUTRI-FOODS CORPORATIONS (PNFC)** were opened. Hence, findings were listed in the summary of quotations below:

RFQ Number	Area	Amount of Quotation
2020-09-627	Benguet	₱5,501,520.00
2020-09-629	Ifugao	₱2,795,385.00
2020-09-630	Kalinga	₱557,025.00
2020-09-631	Baguio City	₱4,050,000.00
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WHEREAS, upon evaluation by the Bids and Awards Committee, it was observed that **PHILIPPINE NUTRI-FOODS CORPORATIONS (PNFC)** indicated some notations on the provisions stated in the “other requirements”. Therefore, to clarify the said matter, the BAC resolved to require a post qualification inquiry;

WHEREAS, on 8th day of October 2020 also via video conference, the post qualification report was presented to the BAC. As per said report, the following points and agreements were negotiated with the supplier:

- For provision stated in “other requirements” #1, the supplier thought that the given months were just a mere option of when the supplier is willing to deliver the concerned items. Upon negotiation, the End-User and Supplier agreed that the delivery will be held on October and December respectively;
- The Supplier thought that they are obliged to deliver the concerned goods on each day care center. Upon negotiation, it was explained to the Supplier and subsequently agreed that the only obligation of the supplier was to load the goods from their production area and unload the same in the delivery site.
- For easement of packing, the Supplier will package the goods on per barangay basis but will only deliver the same on the respective Municipal Hall of each LGU;

WHEREAS, upon further deliberation, it was also clarified by the End-User that their post qualification report were applicable for all of the areas concerned and the same was not limited to the provinces of Ifugao, Benguet, Abra and Kalinga only;

WHEREAS, based on the foregoing, the BAC agreed that the result of negotiation between the End-User and Supplier be incorporated in the Purchase Order. Hence, the award of contract is recommended to **PHILIPPINE NUTRI-FOODS CORPORATIONS (PNFC)** to be on the following manner:

RFQ Number	Area	Contract Amount
2020-09-627	Benguet	₱5,501,520.00
2020-09-629	Ifugao	₱2,795,385.00
2020-09-630	Kalinga	₱557,025.00
2020-09-631	Baguio City	₱4,050,000.00
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NOW, THEREFORE, foregoing premises considered, We, the Members of the Bids and Awards Committee, hereby **RESOLVED** as it is hereby resolved to recommend to the Regional Director that the awarding of contract for the **PURCHASE OF NUTRI-FOODS FOR THE 10TH CYCLE SUPPLEMENTARY FEEDING PROGRAM IN CORDILLERA ADMINISTRATIVE REGION (CAR)** will be based on the items reflected in the table above.

RESOLVED at the DSWD-CAR, 40 North Drive, Baguio City this **8th day of October 2020**.

BIDS AND AWARDS COMMITTEE

ENRIQUE H. GASCON, JR.
Chairperson

CONCEPCION E. NAVALES
Vice Chairperson

Not present
Regular Member

JERALDINE DANGPA
Provisional Member (End-User)

LOVELY B. GENOVE
Provisional Member (Expert)

APPROVED/DISAPPROVED

LEO L. QUINTILLA
OIC-Regional Director

RCLR / kenneth