

BIDS AND AWARDS COMMITTEE (BAC)
Resolution No. 21-06-108

RECOMMENDING AN EXECUTION OF FRAMEWORK AGREEMENT FOR ITEM NO. 2 – POWDERED CEREAL DRINKS AND FAILURE OF BIDDING FOR ITEM NO. 1 - TUNA FOR THE PROCUREMENT OF RAW MATERIALS FOR THE PRODUCTION OF FAMILY FOOD PACKS THROUGH FRAMEWORK AGREEMENT FOR CY 2021
— ITB No. GOP/20-DSWD-066-B —
(PR Nos. 2020110168, and 2020110166)

WHEREAS, the National Resource and Logistics Management Bureau (NRLMB) of the Department of Social Welfare and Development (DSWD) is in need of a supplier for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021**. Copies of the Purchase Request (PR), Terms of Reference, Project Proposal and Framework Agreement List are hereto attached, marked as **Annexes “A-1”, “A-2”, “B”, “C” and “D”**, respectively, and are made integral parts hereof;

WHEREAS, on 23 December 2020, the Bids and Awards Committee (BAC) issued Resolution No. 20-12-294 declaring failure of bidding for Item no. 3 - Tuna and Item no. 5 - Powdered Cereal for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021** under **ITB No. GOP/20-DSWD-066** because the lone bidder for the said items was declared disqualified. This information was relayed to the NRLMB, being the end-user through a memorandum. Copies of the Resolution No. 20-12-294 and the Memorandum are hereto attached, marked as **Annexes “E” and “F”**, respectively, and are made integral parts hereof;

WHEREAS, on 15 March 2021, the BAC issued Resolution No. 21-03-038 declaring second failure of bidding for Item no. 2 - Tuna for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021** under **ITB No. GOP/20-DSWD-066-A** because the bidders for the said item were disqualified. This information was relayed to the NRLMB, being the end-user through a memorandum. Copies of the Resolution No. 21-03-038 and the Memorandum are hereto attached, marked as **Annexes “G” and “H”**, respectively, and are made integral parts hereof;

WHEREAS, on 24 March 2021, the BAC issued Resolution No. 21-03-043 declaring second failure of bidding for **Item No. 4 - Powdered Cereal Drinks** for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021** under **ITB No. GOP/20-DSWD-066-A** because the single calculated bidder for the said item was post-disqualified. Copies of the Resolution No. 21-03-043 and the Memorandum are hereto attached, marked as **Annexes “I” and “J”**, respectively, and are made integral parts hereof;

WHEREAS, on 8 April 2021, the BAC through its secretariat received a Memorandum from NRLMB requesting the BAC to conduct another round of procurement for Canned Tuna Flakes assuring the funds for the said item are still available. NRLMB also provided an amended/updated the specifications on the type

canned tuna flakes to be reflected in the technical specifications. A copy of the Memorandum is hereto attached, marked as **Annex “K”**, and made an integral part hereof;

WHEREAS, on 15 April 2021, the BAC through its secretariat received another Memorandum from NRLMB requesting the BAC to conduct another round of procurement for Canned Tuna Flakes and Powdered Cereal Drinks and provided additional amendments/changes for the said items. A copy of the Memorandum is hereto attached, marked as **Annex “L”**, and made an integral part hereof;

WHEREAS, the DSWD through the BAC, posted an Invitation to Bid (ITB) for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021** under **ITB No. GOP/20-DSWD-066-B** at the Philippine Government Electronic Procurement System (PhilGEPS), DSWD website, and at conspicuous places within the DSWD premises starting 20 April 2021. The total Approved Budget for the Contract (ABC) is **One Hundred Fifty-Six Million Six Hundred Twenty-Six Thousand Eight Hundred Seventy-Seven Pesos (PhP156,626,877.00)**, classified in accordance with the following items:

Item No.	Particulars	Quantity/Unit	ABC per Item (in Phil. Peso)
1	Tuna	3,833,418 tin	109,635,754.80
2	Powdered Cereal Drinks	4,746,578 sachet	46,991,122.20
TOTAL ABC			156,626,877.00

Copies of the ITB and proof of postings are hereto attached, marked as **Annexes “M”**, **“N-1”**, **“N-2”** and **“N-3”** respectively, and are made integral parts hereof;

WHEREAS, the Competitive Bidding Procedure for Goods was adopted in this undertaking pursuant to Republic Act No. 9184 (RA 9184), otherwise known as the Government Procurement Reform Act (GPRA) and its 2016 Revised Implementing Rules and Regulations (IRR);

WHEREAS, on 28 April 2021 at 10:30 a.m., a Pre-Bid Conference was conducted and attended/participated by the following prospective bidders to discuss the specifications and terms and conditions of the contract and other provisions indicated in the bidding documents, to wit:

1. Agribioscience, Inc.;
2. Halex Golden Corp.;
3. Blue Macay Food Manufacturing Corporation; and
4. Puregold Price Club, Inc.

A copy of the Minutes of the Pre-Bid Conference is hereto attached, marked as **Annex “O”**, and made an integral part hereof;

WHEREAS, in response to the ITB, the following prospective bidders secured a complete set of Bidding Documents upon payment of an applicable fee in accordance with the cost for each item stipulated in the bidding documents:

No.	Bidder's Name	Item No.	Official Receipt No.	Amount (in Phil Peso)
1.	Agribioscience, Inc.	2	9337016	25,000.00
2.	Halex Golden Corp.	1	9337017	50,000.00
3.	Blue Macay Food Manufacturing Corporation	2	9335073	25,000.00
4.	Diamond Supply Chain Solutions Corporation Joint Venture with Ramesh Trading Corporation	2	9335075	25,000.00

Copies of the Official Receipts are hereto attached, marked as **Annexes "P-1"**, **"P-2"**, **"P-3"** and **"P-4"**, respectively, and are made integral parts hereof;

WHEREAS, prior to the deadline for the submission and receipt of bids on 12 May 2021 at 9:00 a.m., the following bidders came to submit their bid proposals:

No.	Bidder's Name	Item No.	Date and Time Received
1.	Blue Macay Food Manufacturing Corporation	2	7 May 2021 at 1:50 p.m.
2.	Diamond Supply Chain Solutions Corporation Joint Venture with Ramesh Trading Corporation	2	12 May 2021 at 7:54 a.m.
3.	Halex Golden Corporation	1	12 May 2021 at 7:58 a.m.
4.	Agribioscience, Inc.	2	12 May 2021 at 8:07 a.m.

Copies of the Receipt of Bid Proposal are hereto attached, marked as **Annexes "Q-1"**, **"Q-2"**, **"Q-3"** and **"Q-4"**, respectively, and made integral parts hereof;

WHEREAS, on 12 May 2021 at 10:00 a.m., during the preliminary examination of the documents submitted by the bidders, the BAC had the following findings:

Name of Bidder	Item No.	Technical Component	Financial Component
Blue Macay Food Manufacturing Corporation	2	"Passed"	"Passed"
Diamond Supply Chain Solutions Corporation Joint Venture with Ramesh Trading Corporation	2	"Passed"	"Passed"
Halex Golden Corporation	1	"Passed"	"Passed"
Agribioscience, Inc.	2	"Passed"	"Passed"

Copies of the Minutes of Bid Opening and Abstract of Bids "As Read" are hereto attached, marked as **Annexes "R"**, **"S-1"**, and **"S-2"**, respectively, and are made integral parts hereof;

WHEREAS, on 14 May 2021, the BAC, with the assistance of its Secretariat, conducted the Bid Evaluation of all bids using non-discretionary criteria considering the completeness of the bid and arithmetical correction, if there are computational errors in the bid price submitted by the bidders to determine the Lowest/Single Calculated Bidder (L/SCB) and had the following findings:

Item No.	Bidders Name	Bid Price	Findings/Remarks
1	Halex Golden Corporation	93,918,741.00	Single Calculated Bidder
2	Blue Macay Food Manufacturing Corporation	31,279,949.02	Lowest Calculated Bidder
	Agribioscience, Incorporated	37,925,158.22	2nd
	Diamond Supply Chain Solutions Corporation Joint Venture with Ramesh Trading Corporation	39,918,720.98	3rd

A copy of the Bid Evaluation Report is hereto attached, marked as **Annex “T”**, and made an integral part hereof;

WHEREAS, for purposes of conducting the Post-Qualification, the BAC requested the following L/SCBs to submit additional documents within five (5) calendar days from receipt of notice from the BAC, pursuant to Section 34.2 of the IRR of RA 9184, to wit:

Name of Bidder	Item No.	Remarks
Halex Golden Corporation	1	SCB
Blue Macay Food Manufacturing Corporation	2	LCB

Copies of said Notices are hereto attached, marked as **Annexes “U-1”**, and **“U-2”**, respectively, and are made integral parts hereof;

WHEREAS, the BAC created a Technical Working Group (TWG), pursuant to Section 12 of the IRR of RA 9184, who will conduct the Post-Qualification of the L/SCBs for Item No. 1 – Tuna and Item No. 2 - Powdered Cereal Drinks. On 24 May 2021, the BAC issued another Memorandum to amend the member composition of the TWG for a justifiable reason. Copies of the Memoranda are hereto attached, marked as **Annexes “V-1”** and **“V-2”**, respectively, and are made integral parts hereof;

WHEREAS, on 31 May 2021, the BAC through its Secretariat received the TWG Post-Qualification report, and found the following findings:

Item No.	Description	Bidder (L/SCB)	Findings
1	Tuna	Halex Golden Corporation	Halex Golden Corporation found compliant with the Legal and Financial Documents but not with the Technical Documents because the samples submitted do not have printed "Halal Certified Product" on the product label as required in the Technical Specifications. Thus, Halex Golden Corporation found non-responsive.
2	Powdered Cereal Drinks	Blue Macay Food Manufacturing Corporation	Blue Macay Food Manufacturing Corporation found compliant with the Legal and Technical Documents but not with the Financial Documents because the Audited Financial Statement do not have stamped "received" by the BIR or its duly accredited institutions. Blue Macay Food Manufacturing Corporation also failed to submit its latest Business Tax Return as required. Thus, Blue Macay Food Manufacturing Corporation found non-responsive.

A copy of the TWG Post-Qualification Report is hereto attached, marked as **Annex "W"**, and made an integral part hereof;

WHEREAS, on 2 June 2021, the BAC in its Special Meeting, deliberated the TWG post-qualification report and resolved to declare Halex Golden Corporation, for Item No. 1 – Tuna, and Blue Macay Food Manufacturing Corporation, for Item No. 2 – Powdered Cereal Drinks, as Post-Disqualified. Halex Golden Corporation was found non-responsive for failure to comply the required technical specifications while Blue Macay Food Manufacturing Corporation was found non-responsive for failure to comply and/or submit the required documentary requirements. Further, the BAC resolved to declare failure of bidding for Item no. 1 – Tuna pursuant to Section 35 (Failure of Bidding) and shall initiate and complete the same post-qualification process on the bidder with the second Lowest Calculated Bid for Item no. 2 – Powdered cereal drinks pursuant to Section 34.6 of the updated 2016 revised IRR of the RA 9184. Copies of the Minutes of the Meeting and Notices of Post-Disqualification are hereto attached, marked as **Annexes "X"**, **"Y-1"** and **"Y-2"**, respectively, and are made integral parts hereof;

WHEREAS, the BAC requested Agribioscience Inc., being the 2nd LCB for Item no. 2 – Powdered Cereal Drinks, to submit additional documents within five (5) calendar days from receipt of notice from the BAC, pursuant to Section 34.2 of the IRR of RA 9184. A copy of the Notice of Post-Qualification is hereto attached, marked as **Annex "Z"**, and made an integral part hereof;

WHEREAS, the BAC reconvene the TWG, to conduct the Post-Qualification on the bids submitted by Agribioscience Inc. for Item No. 2 - Powdered Cereal Drinks. A copy of the Memorandum is hereto attached, marked as **Annex "AA"** and made an integral part hereof;

WHEREAS, on 6 June 2021, the BAC through its Secretariat received Motions for Reconsideration from Halex Golden Corporation and Blue Macay Food Manufacturing Corporation relative to their Post-Disqualifications. Copies of the Motions for Reconsideration are hereto attached, marked as **Annexes “BB-1”** and **“BB-2”**, respectively, and are made integral parts hereof;

WHEREAS, on 9 June 2021, the BAC in its Special Meeting, deliberated the motions for reconsideration filed by Halex Golden Corporation for item No. 1 - Tuna and Blue Macay Food Manufacturing Corporation for Item No. 2 - Powdered Cereal Drink, respectively, and resolved to deny the motions for reconsideration of both bidders. Copies of the Minutes of the Meeting and Response letters denying the motions for reconsideration are hereto attached, marked as **Annexes “CC”, “DD-1”** and **“DD-2”**, respectively, and are made integral parts hereof;

WHEREAS, the BAC through its Secretariat received the TWG Post-Qualification report for Item no. 2 – Powdered Cereal Drinks, and found that the total bid price of Agribioscience, Inc. is within the ABC and the legal, technical and financial documents, the technical specifications including the post-qualification requirements were found compliant and responsive. A copy of the TWG Post-Qualification Report is hereto attached, marked as **Annex “EE”**, and made an integral part hereof;

NOW, THEREFORE, in view of the foregoing and on the basis of the documents presented, we, the Bids and Awards Committee, resolves as it is hereby resolved to recommend the following:

1. Execute Framework Agreement for **Item No. 2 - Powdered Cereal Drinks** for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021** under **ITB No. GOP/20-DSWD-066-B** to **Agribioscience, Inc.**, being the **Lowest Calculated and Responsive Bidder**, with a unit cost of **Seven Pesos and Ninety-Nine Centavos (PhP7.99)** per sachet, inclusive of all applicable taxes. The Contract Duration is from receipt of Notice to Proceed (NTP) until 31 December 2021, or upon consumption of the total quantity in the Framework Agreement List, which is 4,746,578 sachets, whichever comes first.
2. Declare a third (3rd) failure of bidding for **Item No. 1 - Tuna** for the **Procurement of Raw Materials for the Production of Family Food Packs Through Framework Agreement for CY 2021** under **ITB No. GOP/20-DSWD-066-B** because the lone bidder for the said item was post-disqualified;
3. Advise the end-user to **conduct a mandatory review and evaluation** of the terms, conditions and specifications in the Bidding Documents, including the cost estimates to determine the reason for the failed bidding pursuant to Section 35.2 of the RA 9184 and **check the sources of fund if it still available**, prior to conduct another round of procurement for Item No. 1 - Tuna; and



- 4. Adopt Section. 10 Competitive Bidding on the next round of procurement process for Item No. 1 - Tuna;

RESOLVED, this 11th day of **June 2021** at Quezon City, Philippines.

Digitally signed by Maria
Cassandra M. Urbiztondo
Date: 2021.07.09 14:46:44 +08'00'

ATTY. MARIA CASSANDRA M. URBIZTONDO
Officer-in-Charge, Legal Service
Regular Member

ATTY. KARINA ANTONNETE A. AGUDO
Officer-in-Charge, Administrative Service
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Alternate Member

RENE GLEN O. PAJE
Undersecretary for Inclusive and Sustainable Peace
Chairperson

EMMANUEL P. PRIVADO
Director IV, National Resource and Logistics Management Bureau
Provisional Member

Approved Disapproved

ROLANDO JOSELITO D. BAUTISTA
Secretary, Department of Social Welfare and Development
(Head of the Procuring Entity/Authorized Representative)

**Designated as Vice-Chairperson in the absence of the Chairperson*