



Republic of the Philippines
Department of Health
CENTRAL OFFICE BIDS AND AWARDS COMMITTEE

COBAC RESOLUTION NO. 2018-382

08 June 2018

**RECOMMENDING APPROVAL OF THE AWARD OF CONTRACT
FOR THE PROCUREMENT OF AZITHROMYCIN, 500MG
IB NO. 2018-148**

WHEREAS, Open Competitive Bidding for the Procurement of Azithromycin, 500mg was conducted in accordance with Republic Act (RA) 9184 and its 2016 Implementing Rules and Regulations (IRR) through the General Appropriations Act of 2018 with a Total Approved Budget for the Contract (ABC) of Five Million Six Hundred Sixty Six Thousand Two Hundred Fifty Philippine Pesos (PhP5,666,250.00):

Item No.	Particular	Quantity	Unit	Total ABC (PhP)
1	Azithromycin, 500mg	113,325	Tablet	5,666,250.00

WHEREAS, on 12 February 2018, a Purchase Request (PR) was received from Disease Prevention and Control Bureau – HIV-AIDS Program (DPCB – HIV-AIDS);

WHEREAS, on 20 February 2018, Pre-procurement Conference was conducted at 10:00 AM at the COBAC Conference Room, Department of Health (DOH) to discuss the details of the procurement at hand;

WHEREAS, the Technical Working Group (TWG) was created through the issuance of Department Personnel Order (DPO) COBAC No. 2018-090 dated 23 February 2018;

WHEREAS, on 26 February 2018, the Invitation to Bid (IB) was posted in the PhilGEPS website and in other conspicuous places within the premises of the DOH. The advertisement of the IB in newspaper of general nationwide circulation pursuant to Section 31.2.1(c) of the 2016 IRR of RA 9184 shall not be required for contracts to be bid with an ABC of PhP10M and below for the procurement of goods;

WHEREAS, a Bid Bulletin No. 1, dated 05 March 2018 was issued to announce the new schedule of Pre-bidding Conference previously slated on 06 March 2018;

WHEREAS, on 07 March 2018, the Pre-bidding Conference took place as re-scheduled at 9:00 AM at the COBAC Conference Room, DOH with seven (7) prospective bidders participating, namely:

1. Phil. Pharmawealth, Inc. (PPI);
2. Lunarmed Pharma Trading (LPT);
3. Metro Drug, Inc. (MDI);
4. Khriz Pharma (KP);
5. Westfield Pharmaceuticals, Inc. (WPI);
6. Pharma Nutria SV More (PN/SVM); and,
7. United Laboratories, Inc. (ULI).

WHEREAS, a Bid Bulletin No. 2, dated 13 March 2018 was issued to clarify the issues and questions raised during the Pre-bidding Conference and to announce the new schedule of the Submission and Opening of Bids previously slated on 20 March 2018;

WHEREAS, on 21 March 2018, the Submission and Opening of Bids took place as re-scheduled at 9:00 A.M. at the COBAC Conference Room, DOH. Five (5) prospective bidders procured the bidding documents and subsequently submitted its bid, namely:

1. Zuellig Pharma Corporation JV with Interphil Laboratories, Inc. (ZPC JV with ILI);
2. Pharmastar International Trading Corporation (PITC);
3. Eurocare Phrama, Inc. (EPI);
4. PPI; and,
5. Buendavida Pharma (BP)

WHEREAS, the first envelopes, containing the Eligibility and Technical Documents were opened and the presence, completeness and correctness of all the documents were verified by the COBAC-A in the presence of the bidders' representatives. Upon examination, ZPC JV with ILI, PITC, EPI, PPI and BP were declared "ELIGIBLE";

WHEREAS, the second envelopes, containing the Financial Proposals were opened and the presence, completeness and correctness of the Financial Documents were verified by the COBAC-A. Upon examination, the five (5) "ELIGIBLE" bidder, were rated "PASSED" and its respective bids were read out publicly and posted in the Abstract of Bids, to wit:

Name of Company					ZPC JV with ILI	PITC	EPI	PPI	BP
Bid Security					BSD	BSD	BSD	BSD	BSD
Amount					N/A	N/A	N/A	N/A	N/A
Validity					N/A	N/A	N/A	N/A	N/A
REMARKS					ELIGIBLE / PASSED	ELIGIBLE / PASSED	ELIGIBLE / PASSED	ELIGIBLE / PASSED	ELIGIBLE / PASSED
Item No.	Item Description	Qty.	Unit	TOTAL ABC	BID PRICE AS READ (PhP)				
1	Azithromycin, 500mg	113,325	Tablets	5,666,250.00	5,099,625.00	814,806.75	1,273,773.00	1,285,105.50	3,966,375.00

WHEREAS, PITC was declared Lowest Bidder (LB), subject to further arithmetical review and correction of the financial bid, if necessary;

WHEREAS, the bid for the item listed below was found to be substantially complying:

Item No. 1: 113,325 tablets of Azithromycin, 500mg

Bidder No.	Company Name	ABC (PhP)	Bid as Read Amount (PhP)	% Variance from ABC
1	ZPC JV with ILI	5,666,250.00	5,099,625.00	10.00%
	BP		3,966,375.00	30.00%
	PPI		1,285,105.50	77.32%
	EPI		1,273,773.00	77.52%
	PITC		814,806.75	85.62%

WHEREAS, on 22 March 2018, the detailed evaluation of the submitted proposal on the legal, technical and financial aspects of the documents of the Lowest Calculated Bid (LCB) was undertaken by the designated TWG;

WHEREAS, on 28 March 2018, an amendment to the composition of Technical Working Group (TWG) was created through the issuance of Department Personnel Order (DPO) COBAC No. 2018-090-A;

WHEREAS, on 04 April 2018, the legal and financial TWG members submitted their evaluation and found PITC as “complying” as to legal and financial requirements;

WHEREAS, on 13 April 2018, the technical TWG members submitted their evaluation and found PITC “complying” as to technical requirements;

WHEREAS, on 18 April 2018, the TWG report was presented to the COBAC-A during its 16th Regular Meeting and upon further review and deliberation, the Committee concurred with the TWG and decided to proceed with post-qualification evaluation upon receipt of the additional documentary requirements;

WHEREAS, on the same date, a notification was issued to PITC requesting for the submission of the post-qualification requirements;

WHEREAS, on 23 April 2018, the post-qualification requirements were submitted by PITC and was subsequently forwarded to the TWG for evaluation;

WHEREAS, on 25 April 2018, the COBAC-A issued a memorandum to DPCB inquiring on the precise definition of the above cited requirement;

WHEREAS, on 30 April 2018, the COBAC-A issued another memorandum to DPCB to follow-up the submission of their response to the inquiry;

WHEREAS, on 07 May 2018, the TWG, upon evaluation of the submitted post-qualification requirements, found that the submitted sample packaging indicates a primary packaging of “three (3) tablets per blister pack/foil strip” instead of the requirement “two (2) tablets per blister pack/foil strip”;

WHEREAS, on 10 May 2018, the COBAC-A received the response of DPCB;

WHEREAS, on 15 May 2018, the response of DPCB was presented to the COBAC-A during its 19th Regular Meeting and was informed that bidders shall submit proof of commercial availability in the Philippine market within the past two (2) years from the Submission and Opening of Bids;

WHEREAS, on the same date, the proof of commercial availability submitted by LCB dated within the year 2017 was presented to the COBAC-A;

WHEREAS, on the same date, the TWG report was presented to the COBAC-A, upon review and deliberation, the Committee decided to issue a notice of post-disqualification to PITC stating that the bidder failed to comply with the primary packaging requirement of “2 tablets per blister pack/foil strip”, and proceed to the evaluation of 2nd LCB;

WHEREAS, on 22 May 2018, a notice of post-disqualification was issued to PITC;

WHEREAS, on 25 May 2018, the detailed evaluation of the submitted proposal on the legal, technical and financial aspects of the documents of the 2nd LCB was undertaken by the designated TWG;

WHEREAS, on 29 May 2018, the legal financial and technical TWG members submitted their evaluation and found that the submitted CPR was valid during the Submission and Opening of Bids but not on the date of evaluation;

WHEREAS, on 30 May 2018 the TWG report was presented to the COBAC-A during its 21st Regular Meeting, upon review and deliberation, the Committee decided to issue a letter to EPI requesting for clarification relative to the above cited finding;

WHEREAS, on 31 May 2018, the COBAC-A issued a letter to EPI requesting for clarification relative to the above cited finding;

WHEREAS, on 13 June 2018, the COBAC-A received the response of EPI submitting the updated CPR;

WHEREAS, on the same date, the response of EPI was forwarded to the TWG for further review and evaluation;

WHEREAS, on 18 June 2018, the TWG members submitted their evaluation and found EPI “complying”;

WHEREAS, on 19 June 2018, the TWG report was presented to the COBAC-A during its 24th Regular Meeting, upon review and deliberation, the Committee concurred with the TWG and decided to proceed with post-qualification evaluation upon receipt of the additional documentary requirements;

WHEREAS, on the same date, a notification was issued to EPI requesting for the submission of the post-qualification requirements;

WHEREAS, on 25 June 2018, the post-qualification requirements were submitted by PITC which was considered within the prescribed timeline wherein if the deadline for an activity falls on a non-working day (i.e. Saturday and Sunday), then the submission will be the next working day pursuant to Section 38.2 of 2016 IRR of RA 9184, and was subsequently forwarded to the TWG for evaluation;

WHEREAS, on 06 July 2018, the TWG, upon evaluation of the submitted post-qualification requirements, found that the submitted product insert indicates “pack of 3s” while the submitted sample of art work indicates “2 tablets per blister pack/foil strip”;

WHEREAS, on 10 July 2018, the TWG report was presented to the COBAC-A during its 26th Regular Meeting, upon review and deliberation, the Committee decided to issue a letter requesting for clarification on the above cited finding;

WHEREAS, on the same date, a letter was issued to EPI requesting for clarification on the above cited finding;

WHEREAS, on 13 July 2018, EPI submitted its response and a copy of product insert and sample art work indicating a packaging of “2 tablets per blister pack/foil strip”;

WHEREAS, on the same date, the cited response was forwarded to the TWG for further review and evaluation;

WHEREAS, on 16 July 2018, the TWG submitted their evaluation and found EPI “responsive”;

WHEREAS, on 17 July 2018, the TWG report was presented to the COBAC-A during its 27th Regular Meeting, upon review and deliberation, the Committee concurred with the TWG and declared EPI as “post-qualified” and recommended to award the contract to the bidder;

WHEREAS, on the same date, the TWG submitted the Bid Evaluation and Post-qualification Evaluation Reports on the submitted documents by the 2nd LCB and found EPI “complying”;

WHEREAS, the COBAC-A reviewed and deliberated the TWG report, as well as the documents and response submitted by the 2nd LCB and the following are the salient points of discussion:

Item No.	Description	Name of Bidder	ABC (PhP)	Bid Price (PhP)	TWG		COBAC-A	
					Finding	Recommendation	Finding	Recommendation
1	Azithromycin, 500mg	EPI	5,666,250.00	1,273,773.00	The 2 nd LCB passed the evaluation and found to have complied with the legal, technical and financial requirements.	Complying	<ul style="list-style-type: none">• COBAC-A conforms to the recommendation of the TWG.• EPI is determined to be responsive and recommended for the award of contract.	Lowest Calculated and Responsive Bid (LCRB)

WHEREAS, at the time of signing of this Resolution, there is no pending incident, no pending Request for Reconsideration, no pending protest and the COBAC-A followed the requirements set forth in RA 9184;

NOW THEREFORE, on the basis of the above, the herein members of the COBAC-A **HEREBY RESOLVES** to recommend the award of contract to **Eurocare Pharma, Inc.** with a Total Contract Price of **One Million Two Hundred Seventy Three Thousand Seven Hundred Seventy Three Philippine Pesos (PhP1,273,773.00)** inclusive of taxes for the item listed below:

Item No.	Particular	Qty.	Unit	Total Bid Price (PhP)
1	Azithromycin, 500mg	113.325	tablet	1,273,773.00

Signed this AUG 14 2018 day of _____ 2018 at the Department of Health, San Lazaro Compound, Sta. Cruz, Manila.


CENTRAL OFFICE BIDS AND AWARDS COMMITTEE (COBAC) – A


LEONITA P. GORGOLON, MHA, MCHM, CEO VI
Regular Member



FERCHITO L. AVELINO, MD, PHSAE
Regular Member


MAR WYNN C. BELLO, MD, MPA
Regular Member


KENNETH G. RONQUILLO, MD, MPH, CESO III
Vice-Chairperson


NESTOR F. SANTIAGO, JR., MD, MPH, MHSA, CESO III
Assistant Secretary of Health
Chairperson

By Authority of the Secretary of Health:


MYRNA C. CABOTAJE, MD, MPH, CESO III
Director IV
Disease Prevention and Control Bureau

AUG 29 2018