



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

COBAC RESOLUTION NO. 2021-092
19 February 2021

CANCELLATION OF BIDDING FOR THE PROCUREMENT OF CEFIXIME
IB NO. 2021-039

WHEREAS, Open Competitive Bidding for the Procurement of Cefixime was conducted in accordance with Republic Act (RA) 9184 and its 2016 Revised Implementing Rules and Regulations (IRR) through the General Appropriations Act of 2021 with a Total Approved Budget for the Contract (ABC) of Three Million Five Hundred Sixty Three Thousand Nine Hundred Ninety Five Philippine Pesos and Eighty Nine Centavos (PhP3,563,995.89):

Item No.	Particular	Quantity	Unit	Total ABC (PhP)
1	Cefixime	83,603	Capsule	3,563,995.89

WHEREAS, on 15 October 2020, Purchase Request (PR) was received from Disease Prevention and Control Bureau (DPCB);

WHEREAS, on 28 October 2020, a Pre-Procurement Conference was conducted at 10:00 AM at the COBAC Conference Department of Health (DOH) to discuss the details of the procurement at hand;

WHEREAS, on 04 November 2020, the COBAC-A issued a memorandum to DPCB requesting for confirmation on the comments/clarifications as discussed during the Pre-procurement Conference;

WHEREAS, DPCB informed the Secretariat through a phone call that they intend to procure the said item through Public Bidding;

WHEREAS, on 10 November 2020, the IB was posted in the DOH Website only because the PhilGEPS website is under maintenance, and in conspicuous places within the premises of the DOH for a continuous period of seven (7) calendar days;

WHEREAS, this procurement was processed as part of Early Procurement Activities pursuant to Section 7.6. of RA 9184 and the updated revised IRR;

WHEREAS, on 18 November 2020, a Pre-bidding Conference took place as scheduled at 10:00 AM and through videoconferencing through Cisco Webex at the COBAC Conference Room, DOH, with five (5) participants attending physically and virtually, namely:

1. Phil Pharmawealth, Inc. (PPI);
2. Metro Drug Inc. (MDI);
3. Khriz Pharma Trading, Inc. (KPTI);
4. MedEthix, Inc. (MI); and,
5. Roymed Pharmaceutical (RP).

WHEREAS, the Technical Working Group (TWG) was created through the issuance of Department Personnel Order (DPO) COBAC No. 2020-429 dated 20 November 2020;

WHEREAS, on 20 November 2020, the Minutes of Pre-Bidding Conference was posted in the DOH Website;

WHEREAS, on 02 December 2020, the Submission and Opening of Bids took place as scheduled at 9:00 AM at the COBAC Conference Room, DOH. Two (2) bidders purchased the bidding documents and submitted its respective proposals, namely, Bansan Pharma Distributor (BPD) and RP;

WHEREAS, the first envelopes containing the Eligibility and Technical documents were individually opened, and the presence, completeness and correctness of all the documents were verified by the COBAC-A in the presence of the bidder's representative. Upon examination, the two (2) bidders were declared "ELIGIBLE;"

WHEREAS, the second envelopes containing the Financial Proposals were individually opened, and the presence, completeness and correctness of the documents were verified by the COBAC-A. Upon examination, the two (2) the "ELIGIBLE" bidders were also rated "PASSED" and subsequently its respective bids were read out publicly and posted in the Abstract of Bids to wit:

Name of Company					RP	BPD
Bid Security					Bid Securing Declaration	Bid Securing Declaration
Amount					N/A	N/A
Validity					N/A	N/A
REMARKS					ELIGIBLE AND PASSED	ELIGIBLE AND PASSED
Item No.	Item Description	Qty.	Unit	TOTAL ABC (PhP)	BID PRICE AS READ (PhP)	
1	Cefixime	83,603	Capsule	3,563,995.89	3,480,392.89	2,842,502.00

WHEREAS, BPD was declared as the lowest bidder subject to further arithmetical review and correction of the financial bid, if necessary and post-qualification;

WHEREAS, on 03 December 2020, the evaluation of the financial proposal of BPD and RP were undertaken by the designated TWG-Financial Evaluator;

WHEREAS, on the same date, a Request for Reconsideration (RfR) was filed by RP;

WHEREAS, on 04 December 2020, the TWG-Financial submitted the Abstract of Bids as Calculated, to wit:

Item No. 1: 83,603 capsules of Cefixime:

Bidder's Rank	Name of Company	ABC (PhP)	Bid Price as Calculated (PhP)	% Variance from ABC
Lowest Calculated Bidder (LCB)	BPD	3,563,995.89	2,842,502.00	20.24%
2 nd LCB	RP		3,480,392.89	2.34%

WHEREAS, on the same date, the RfR of RP was subsequently forwarded to the TWG – Legal in order for the to respond;

WHEREAS, on 07 December 2020, the TWG – Legal asked through electronic-mail (e-mail) if the cited RfR has already been evaluated by the TWG – Technical;

WHEREAS, on 09 December 2020, the Abstract of Bids as Calculated was presented to the COBAC-A during its 48th Regular Meeting Upon review, the Committee decided to proceed with the Post-qualification of LCB, namely, BPD;

WHEREAS, on the same date, a letter acknowledging the receipt of RfR from RP was issued through e-mail;

WHEREAS, 11 December 2020, the COBAC-A issued a letter to BPD through e-mail requesting for the submission of the Post-qualification requirements within a non-extendable period of five (5) calendar days upon receipt of the notification;

WHEREAS, on 14 December 2020, BPD submitted the Post-qualification documents and was subsequently endorsed to the TWG for evaluation;

WHEARAS, on 15 December 2020, a scanned copy of the RfR of RP was forwarded to the TWG – Technical for evaluation/review;

WHEREAS, on 16 December 2020, the detailed evaluation of the eligibility, technical requirements and post-qualification documents of the LCB were undertaken by the designated TWG to verify, validate and ascertain the documents submitted by the LCB;

WHEREAS, on the same date, the TWG, upon evaluation, found the bid of BPD “responsive” and submitted its report;

WHEREAS, on 18 December 2020, the RfR was forwarded to the TWG – Technical in order for the TWG – Legal to draft its response;

WHEREAS, on 22 December 2020, the COBAC-A requested the Head of the Procuring Entity (HoPE) through its Undersecretary of Health of Public Health Service Team (PHST) for the extension of the post-qualification evaluation in accordance with Section 34.8 of the RA 9184 and its 2016 IRR;

WHEREAS, on 23 December 2020, the above-cited report was presented to the COBAC-A during its 52nd COBAC-A Regular Meeting. Upon review and deliberation, the Committee declared BPD “post-qualified”;

WHEREAS, on the same date, the response from DPCB relative to the RfR of RP was received suggesting the Committee to coordinate with the Food and Drug Administration (FDA);

WHEREAS, on the same date, a letter from Nelpa Lifesciences Inc. (NLI) – Importer of the item –, was received stating that RP is the Authorized Distributor of the said item;

WHEREAS, on 05 January 2021, the response of DPCB and the letter of NLI were presented to the Committee during its 1st COBAC-A Regular Meeting, upon deliberation, the Committee instructed the Secretariat in-charge to seek assistance to the TWG in order to respond to the cited RfR of RP and acknowledge the letter of NLI;

WHEREAS, on 06 January 2021, the letter of NLI was presented again during the 2nd COBAC – A Regular Meeting, upon deliberation, the Committee instructed the Secretariat in-charge to issue a memorandum to TWG-Technical stating that they should be the one to validate the Distributorship of the bidders who submitted their bids during the Submission and Opening of Bids;

WHEREAS, on the same date, a letter acknowledging the letter of NLI was sent through e-mail;

WHEREAS, on 11 January 2021, a letter for validation of distributorship was sent to FDA through e-mail;

WHEREAS, on 14 January 2021, an advance copy of response from FDA was received through e-mail stating that NLI is the Importer and 777 Red Pharma is the Distributor;

WHEREAS, on the same date, the response of FDA was presented to the Committee, upon deliberation, the Committee then decided to issue a letter for validation of the distributorship to NLI;

WHEREAS, on 15 January 2021, a letter was issued to NLI for validation of distributorship for the said Item;

WHEREAS, on the same date, NLI responded through e-mail that RP is their sole and only authorized distributor of the said product and that they will issue their official response for the said matter;

WHEREAS, on 20 January 2021, an official response was received from NLI;

WHEREAS, on the same date, the response of NLI was presented during the 4th COBAC – A Regular Meeting and upon deliberation, the Committee decided seek advice to the TWG to clarify/validate the legality of the documents submitted by the bidders;

WHEREAS, the said response was forwarded to the TWG for drafting of the response to the RfR;

WHEREAS, on 25 January 2021, the Post-qualification process reached Forty Five (45) calendar days, as per Section 34.8 of IRR of RA 9184 stating that: "The post-qualification process shall be completed in not more than twelve (12) calendar days from the determination of the Lowest Calculated Bid/Highest Rated Bid. In exceptional cases, the post-qualification period may be extended by the HoPE, but in no case shall the aggregate period exceed forty-five (45) calendar days for Goods and Infrastructure Projects";

WHEREAS, on 27 January 2021, during its 5th COBAC-A Regular Meeting, upon deliberation, the Committee decided to cancel the procurement of the said item as per Section 34.8 of the IRR of RA 9184;

WHEREAS, on 03 February 2021, a letter was issued to RP through e-mail in response to their RfR informing that the post-qualification period has reached the maximum Forty Five (45) calendar days allowed by the law and their RfR was rendered moot and academic;

WHEREAS, on 16 February 2021, the COBAC-A issued a letter to BPD through e-mail informing on the cancellation of the procurement of the above-cited item;

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

WHEREAS, pursuant to Section 35.6 of RA 9184 and its 2016 Revised IRR and GPPB Resolution 09-2020, the BAC is authorized, upon consultation with the end-user unit, to cancel/terminate the conduct of procurement activities, for any justifiable reason;

NOW THEREFORE, on the basis of the above, the herein members of the COBAC-A **HEREBY RESOLVE** the following:

1. Cancel the bidding for the item listed below with a Total ABC of Three Million Five Hundred Sixty Three Thousand Nine Hundred Ninety Five Philippine Pesos and Eighty Nine Centavos (PhP3,563,995.89):

Item No.	Particular	Quantity	Unit	Total ABC (PhP)
1	Cefixime	83,603	Capsule	3,563,995.89

2. Re-process the procurement of the item listed above, upon receipt of the revised documentary requirements.

MAR 05 2021

Signed this _____ day of _____ 2021 at the Department of Health, San Lazaro Compound, Sta. Cruz, Manila.

CENTRAL OFFICE BIDS AND AWARDS COMMITTEE (COBAC) - A


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