



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

COBAC RESOLUTION NO. 2021-085-B

31 March 2021

**RECOMMENDING APPROVAL OF THE AWARD OF CONTRACT THROUGH NEGOTIATED
PROCUREMENT EMERGENCY CASES FOR THE PROCUREMENT OF SERVICE PROVIDER FOR
BROKERAGE, WAREHOUSING, HAULING & DELIVERY OF COVID-19 VACCINES AND OTHER
COVID-19 RELATED COMMODITIES**
EP NO. 2021-001-A

WHEREAS, the Central Office Bids and Awards Committee (COBAC)-B received a request from the Supply Chain Management Service (SCMS) and Disease Prevention and Control Bureau (DPCB) to procure the lot listed below in accordance with Republic Act (RA) 9184 and its 2016 Revised Implementing Rules and Regulations (IRR) through the General Appropriations Act of 2021 using Negotiated Procurement-Emergency Cases with a total Approved Budget for the Contract (ABC) of Seven Hundred Million Philippine Pesos (Php700,000,000.00), to wit:

Lot No.	Description	Qty.	Unit	Total ABC (Php)
1	Service Provider for Brokerage, Warehousing, Hauling and Delivery of COVID-19 Vaccines and Other COVID-19 Related Commodities	1	Lot	700,000,000.00

WHEREAS, COBAC Resolution No. 2021-085 “Recommending Approval for the Use of Negotiated Procurement through Emergency Cases for the Procurement of Service Provider for Brokerage, Warehousing, Hauling and Delivery of COVID-19 Vaccines and Other COVID-19 Related Commodities under EP No. 2021-001”, was approved;

WHEREAS, COBAC Resolution No. 2021-085-A “Declaration of Failure of Negotiated Procurement through Emergency Cases for the Procurement of Service Provider for Brokerage, Warehousing, Hauling and Delivery of COVID-19 Vaccines and Other COVID-19 Related Commodities under EP No. 2021-001”, was approved;

WHEREAS, on 10 March 2021, the Mandatory Review/Pre-Procurement Conference was conducted by the Central Office Bids and Awards Committee (COBAC)-B at 11:00 A.M. at the COBAC Conference Room, Department of Health (DOH) to discuss the details and determine the readiness of the procurement at hand;

WHEREAS, on 12 March 2021, SCMS submitted a revised Terms of Reference (TOR);

WHEREAS, on 16 March 2021, the Request for Quotation (RFQ) was issued to prospective service providers (SPs) with known technical, legal, and financial capability to deliver the afore-said project. The following thirteen (13) service providers were invited to submit a proposal from the previous failed negotiated procurement:

1. 101 New York Logistics Corporation (101NYLC);
2. Airspeed International Corporation Joint Venture with Jentec Corporation;
3. Airfreight 2100, Inc. Joint Venture with Nague, Malic, Magnawa & Associates Customs Brokers (AIR21 JV with NMMACB);
4. Coolaire Consolidated Inc. (CCI);
5. DHL Supply Chain Phils., Inc. (DSCPI);
6. Distribution Solutions Phils. Inc. Joint Venture with Ximex Delivery Express Inc. (DSP1 JV with XDEL);
7. Maharlika International Logistics (MIL);
8. Metropac Movers Inc. (MMI);
9. Nonpareil International Freight & Cargo Services Inc. Joint Venture with Pharmaserv Express Inc. (NIFCSI JV with PEI);

RECOMMENDING APPROVAL OF THE AWARD OF CONTRACT THROUGH NEGOTIATED PROCUREMENT EMERGENCY CASES FOR THE PROCUREMENT OF SERVICE PROVIDER FOR BROKERAGE, WAREHOUSING, HAULING & DELIVERY OF COVID-19 VACCINES AND OTHER COVID-19 RELATED COMMODITIES

EP NO. 2021-001-A

10. Padilla RefeerVan Corporation (PRC);
11. Phil Pharmawealth Inc. Joint Vneture with All Transport Network Inc. (PPI JV with ATNI);
12. Royal Cargo Inc. (RCI);

13. Zuellig Pharma Corporation Joint Venture with Interpharma Logistics Inc. (ZPC)

WHEREAS, on 16 March 2021, RCI and ZPC submitted through email their respective clarifications regarding the RFQ. Subsequently, the above-cited matters were presented to COBAC-B. Upon review, the Committee decided to inform prospective SPs through email regarding conduct of a Meeting on 17 March 2021 at 10:00AM through Cisco Webex to clarify the issues and concerns raised relative to the said project;

WHEREAS, on 17 March 2021, the COBAC-B conducted the meeting with the TWG- and SCMS representatives at 10:30 AM at COBAC Conference Room, Bldg. 6, DOH and video conference through Cisco Webex wherein the following suppliers attended the cited meeting:

1. AIC;
2. AIR21;
3. DSPi;
4. DSCSPI;
5. MMI
6. NIFCSI;
7. PPI;
8. RCI;
9. XDEI;
10. ZPC;
11. CCI;
12. PEI;
13. ATNI; and
14. Endure Medical Inc. (EMI)

WHEREAS, on the same date, upon review and discussion, the COBAC-B instructed the End-user Units, SCMS and DPCB, to further review their TOR and financial form and submit the revised documentary requirements to COBAC-B to issue a Bid Bulletin;

WHEREAS, on the same date, the COBAC-B endorsed the comments and requests for clarification during the meeting to SCMS and DPCB requesting for submission of the revised documentary requirement;

WHEREAS, on 18 March 2021, SCMS submitted the revised financial form;

WHEREAS, Bid Bulletin No. 1 dated 18 March 2021 was issued through email to clarify the issues and concerns raised during the meeting and to modify and amend the issued RFQ;

WHEREAS, on the same date, the NIFCSI submitted a letter requesting for a copy of the Minutes of Meeting;

WHEREAS, the Technical Working Group (TWG) was created through the issuance of Department Personnel Order (DPO) COBAC No. 2021-113 dated 19 March 2021;

WHEREAS, on 19 March 2021, the COBAC-B issued a letter to NIFCSI that the Minutes of Meeting shall be made available upon payment at the DOH Cashier's Office;

WHEREAS, on the same date, the following SPs submitted their respective letters requesting for clarification, and was subsequently forwarded to SCMS and DPCB:

SP	Issue/Concern
NIFCSI	Under Section IV- Requirements for Bidding, Item Number (page 24-25 of 48) states the following text: The Service Provider must have a valid ISO 9001:2015 Certificate with QMS on Freight-forwarding, warehousing, transport and distribution of temperature sensitive payloads using biothermal packaging and customs brokerage services. The said ISO Certification must be maintained by the Service Provider during the entire duration of the Contract.
	In reference to above, it was observed that the valid ISO 9001:2015 Certificate for Customs Brokerage was singularly omitted under Section 7, Technical Specification, Roman Numeral III-Additional Requirement, Item A, page 42/48
ZPC	For Vaccines: Number of doses per temperature range Expected delivery dates and volumes Estimated number of delivery points Frequency of delivery For Ancillaries: Number of pallets required per month Number of cartons to be delivered by location
PEI	Grace period of not later than 31st of March 2021 that may be presented by a Bill of Lading during the clarificatory meeting, it was agreed that prospective bidders are allowed to come up with the 500 units of Biothermal Packaging System as there is visible proof that it will be in existence until on the said date. In line with these, would this mean that all assets, equipment & facilities have the same grace period to comply with the terms of reference? Withal, may we recommend that whomever qualifies should be inspected after the 31st or March of the aforementioned deadline for it to be a matter of just presence or absence – everything that is required and stipulated in the terms of references.

WHEREAS, on the same date, SCMS and DPCB submitted their response informing acceptance of the clarification raised by the SPs;

WHEREAS, Bid Bulletin No. 2 dated 22 March 2021 was issued to clarify the issues and concerns raised by NIFCSI and PEI and to modify and amend the issued RFQ;

WHEREAS, on 24 March 2021, the COBAC-B conducted the Submission and Opening of Quotations at 9:00 AM at HRT Conference Room, Bldg. 4, DOH and through Cisco Webex. The following eleven (11) SPs submitted their respective quotations via hard copy within the set deadline, namely:

1. IOINYL;C;
2. AIR21 JV with NMMACBCI JV with AIR21;
3. DSPt JV with XDEI;
4. RCI;
5. AIC Joint Venture with Jentec Storage Inc. (AIC JV with JSI);
6. NIFCSI JV with PEI;
7. ZPC JV with ILI; and
8. PPI JV with ATNI

WHEREAS, on the same date, the CCI submitted its bid proposal through email at 9:01AM and the quotation of CCI was rejected by the COBAC-B due to the submission beyond the stated deadline;

RECOMMENDING APPROVAL OF THE AWARD OF CONTRACT THROUGH NEGOTIATED PROCUREMENT EMERGENCY CASES FOR THE PROCUREMENT OF SERVICE PROVIDER FOR BROKERAGE, WAREHOUSING, HAULING & DELIVERY OF COVID-19 VACCINES AND OTHER COVID-19 RELATED COMMODITIES

EP NO. 2021-001-A

WHEREAS, the envelopes, containing the documentary requirements were individually opened, and the presence, completeness, and correctness of all the documents were individually verified by the COBAC-B in the presence of the SPs' representatives. Upon examination, the COBAC-B declared the following SPs as "Passed":

1. AIR21 JV with NMMACBCI;
2. RCI;
3. NIFCSI JV with PEI; and
4. PPI JV with ATNI

WHEREAS, four (4) SPs were declared "Failed" due to non-submission of the following requirements, to wit:

Company Name	Lacking Documentary Requirements
10INYL	Duly accomplished and signed Price Quotation, inclusive of taxes for Warehouse, Hauling and Delivery (Freight for Vaccine), Hauling and Delivery (Freight for Ancillary), Summary/ Total Cost; Warehouse Layout with measurement; Warehouse façade picture; Screenshot/Picture of the Warehouse Management System; Photocopy of the written Sanitation and Pest Control; Description of Security System; Photocopy of the insurance of the Facility; and Certificate of good historical and current performance from a previous client.
DSP1 JV with XDEI	Certificate of ISO 9001:2015 for Brokerage Service
ZPC JV with ILI	Certificate of ISO 9001:2015 for Brokerage Service
AIC JV with JSI	Certificate of ISO 9001:2015 for Custom Brokerage Service, expired ISO 9001:2015 Certificate for Warehousing and Freight Forwarding

WHEREAS, the respective proposals of the four (4) SPs that were declared “Passed” were individually read out publicly and posted in the Abstract of Bids, to wit:

					1	2	3	4	5	6	7	8
Name of Company					101NYLC	AIR21 JV with NMMACBCI	DSPI JV with XDEI	ZPC JV with ILI	NIFCSI JV with PEI	RCI	AIC JV with JSI	PPI JV with ATNI
REMARKS					FAILED	PASSED	FAILED	FAILED	PASSED	PASSED	FAILED	PASSED
Lot No.	Item Description	Qty.	Unit	Total ABC (PhP)	BID PRICE AS READ (PhP)/ SUM OF TOTAL RATES (PhP)							
1	Service Provider for Brokerage, Warehousing, Hauling and Delivery of COVID-19 Vaccines and Other COVID-19 Related Commodities	1	Lot	700,000,000.00		4,334,048.00			1,076,768.00	5,946,030.45		7,814,485.82

WHEREAS, NIFCSI JV with PEI was declared as lowest quotation as read subject to further arithmetical review and correction of the financial proposal to determine the bona fide Lowest Calculated Quotation (LCQ) and evaluation;

WHEREAS, the quotations for the lot listed below were received and ranked by the TWG-Financial, to wit:

Lot No. 1 – Service Provider for Brokerage, Warehousing, Hauling and Delivery of COVID-19 Vaccines and Other COVID-19 Related Commodities

Bidder's Rank	Name of Bidder	ABC (PhP)	Sum of Total Rate (PhP) As Calculated
Lowest Calculated Quotation (LCQ)	NIFCSI JV with PEI	700,000,000.00	1,076,768.00
2 nd LCQ	AIR21 JV with NMMACBCI		4,417,947.68
3 rd LCQ	RCI		5,946,045.37
4 th LCQ	PPI JV with ATNI		7,814,485.82

RECOMMENDING APPROVAL OF THE AWARD OF CONTRACT THROUGH NEGOTIATED PROCUREMENT EMERGENCY CASES FOR THE PROCUREMENT OF SERVICE PROVIDER FOR BROKERAGE, WAREHOUSING, HAULING & DELIVERY OF COVID-19 VACCINES AND OTHER COVID-19 RELATED COMMODITIES
EP No. 2021-001-A

WHEREAS, on the same date, the detailed evaluation of the submitted proposal on the legal, technical and financial aspects of the documents of the above-mentioned prospective bidders were undertaken by the designated TWG;

WHEREAS, on 26 March 2021, the TWG-Legal submitted its report, to wit:

Name of Bidder	Findings
NIFCSI JV with PEI	Complying as to requirements in the RFQ
AIR21 JV with NMMACBCI	Complying as to requirements in the RFQ
RCI	Complying as to requirements in the RFQ
PPI JV with ATNI	Complying as to requirements in the RFQ

WHEREAS, on 29 March 2021, the TWG-Financial submitted its report, to wit:

Name of Bidder	Findings
NIFCSI JV with PEI	Complying as to requirements in the RFQ
AIR21 JV with NMMACBCI	Complying as to requirements in the RFQ
RCI	Complying as to requirements in the RFQ
PPI JV with ATNI	Complying as to requirements in the RFQ

WHEREAS, on 25-29 March 2021, the TWG-Technical conducted the site visit to the four (4) prospective bidders to verify, validate and ascertain the compliance to technical requirements;

WHEREAS, on 30 March 2021, the TWG-Technical submitted their consolidated site inspection report, to wit:

Name of Bidder	Findings
NIFCSI JV with PEI	Complying to all technical requirements including 1,000 units of transport boxes
AIR21 JV with NMMACBCI	Complying to all technical requirements except the following: 1. Did not meet the requirement for transport box; no bill of lading presented for transport box 2. Did not meet the requirement for -70°C to -80°C of at least 2,500 liters; 3. Did not meet the requirement for 2°C to 8°C (at least 500cbm): Present but not sufficient as to the 500cbm requirement 4. Did not meet the requirement for 15°C to -25°C (at least 300cbm): Present but not sufficient as to 300cbm requirement
RCI	Complying to all technical requirements including 1,000 units of transport boxes - 500 units transport box available plus additional 500 purchase request for transport box
PPI JV with ATNI	Complying to all technical requirements including transport boxes except: 1. Transport box-With sample presented and 500 pieces' bill of lading (departed from Country of Origin last 20 March 2021) 2. Did not meet the requirement for 2°C to 8°C of at least 500 cbm and -15°C to -25°C: With separate cold room but used as receiving and releasing bay with other food and other frozen products

WHEREAS, on the same date, the COBAC-B and TWG conducted an emergency meeting to discuss and deliberate on the TWG report and provide recommendation. Upon discussion, the COBAC-B concurred with the TWG findings and recommended the award of contract to NIFCSI JV with PEI with the lowest calculated quotation and found to be technically, legally and financially capable and compliant with the requirements and thus, declared as the lowest calculated responsive quotation;

WHEREAS, upon deliberation, the Committee confirmed the basis of the contract and the rates that will be applied by the DOH and exacted by the Service Provider if the LCQ will be declared as the technically, legally, financially capable service provider and the rates indicated in the proposal but the cumulative cost or amount of the services provided must not exceed Php 700,000,000.00;

WHEREAS, on 31 March 2021, the COBAC-B issued a letter to CCI through email informing the denial of its RIR;

WHEREAS, CCI did not file a protest within the prescribed period;

WHEREAS, at the time of the signing of this resolution, there is no pending incident, no pending Request for Reconsideration, no pending Protest and the COBAC-B strictly observed the requirements set forth in R.A. 9184;

NOW THEREFORE, on the basis of the above, the herein members of the COBAC-B **HEREBY RESOLVE** to recommend the award of the contract to **Nonpareil International Freight Cargo Services Inc. Joint Venture with Pharmaserv Express Inc.** determined as the technically, legally, financially capable service provider for the lot listed below with a Total Contract Price of Seven Hundred Million Philippine Pesos (Php700,000,000.00) inclusive of taxes for the lot listed below with the following rates:

Lot No.	Particular	Quantity	Unit	Sum of Total Rate (Php)	Maximum Total Contract Price (Php)
1	Service Provider for Brokerage, Warehousing, Hauling and Delivery of COVID-19 Vaccines and Other COVID-19 Related Commodities	1	Lot	1,076,768.00	700,000,000.00
	A. Brokerage			8,960.00	
	B. Warehousing			952,000.00	
	C. Hauling & Delivery (Vaccines)			101,360.00	
	D. Hauling & Delivery (Ancillary)			14,448.00	
	Total Cost			1,076,768.00	

Particular	Quantity	Unit	Sum of Total Rate (Php)
A. Brokerage			
1. Processing of Documents	1	shipment	3,360.00
2. Handling and other incidental expenses	1	cbm	5,600.00
Total Cost			8,960.00
Particular	Quantity	Unit	Sum of Total Rate (Php)
B. Warehousing			
1. 2°C to 8°C (at least 500cbm)	500	cbm	252,000.00
2. -15°C to -25°C (at least 500cbm):	300	cbm	168,000.00
3. -70°C to -80°C (at least 2,500 liters):	2,500	liter	196,000.00
4. 3,000sqm (at least 2,000 pallet position)	3,000	sqm	336,000.00
Total Cost			952,000.00

REGION	FREIGHT (VACCINES)		Rate for the use of TRANSPORT BOX	RENTAL COST OF TRANSPORT BOX PER DAY	HANDLING	TOTAL
	LAND	AIR				
	Rate / cbm	Rate / Kg				
CHD - Metro Manila	5,000.00		5,000.00	800.00	20.00	10,820.00
CHD- Cordillera Autonomous Region	3,300.00	645.00	5,000.00	800.00	20.00	9,765.00
CHD I - Ilocos Region	3,300.00	645.00	5,000.00	800.00	20.00	9,765.00
CHD II- Cagayan Valley	1,750.00	775.00	5,000.00	800.00	20.00	8,345.00
CHD III - Central Luzon	2,850.00		5,000.00	800.00	20.00	8,670.00
CHD IV - A CALABARZON	2,850.00		5,000.00	800.00	20.00	8,670.00
CHD IV - B MIMAROPA		775.00	2,500.00	800.00	20.00	4,095.00
CHD V - Bicol Region		775.00	2,500.00	800.00	20.00	4,095.00
CHD VI - Western Visayas		795.00	2,500.00	800.00	20.00	4,115.00
CHD VII - Central Visayas		795.00	2,500.00	800.00	20.00	4,115.00
CHD VIII - Eastern Visayas		795.00	2,500.00	800.00	20.00	4,115.00
CHD IX - Zamboanga Peninsula		805.00	2,500.00	800.00	20.00	4,125.00
CHD X - Northern Mindanao		805.00	2,500.00	800.00	20.00	4,125.00
CHD XI - Davao Region		805.00	2,500.00	800.00	20.00	4,125.00
CHD XII - Cotabato Region		805.00	2,500.00	800.00	20.00	4,125.00
CHD CARAGA		805.00	2,500.00	800.00	20.00	4,125.00
BARMM		845.00	2,500.00	800.00	20.00	4,165.00
Total	19,050.00	10,870.00	57,500.00	13,600.00	340.00	101,360.00

REGION	FREIGHT FOR ANCILLARY		TOTAL
	LAND	AIR	
	Rate / cbm	Rate / Kg	
CHD – Metro Manila	1,500.00		1,500.00
CHD - Cordillera Autonomous Reg	2,250.00	195.00	2,445.00
CHD I – Ilocos Region	2,250.00	195.00	2,445.00
CHD II – Cagayan Valley	2,250.00	195.00	2,445.00
CHD III – Central Luzon	1,705.00		1,705.00
CHD IV-A – CALABARZON	1,705.00		1,705.00
CHD IV-B – MIMAROPA		195.00	195.00
CHD V – Bicol Region		195.00	195.00
CHD VI – Western Visayas		198.00	198.00
CHD VII – Central Visayas		195.00	198.00
CHD VIII – Eastern Visayas		198.00	195.00
CHD IX – Zamboanga Peninsula		195.00	198.00
CHD X – Northern Mindanao		198.00	198.00
CHD XI – Davao Region		198.00	198.00
CHD XII – Cotabato Region		205.00	205.00
CHD CARAGA		198.00	198.00
BARMM		225.00	225.00
Total	11,660.00	2,788.00	14,448.00

Signed this APR day 20 of 2021 at the Department of Health, San Lazaro Compound, Sta. Cruz, Manila.


CENTRAL OFFICE BIDS AND AWARDS COMMITTEE (COBAC) – B


CHARITY I. TAN, MA
Regular Member


ALLAN A. ANGELISTA, MD, MCHM
Regular Member


ARNEL Z. RIVERA, MD, FPAFP, MHA, IDHA
Regular Member

Absent
ALELI ANNIE GRACE P. SUDIACAL, MD, MPH
Vice-Chairperson


GERARDO V. BAYUGO, MD, MPH, CESO I
Undersecretary of Health
Chairperson


Approved by:


FRANCISCO T. DUQUE III, MD, MSc
Secretary of Health