



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

COBAC RESOLUTION NO. 2017-153-B
14 August 2017

**RECOMMENDING APPROVAL FOR THE CANCELLATION OF AWARD OF
CONTRACT FOR THE PROCUREMENT OF SUBSCRIPTION SERVICE OF TIME
MAGAZINE (WEEKLY) AND READER'S DIGEST (MONTHLY) FOR ONE YEAR
NP NO. 2017-018**

WHEREAS, the Department of Health (DOH) through the Knowledge Management and Information Technology Service (KMITS) intends to procure the Subscription Service of Time Magazine (Weekly) and Reader's Digest (Monthly) for One Year in accordance with the Republic Act (RA) 9184 and its 2016 Implementing Rules and Regulations (IRR) with an Approved Budget for the Contract (ABC) of **Five Thousand Five Hundred Fifty Six Philippine Pesos (PhP5,556.00)**:

Lot No.	Particular	Qty.	Unit	Total ABC (PhP)
1	Time Magazine (weekly)	1	1 Year Subscription	5,556.00
	Reader's Digest (monthly)	1		

WHEREAS, COBAC Resolution No. 2017-153 "Recommending Approval for the Use of Negotiated Procurement through Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services for the Procurement of Subscription Service of Time Magazine (Weekly) and Reader's Digest (Monthly) for One Year", was approved;

WHEREAS, COBAC Resolution No. 2017-153-A "Recommending Approval for the Award of Contract for the Procurement of Subscription Service of Time Magazine (Weekly) and Reader's Digest (Monthly) for One Year", was approved;

WHEREAS, on 25 April 2017, the Notice of Award (NOA) was released to Asia/Pacific Circulation Exponents Inc. (APCEI);

WHEREAS, on 04 May 2017, the funds was obligated;

WHEREAS, on 11 May 2017, the documents were returned by the Accounting Division due to the pre-payment terms in the Price Quotation;

WHEREAS, on 17 May 2017, the Procurement Service (PS) issued memorandum to KMITS relative to the findings of Accounting Division;

WHEREAS, on 23 May 2017, Commission of Audit (COA) advised that pre-payment is not allowed;

WHEREAS, APCEI informed the PS staff that they will cancel the contract if pre-payment term will not be granted. Further, KMITS verbally informed the PS staff that they will cancel the award of contract;

WHEREAS, on 06 and 21 June 2017, PS issued letters to APCEI through electronic mail requesting to submit a bank guarantee/irrevocable letter of credit to comply with the pre-payment condition;

WHEREAS, on 22 June 2017, APCEI submitted an acknowledgement letter through e-mail and informed that they will submit the requested documents in one (1) week;

WHEREAS, on 05 July 2017, APCEI submitted a copy of bank deposit certification;

WHEREAS, on the same date, PS issued a letter to APCEI through e-mail requesting for submission of original copy of bank guarantee;

WHEREAS, several follow-up were made through telephone conversation to APCEI, however no response was received;

WHEREAS, on 04 August 2017, KMITS submitted a memorandum that they are withdrawing their request for procurement;

WHEREAS, on 08 August 2017, the KMITS's letter was presented to the COBAC-C during its 33rd Meeting. Upon review and deliberation the COBAC-C concurred with the End-user, and recommended the cancellation of award of contract in favor of Asia/Pacific Circulation Exponents Inc.;

WHEREAS, the COBAC-C recommended for the cancellation of procurement pursuant to Section 41(c), to wit:

"For any justifiable and reasonable ground where the award of contract will not redound to the benefit of the GOP as follows:

(ii) *If the project is no longer necessary as determined by the HOPE"*

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

1. Recommend cancellation of the award of contract for the procurement for the lot listed below:


Lot No.	Particular	Qty.	Unit	Total Amount (PhP)
1	Time Magazine (weekly)	1	1 Year Subscription	5,556.00
	Reader's Digest (monthly)	1		

2. Secure approval from the Head of the Procuring Entity on the cancellation of the contract in favor of Asia/Pacific Circulation Exponents Inc.
3. Declare failure of Negotiation through Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services for the above-cited procurement project;

OCT 03 2017


Signed this ____ day of _____ 2017 at the Department of Health, San Lazaro Compound, Sta. Cruz, Manila.

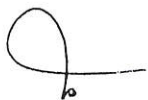
CENTRAL OFFICE BIDS AND AWARDS COMMITTEE - C


MARIO S. BAQUILOD, MD, MPH
Regular Member

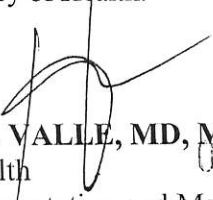

IVANHOE C. ESCARTIN, MD
Regular Member

MARIA FRANCIA M. LAXAMANA, MD, MHSA, CHS
Regular Member


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