BIDS AND AWARDS COMMITTEE (BAC)
BAC Resolution No. 03-057-25
PB-07-25

RECOMMENDING TO THE HEAD OF THE PROCURING ENTITY THE DECLARATION OF THE FAILURE OF BIDDING PURSUANT TO SECTION 70 OF THE IMPLEMENTING RULES AND REGULATIONS ("*IRR*") OF REPUBLIC ACT ("*RA*") NO. 12009

WHEREAS, on 5 February 2025, Atty. Gil Carlos R. Puyat, President, as Head of Procuring Entity, approved the revised Annual Procurement Plan *("APP")* for CY 2025 of APO Production Unit, Inc. *("APO-PUI")* upon favorable recommendation of the Bids and Awards Committee *("BAC");*

WHEREAS, included in the revised Approved APP of APO-PUI for CY 2025 is the Lease of Printing Machines and Finishing Equipment with Operational and Technical Support (Luzon Area) with project identification number PB-07-25;

WHEREAS, the mode of procurement adopted for said procurement requirement is competitive bidding with an Approved Budget for the Contract (ABC) amounting to Ten Million Twenty-Eight Thousand Six Hundred Forty-Three Pesos and 75/100 (PhP10,028,643.75);

WHEREAS, the Invitation to Bid and complete set of Bidding Documents for the project were posted from 5 March to 4 April 2025;

WHEREAS, a Pre-Bid Conference was conducted last 19 March 2025, 1:30 P.M.

WHEREAS, in a memorandum dated 19 March 2025, the end-user, Production Department, requested for the cancellation of the aforesaid competitive bidding process for the procurement of Lease of Printing Machines and Finishing Equipment with Operational and Technical Support (Luzon Area) due to the unforeseen and sudden increase of the forecasted jobs of said lease project;

WHEREAS, the primary reason for the sudden increase of the forecasted jobs of said lease project is the additional obligations of APO Production Unit Inc. coming from the request of various clients which includes the following:

1. City Government of Baguio;
2. City Government of Makati;
3. City Government of Marikina;
4. City Government of San Carlos, Pangasinan;
5. City Government of San Fernando, La Union;
6. City Government of Tarlac
7. Provincial Treasurer's Office of Pangasinan;
8. Province of La Union;
9. Provincial Government of Cagayan;
10. National Meat Inspection Service (NMIS); and
11. Philippine Statistics Authority (PSA) - OCRG

WHEREAS, the sudden increase in for the forecasted jobs of said lease project resulted into the increase of the ABC from Ten Million Twenty-Eight Thousand Six Hundred Forty-Three Pesos and 75/100 (PhP10,028,643.75) to Twenty Million Three Hundred Nine Thousand Four Hundred Seventeen Pesos and 85/100 (PhP20,309,417.85);

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WHEREAS, Section 70 of the Implementing Rules and Regulations (IRR) of Republic Act (R.A.) 12009 states the following:

"The HoPE reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situations:

a) If there is prima facie evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies, or tends to restrict, suppress or nullify competition or influences or tends to influence the bidding process;

b) If the BAC is found to have failed in complying with the applicable law or in following the prescribed bidding procedures; or

c) ***For justifiable and reasonable grounds, where the award of contract will not redound to the benefit of the government in the following instances:***

i) if the physical and economic conditions have significantly changed so as to render the project no longer economically, financially, or technically feasible, as determined by the HoPE;
ii) if the project is no longer necessary, as determined by the HoPE; or
iii) if the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity." (Emphasis Ours)

WHEREAS, considering the sudden increase for the forecasted jobs for lease and proceeding with the competitive bidding process and award of contract will not redound to the benefit of the government since the physical and economic conditions have significantly changed so as to render the project no longer economically, financially, or technically feasible;

WHEREAS, Section 47.5 of the IRR of R.A. 12009 states that *"Bidding Documents fee may be refunded in accordance with the guidelines to be issued by the GPPB, based on the grounds provided for under Section 70 of the Act and this IRR;"*

NOW, THEREFORE, WE, the Members of the **BIDS AND AWARDS COMMITTEE**, by virtue of the powers vested on **US** by law, hereby resolved to recommend to the HOPE for his consideration and approval the following:

1) Declaration of a Failure of Bidding for the Lease of Printing Machines and Finishing Equipment with Operational and Technical Support (Luzon Area) with project identification number PB-07-25;

2) Refund of the Bidding Documents Fee of all the prospective bidders who have purchased the bidding documents for said project, if any; and

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3) Conduct of a new bidding process with a new ABC amounting to Twenty Million Three Hundred Nine Thousand Four Hundred Seventeen Pesos and 85/100 (PhP20,309,417.85) after conduct of the mandatory review and revision of the technical specifications and other terms and conditions of the project.

This resolution shall take effect immediately.

APPROVED this 28th day of March 2025 at APO Production Unit, Inc., Philippine Information Agency *("PIA")* Building, Visayas Avenue, Diliman, Quezon City, Philippines.

BAC MEMBERS:

KARL PAULO C. DAMIAN
Chairperson

PACIFICO D. MANALILI JR.
Vice Chairperson

KRISTIAN MEDEL S. RAMIREZ III
Member

JEACELL S. DURAN
Member

BERNADETTE CLAUDINE P. GUTIERREZ
Member

MICHAEL ROMIL D. SANTIAGO
Member

Approved:

ATTY. GIL CARLOS R. PUYAT
HOPE

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