



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

BIDS AND AWARDS COMMITTEE

Resolution No. 2023-03

WHEREAS, the Department of Budget and Management-Bids and Awards Committee (DBM-BAC) conducted a Direct Contracting procurement for the Project, "Supply and Delivery of Fargo Printer Color Ribbon to be used for the Printing of DBM Officials and Employees' Identification Cards for CY 2023" with an Approved Budget for the Contract of Two Hundred Sixteen Thousand Pesos (P216,000.00), through the authorized appropriations under the FY 2023 General Appropriations Act (GAA), as reflected in the Annual Procurement Plan, CY 2023.

WHEREAS, as a background, the DBM-Administrative Service (AS), as the end-user unit, determined the need for color ribbons for Fargo printer for the printing of the DBM officials and employees' identification cards;

WHEREAS, Commerce Asia, Inc. presented to the DBM-AS, a Certification issued by HID Global,¹ dated January 3, 2023,² certifying it as **the exclusive and authorized distributor of FARGO products in the Philippines**, and as such, Commerce Asia, Inc. is fully authorized to import and distribute FARGO printer and supplies in the Philippines;

WHEREAS, pursuant to Section 50 (c) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 and in consideration of the Certificate of Exclusive Distributorship presented by Commerce Asia, Inc., the end-user, DBM-AS, conducted the necessary market research and, thereafter, recommended that the procurement for the Project be undertaken through Direct Contracting after its validation of the exclusive distributorship of Commerce Asia, Inc. as the exclusive and authorized distributor of FARGO products in the Philippines;

WHEREAS, under Section 50 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, Direct Contracting may be resorted to by the Procuring Entity (PE) under any of the following conditions: (a) procurement of goods of proprietary nature which can be obtained only from the proprietary source, i.e., when patents, trade secrets, and copyrights prohibit others from manufacturing the same item; (b) when the procurement of critical components from a specific supplier is a condition precedent to hold a contractor to guarantee its project performance, in accordance with the provisions of its contract; or **(c) those sold by an exclusive dealer or manufacturer which does**

¹ HID Global is the manufacturer of the FARGO brand printers and supplies.

² Issued by Hary Permadi Kartono, Director of Sales, Secure Issuance, ASEAN, HID Global, and copy of which is attached as Annex "A."

not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the Government;

WHEREAS, the DBM-BAC determined that the procurement for the Project can be undertaken through Direct Contracting, pursuant to Section 50 of the 2016 Revised IRR of RA No. 9184;

WHEREAS, item 6.1, Appendix 9³ of the 2016 Revised IRR of RA No. 9184 states that “[i]n cases where the procuring entity intends to procure goods from an exclusive local manufacturer, supplier, distributor, or dealer through direct contracting under Section 50 (c) of the IRR, xxx it shall, before commencing any negotiations with a local supplier, post through the website of the procuring entity, if any, and in the Philippine Government Electronic Procurement System (PhilGEPS), an invitation to foreign manufacturers to submit a manifestation of its intention to participate. Should any foreign manufacturer submit such manifestation within the period prescribed in the invitation, the procuring entity shall commence the conduct of public bidding. **If no foreign manufacturer submits such manifestation within the said period, the procuring entity may proceed with the intended procurement through direct contracting with the said exclusive local manufacturer, supplier, distributor, or dealer;**” (emphases supplied)

WHEREAS, in accordance with item 6.1, Appendix 9 of the 2016 Revised IRR of RA No. 9184, the Invitation to Foreign Manufacturers to Submit a Manifestation of Intention to Participate for the Project, providing that foreign manufacturer/s must submit manifestation of intention to participate on or before February 13, 2023, 4:00 p.m., was posted on the DBM website on February 8, 2023;

WHEREAS, no foreign manufacturer submitted any Manifestation of Intention to Participate for the Project within the allowable period which ended on February 13, 2023;

WHEREAS, subsequently, the DBM-BAC issued a Request for Quotation dated February 17, 2023 to Commerce Asia, Inc., which includes a request for the submission of the following documents: (i) valid and current Mayor’s/Business Permit (ii) PhilGEPS Registration Number; and (iii) Certificate of Exclusive Distributorship; (iv) Price Quotation or Invoice indicating the payment terms and other Terms of Agreement;

WHEREAS, Commerce Asia, Inc. submitted the required documents and its Price Quotation, dated February 21, 2023, amounting to P213,570.00;

WHEREAS, Section 50 of the 2016 Revised IRR of RA No. 9184 provides that, “[d]irect contracting or single source procurement is a method of procurement of Goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. The offer may be accepted immediately or after some negotiations. xxx;”

³ Guidelines in the Determination of Eligibility of Foreign Suppliers, Contractors, and Consultants to Participate in Government Procurement Projects

WHEREAS, after verification, validation, and ascertainment of all statements made and documents submitted by Commerce Asia, Inc., the DBM-BAC found that the same fully complied with all the requirements stated in the Request for Quotation, and that Commerce Asia, Inc. was determined to be technically, legally and financially capable to deliver the subject goods in the amount as above-mentioned;

NOW, THEREFORE, for and in consideration of the foregoing premises, the DBM-BAC **RESOLVED**, as it is hereby **RESOLVED**, to recommend to the Director of the DBM Administrative Service, as the authorized approving and signing official of contracts and other related documents in the procurement of projects using Direct Contracting not exceeding One Million Pesos,⁴ that the contract for the Project, "Supply and Delivery of Fargo Printer Color Ribbon to be used for the Printing of DBM Officials and Employees' Identification Cards for CY 2023," be awarded to Commerce Asia, Inc. in the amount of P213,570.00, in accordance with items V(A)(2)(c) and IV(L) of Annex "H" of the same IRR.

ADOPTED, this 28th day of February 2023 at the Department of Budget and Management, General Solano St., San Miguel, Manila.

 Digitally signed
by Rez C. Ruzgal

REZ C. RUZGAL
End-user Representative

 Digitally signed by
Dante B. De
Chavez

DANTE B. DE CHAVEZ
Member

not present
VIRGILIO A. UMPACAN JR.
B.U.D.G.E.T. Representative

 Digitally signed by
Rowel D. Escalante

ROWEL D. ESCALANTE
Member

-
RAMON VICENTE B. ASUNCION
Member

not present
ANDREA CELENE M. MAGTALAS
Vice Chairperson

 Digitally signed by
Magsino Clarito
Alejandro De Leon
CLARITO ALEJANDRO D. MAGSINO
Chairperson

⁴ DBM Department Order (DO) No. 20, s. 2022 provides, among others, that the approval and signing of contracts and other related documents in the procurement of projects using Direct Contracting not exceeding One Million Pesos is delegated by the Head of the Procuring Entity to the Director of the Administrative Service.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

11 4 MAR 2023

NOTICE OF AWARD

MR. RAYMUND F. MIGUEL

Assistant Vice President, Fargo Sales
Commerce Asia, Inc.
2/F Vazquez-Madriral Plaza
51 Annapolis St.
1500 Greenhills, San Juan, Metro Manila

Dear **Mr. Miguel:**


We are pleased to inform you that the contract for the Project, "**Supply and Delivery of Fargo Printer Color Ribbon to be used for the Printing of DBM Officials and Employees' Identification Cards for CY 2023,**" is hereby awarded to Commerce Asia, Inc. in the amount of Two Hundred Thirteen Thousand Five Hundred Seventy Pesos (Php 213,570.00).

In this regard, you are hereby required to post a warranty security in the said amount and form stated in Section 62 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 (The Government Procurement Reform Act) upon acceptance by the Procuring Entity of the delivered goods.

Thank you and God Bless.

Very truly yours,


RAMON VICENTE B. ASUNCION
Director IV, Administrative Service¹


RAMON VICENTE B. ASUNCION
March 22, 2023

¹ DBM Department Order (DO) No. 20, s. 2022 provides, among others, that the approval and signing of contracts and other related documents in the procurement of projects using Direct Contracting not exceeding One Million Pesos is delegated by the Head of the Procuring Entity to the Director of the Administrative Service.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NOTICE TO PROCEED

MAR 20 2023
MR. RAYMOND F. MIGUEL
Assistant Vice President, Fargo Sales
Commerce Asia, Inc.
2/F Vazquez-Madrigal Plaza
51 Annapolis Street
1500 Greenhills, San Juan, Metro Manila

Dear **Mr. Miguel:**

This is to inform your company that performance of the obligations specified in the attached Purchase Order for the Project, **"Supply and Delivery of Fargo Printer Color Ribbon to be used for the Printing of DBM Officials and Employees' Identification Cards for CY 2023,"** shall commence upon receipt of this Notice to Proceed, in accordance with Section 37.4 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 (The Government Procurement Reform Act).

In this regard, you are hereby required to post a warranty security in the amount and form stated under Section 62 of the 2016 Revised IRR of RA No. 9184 upon acceptance by the Procuring Entity of the delivered goods.

Thank you and God Bless

Very truly yours,


RAMON VICENTE B. ASUNCION
Director IV, Administrative Service¹

I acknowledge receipt and acceptance of this Notice on MAR 20, 2023

Name of Authorized Representative: RAMON VICENTE

Signature: _____

¹ DBM Department Order (DO) No. 40 dated December 20, 2021 provides, among others, that the approval and signing of contracts and other related documents in the procurement of projects using Direct Contracting not exceeding One Million Pesos is delegated by the Head of the Procurement Entity to the Director of the Administrative Service.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

PURCHASE ORDER NO. 2023-026

Supplier: **COMMERCE ASIA, INC.** Date: **MAR 20 2023**
Address: 2/F Vazquez-Madrigal Plaza, 51 Annapolis Street, 1500 Greenhills, San Juan Mode of Procurement: NP-Direct Contracting
TIN: 002-050-309-0000

Gentlemen:
Please deliver the article(s) product(s)/supplies/materials listed below priced in accordance with your Price Quotation, subject to the Terms and Conditions enumerated at the back hereof.


Place of Delivery: DBM Central Office
Payment Term: Payment shall be made through Landbank's LDDAP- ADA / Bank Transfer facility within Sixty (60) days after submission of Billing and User Inspection and Acceptance of the Product. Bank Transfer fee shall be charged against creditor's account.
Delivery Term: The items shall be delivered within fifteen (15) workdays or as agreed upon from receipt of the Notice to Proceed (NTP).

Stock No.	Unit	Item and Description /Specification	Quantity	Unit Cost	AMOUNT
	lot	Supply and Delivery of Fargo Printer Color Ribbon to be used for the Printing of DBM Officials and Employees' Identification Cards for CY 2023 <i>*nothing follows*</i>	1	P213,570.00	P213,570.00


(Total Amount In Words)
Two Hundred Thirteen Thousand Five Hundred Seventy Pesos **P213,570.00**


"In case of failure to make the full delivery within the time specified above, a penalty of one-tenth (1/10) of one percent (1%) **of the cost of the delayed goods** for every day of delay shall be imposed."

Conforme:


Signature over Printed Name of Supplier
MAR 27, 2023
Date

Very truly yours,


RAMON VICENTE B. ASUNCION
Director IV, Administrative Service
Authorized Official

Funds Availability Certified by: 
JEFFREY D.M. GALARPE
Chief Accountant
OS No : 02/01/0/2023-03-6NT
Amount : P213,570.00
Date : 03/17/23

Distribution of Copies:
/ / Original copy for the Supplier's Conforme
/ / Agency's Central Supply and Property Section/EUR for IAR and Payment Processing
/ / COA Auditor
/ AS-PMD Copy for file

**TERMS AND CONDITIONS
(PURCHASE ORDER)**

1. ALL PRICES QUOTED HEREIN ARE VALID, BINDING AND EFFECTIVE AT LEAST WITHIN THIRTY (30) CALENDAR DAYS FROM DATE OF QUOTATION.

2. AWARDEE shall be responsible for the source(s) of his supplies/materials/equipment and shall make deliveries in accordance with schedule, quality and specifications of the award and purchase order (PO). Failure by the AWARDEE to comply with the same shall be ground for cancellation of the award and purchase order issued to that AWARDEE and for re-awarding the item(s) to the Next Lowest Responsive Proposal, as determined by the DBM Bids and Awards Committee and approved by the Secretary of Budget and Management or his duly authorized representative.

3. The Goods shall only be delivered by the Supplier at the Property Section, General Services Division of the Procuring entity's Administrative Service located at Ground Floor, DBM Bldg. III, Gen. Solano St., San Miguel, Manila, not later than 10:00 am up to 3:00 pm on the date of delivery as indicated in PO.

Moreover, the delivery schedule as indicated in the PO may be modified at the option of the Procuring Entity, with prior due notice, written or verbal, to the Supplier.

4. Subject to the provisions of the preceding paragraph, where AWARDEE has accepted a purchase order but failed to deliver the required product(s) within the time called for in the same order, he shall be extended a maximum period of fifteen (15) calendar days to make good his delivery. Thereafter if AWARDEE has not completed delivery within the extended period, the subject purchase order shall be cancelled and the award for the undelivered balance withdrawn from that AWARDEE, without prejudice to the imposition of liquidated damages. The DBM shall then purchase the required item(s) from such other source(s) as it may determine, with the difference in price to be charged against the DEFAULTING AWARDEE. Refusal by the DEFAULTING AWARDEE to shoulder the price difference shall be ground for his disqualification from future bids of the same or all items, without prejudice to the imposition of other sanctions as prescribed under R.A. 9184 and its IRR.

5. The Goods delivered are accepted by the Procuring Entity as to quantity only. However, inspection as to the Goods' compliance with the technical specifications, and its order and condition, will be done in the presence of the representatives of both Supplier and Procuring Entity within three (3) working days from the date of delivery upon prior due notice, written or verbal, to the authorize representative of the Supplier. The inspection will push through as scheduled even in the absence of the Supplier's representative, if the latter was duly notified. In which case, the results of the inspection conducted by the Procuring Entity shall be final and binding upon the Supplier.

6. Rejected deliveries shall be construed as non-delivery of product(s)/item(s) so ordered and shall be, if applicable, subject to liquidated damages and to the terms and conditions prescribed under item 4 hereof.

7. Supplier shall guarantee the deliveries to be free from defects. Any defective item(s)/product(s) that may be discovered by the DBM within seven (7) working days after acceptance of the same shall be replaced by the supplier within seven (7) working days or until stocks are available upon receipt of a written notice. Beyond the said time frame, defective units will be picked up by the supplier for assessment.

8. A penalty of one-tenth of one percent (0.001) of the cost of the unperformed portion for everyday of delay.

The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity may rescind the contract, without prejudice to other courses of action and remedies open to it. The Procuring Entity may also rescind the contract and impose 10% of the amount of the contract as liquidated damages, upon non-performance by the Supplier of any of its obligations under the contract

The imposition of liquidated damages in all instances shall be automatic, except upon prior request for extension and approval thereof by the Procuring Entity before the scheduled delivery date. Any request for extension not acted upon before delivery date shall be considered denied.

9. All duties, excise and other taxes and revenue charges, if any, shall be for the supplier's account.

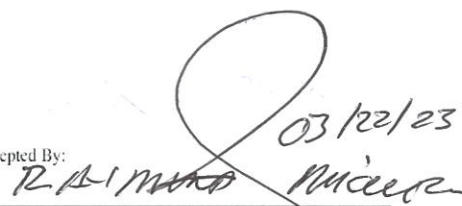
10. The technical specifications, bid proposal and other documents required from the AWARDEE shall form part of this Purchase Order.

11. The Head of the Agency reserves the right to reject any and all Bids, declare a failure of bidding, or not award the contract as prescribed under Section 41 of Republic Act No. 9184, otherwise known as the Government Procurement Reform Act of 2003.

12. The period for the performance of the obligations under this Contract shall not go beyond the validity of the appropriation for this Project.

13. In compliance with Section 4.3 of Appendix 33 of the 2016 Revised IRR of RA No. 9184 and consistent with Administrative Order No. 34, s. 2020, the DBM shall publish in its official website and social media platform the following post-award information:

- a.) Project name;
- b.) Approved budget for the contract;
- c.) Contract period;
- d.) Name of the winning bidder and its official business address;
- e.) Amount of contract awarded;
- f.) Date of award and acceptance; and
- g.) Implementing office/unit/division/bureau of the concerned agency or instrumentality.

Accepted By:  03/22/23
AWARDEE

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) S.S.

BEFORE ME, a Notary Public for and in the City of Manila, Philippines on this ____ day of _____, 2023, personally appeared _____ known to me to be the same person who accepted the foregoing Terms and Conditions of a Purchase Order and who acknowledged to me that the same is his free and voluntary act and deed and of the entity that he represents.

This Instrument refers to a _____ consisting of _____ (____) pages including this page and its Annexes, signed by the parties and their material witnesses.

WITNESS MY HAND AND SEAL this ____ day of _____, 2023.

Doc No _____;
Page No _____;
Book No _____;
Series of 2023.