



Department of Agriculture
PHILIPPINE CARABAO CENTER
CERTIFIED ISO 9001:2001, ISO 14001, OHSAS 18001

CERTIFICATION

This is to certify that the DA - Philippine Carabao Center National Headquarters and Gene Pool in Science City of Muñoz, Nueva Ecija exerted all efforts to secure the most advantageous price the government based on the existing price data of the DA-PCC, the DTI or other relevant agencies or preliminary market scanning.

Based on market survey and inquiry from various processors/suppliers of carabao's milk in Luzon, pasteurized carabao's milk has a prevailing market price of P18.00 to P35.00 per 200ml pack.

For this Milk Feeding Program, the Agency Budget Price (ABC) for the pasteurized toned carabao's milk is P18.00 to P20.00 per sachet/pack.


DR. RONNIE D. DOMINGO
OIC, Executive Director



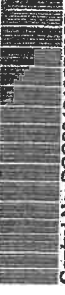
A food-secure Philippines

with prosperous farmers and fisherfolk



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Philippine Carabao Center
Office of the Executive Director



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Date: 10-19-2020 | 6:00 pm

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Series of 2020

October 19, 2020

**MEMORANDUM TO: PCC REGIONAL CENTER DIRECTORS
CBED COORDINATORS**

FROM: 
CLARO N. MINGALA, Ph.D.
OIC, Executive Director

**SUBJECT: MODE OF PROCUREMENT FOR THE DEPED AND DSWD
MILK FEEDING PROGRAM**

Please be advised that as per legal consultation with PCC's legal counsel Judge Raul D. Ragandang, the recommended mode of procurement to be done for the DepEd and DSWD Milk Feeding Program is the **Emergency Procurement** under the Bayanihan Act subject to a certification stating that PCC exerted all efforts to secure the most advantageous price to the government based on existing price data of the agency, the DTI or other relevant agencies or preliminary market scanning done by the agency showing prevailing market prices and practice and subject further to Section 6, GPPB Circular 01-2020.

Attached is the legal response of Judge Ragandang for your ready reference.

For your information and compliance.

Thank you.



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14 October 2020

Dr. Claro N. Mingala, Ph.D.
Officer-in-Charge
Office of the Executive Director
Philippine Carabao Center
National Headquarters and Gene Pool
Science City of Munoz, Nueva Ecija

Attn.: Mr. Rogel dela Cuesta
PCC Manila Office
NIA Compound
NIA Road cor. EDSA, Quezon City

Dear Dir. Mingala,

This refers to the previous query of Mr. Rogel dela Cuesta whether PCC can avail the Alternative Modes of Procurement in the purchase of the milk produce by the PCC Assisted Farmers, Farmers' Organizations and Cooperatives intended for the Milk Feeding Program of DepEd. I then advised him that reading thru the pertinent provisions of RA 9184 otherwise known as the Government Procurement Reform Act and its 2016 Revised Implementing Rules and Regulations disclosed that Competitive Public Bidding is the available vehicle in the purchase of the milk produced by PCC Assisted Farmers, Farmers' Organizations and Cooperatives.

I then proceeded to advise Rogel that PCC can, however, avail the Small Value Procurement under Section 53.9 of the 2016 IRR of RA 9184 (Annex "H" to the Revised IRR of RA 9184) where the value of the goods does not exceed the threshold of Php1,000,000.00.

However, the enactment on 15 September 2020 of RA 11494 otherwise known as the "Bayanihan to Recover as One Act" particularly Section 4(ooo), allowed the National and Local Government Agencies, such as PCC, to **directly purchase agricultural and fishery products from farmers and fisherfolk and agricultural cooperatives** as a form of direct assistance even beyond the lapse of the effectivity on 19 December 2020 of RA 11469 in accordance with RA 11321 or the "Sagip Saka Act".

Section 63 of RA 9184 and its 2016 revised IRR authorizes the Government Procurement Policy Board (GPPB) to formulate public procurement policies, rules and regulations, and amend its IRR, whenever necessary. Thus, GPPB promulgated on 16 September 2020 GPPB Resolution No. 18-2020 approving, among others, the use of the relevant procedure and requirements under GPPB Circular No. 01-2020 dated 6 April 2020 for the direct purchase of agricultural and fishery products from farmers and

fisherfolk, and farmers' associations or cooperatives, as provided under Section 4(ooo) of RA No. 11494 or the Bayanihan 2;

Accordingly, PCC may now proceed to directly negotiate with its assisted dairy farmers, farmers' organizations and cooperatives in the purchase of their milk produce subject to a certification stating that PCC exerted all efforts to secure the most advantageous price to the government based on existing price data of the agency, the DTI or other relevant agencies or preliminary market scanning done by the agency showing prevailing market prices and practice and subject further to Section 6, GPPB Circular 01-2020 as follows:

"6. DIRECT PURCHASE FROM LOCAL FARMERS

6.1. To ensure the availability of food for all affected sectors, PEs are encouraged to directly purchase agricultural products from local farmers or farmers' associations or cooperatives. Procurement from farmers' associations or cooperatives shall follow the procedure and requirements stated in Section 3, GPPB Circular 01-2020.

6.2. For direct negotiation with local farmers, the submission of any of the following at any time before award or after award but before payment shall be sufficient:

- a. a certification that the farmer is in the Registry System for Basic Sectors in Agriculture (RSBSA);
- b. RSBSA identification card; or
- c. Barangay Certification that the supplier is a bona fide farmer.

6.3 PEs shall be guided by the following in the negotiation of prices for agricultural products:

- a. the average prevailing farm gate price for the province, if purchased directly from the farmers;
- b. the market price, if purchased from farmers' association or cooperative; or
- c. the recommended retail price by the local price coordinating council for commodities sold by capable farmers, and farmers' associations or cooperatives in their respective provinces, municipalities and cities.

6.4 The farmer shall sign the disbursement voucher prepared by the PE to show actual delivery and receipt of payment. This shall likewise serve as the delivery invoice showing the quantity, description of the articles, unit and total value of the items delivered."

It is important to note that in view of the urgent necessity of the procurement covered under the Bayanihan Act, PCC may commence with the procurement even without an approved APP, provided there is a document or certification from the budget officer or equivalent position showing that there is a budget for the purpose (Par. 4, Section 3.2 GPPB Circular No. 01-2020).

Equally important is that Notice of Award (NOA) issued by PCC during the effectivity of RA 11494 may proceed with their contract implementation even after said effectivity. After the lapse of the effectivity of the Bayanihan 2, no NOA shall be issued (Item 4, GPPB Resolution 18-2020). Likewise, procuring from several sources, if no one supplier is able to provide the required quantity, shall not be considered as splitting of contracts. (Section 3.1, GPPB Circular No. 01-2020)

For your consideration and guidance.

Kind regards,



Judge Raul D. Ragandang (Ret.)
NDA Consultant on Special Concerns