

TERMS OR REFERENCE
PROCUREMENT OF VARIOUS MEDICAL SUPPLIES
(Early Procurement Activity)

IB NO. 2022-01-20 (46)

Scope and Application

This is an Ordering Agreement. A written agreement in the nature of an option contract between the procuring entity (PE) and the Lowest Calculated and Responsive Bidder granting the option of the PE to either place an order of as how to many quantities to be requested to deliver.

The Central Supply and Sterilization Section (CSSS) shall inform and coordinate with the Procurement Section and provide the list of items to be ordered and be delivered in a certain quantity within an agreed period and at a fixed price per item.

An Ordering Agreement through a Purchase Order (PO) determined to be necessary and desirable to address and satisfy the needs of the procuring entities, but by its nature, use, or characteristic, the quantity and exact time of need cannot be accurately determined.

CONTRACT

Contract will be established between parties in accordance to the issued under the Philippine Bidding Documents.

After contract being executed, a Notice to Proceed will be issued by the Head of the Procuring Entity ang stating therein that delivery period starts right after a Purchase Order be acknowledged by the winning bidder.

PURCHASE ORDER

1. Aside from the Contract, a Purchase Order shall be issued to the winning bidder upon request of the end-user. This PO will signify the intent of the procuring entity to demand delivery based on the awarded goods or services.

2. There will be no increase of quantity and unit cost during contract implementation unless agreed upon by both parties with valid reason.

Payment:

Payment shall be made per Notice of Delivery Order. Upon completion of delivery of all the items stipulated in the Purchase Order, payment shall be processed, provided all necessary documents under existing rules, laws and policy in accordance to auditing and accounting rules.

Validity of the Contract / Contract Termination

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Without prejudice to the provisions of applicable laws, rules, and guidelines, the Contract shall be automatically terminated under the following conditions:

- a) When the total quantity specified in the Contract has been exhausted; or
- b) For any justifiable reasonable ground where the contract will not redound to the benefit of the government or there is violation of the contract.

Repeat Order

1. No Repeat Order for an item in the Order Agreement List shall be allowed until after the procuring entity has exhausted the estimated quantity for the same item specified therein or after the Ordering Agreement has expired, whichever comes first; and subject to the conditions provided in Section 51 of RA 9184 and its IRR. For this purpose, the Repeat Order shall be availed of only within six (6) months from the date of the last or final Delivery Order Contract for a specific item where the estimated quantity has been exhausted, or, the expiration of the Ordering Agreement.
2. In case Repeat Order is allowed and resorted to, the twenty five percent (25%) maximum allowable quantity shall be based on the aggregate quantity of actual items ordered and delivered.

General Condition:

All other rules governing contract implementation and termination under RA 9184, its IRR, and relevant procurement policies shall be applicable.