

Republika ng Pilipinas
(Republic of the Philippines)
MINISTRI NG EDUKASYON AT KULTURA
(MINISTRY OF EDUCATION AND CULTURE)
Manila

November 7, 1980

MEC M E M O R A N D U M
No. 209, s. 1980

PROCUREMENT

To: Bureau Directors
Regional Directors
Chiefs of Services and Heads of Units
Schools Superintendents
Presidents, State Colleges and Universities

1. Inclosed is a copy of a letter of the CEAM Chairman, Cottage Industry Development Enterprise (CIDE) with the observation that some proposed and pending procurements made by the Ministry of Education and Culture have not been appropriately coursed through the CIDE and/or the National Cottage Industries Development Authority (NACIDA). This letter has reference to LOI 83, s. 1973.

2. In view of the fact that there is no conflict between LOI 83 and the policy of this Ministry, first, in MEC Memorandum 127, s. 1980, that purchases of needed desks, furniture, tools, equipment, farm and fishery products be made directly with the nearest vocational-technical school; and second, in MEC Order 26, s. 1980, directing the acceleration of manufacturing operations of national schools, it is hereby enjoined that procurements be made in accordance with the aforesaid MEC Memorandum and Order.

3. MEC Memorandum No. 127 and MEC Order No. 26, both series of 1980, are in accordance with Sections 4 and 23, "General Provisions," of the Appropriations Act of 1980, and with LOI 1026, s. 1980.

4. Whenever the prices of items to be procured are lower, quality being the same and volume appropriate, through CIDE production units and/or NACIDA-registered producers, procurement shall be made accordingly.

5. For information and compliance.

(SGD.) NOFRE D. CORPUZ
Minister of Education and Culture

Incl. As stated

References:

MEC Order: (No. 26, s. 1980)
MEC Memorandum: (No. 127, s. 1980)

Allotment: 1-2-3--(D.O. 1-76)

To be indicated in the Perpetual Index
under the following subjects:

APPROPRIATION
EQUIPMENT
LEGISLATION
PROPERTY
PURCHASE
SCHOOLS

(Inclosure to MEC Memorandum No. 203, s. 1980)

Republic of the Philippines
Ministry of Trade
COTTAGE INDUSTRY DEVELOPMENT ENTERPRISE

October 6, 1980

Mr. Penomio C. Alvarez
Auditor
Ministry of Education and Culture
Arroceros Street, Manila

S i r:

This is with reference to the implementation of LOI 83 (copy attached).

We received feedback that the MEC has some proposed and pending procurements which are not being coursed through this Office pursuant to LOI 83.

Please be informed that the strict implementation of said LOI 83 has been reiterated in COA Circular No. 78-84 dated August 1, 1978.

For your guidance, we are furnishing your office here-with a copy of the answer which is self-explanatory of Acting Chairman, Francisco S. Tantuico, Jr. of the COA to a letter of Atty. Carlito C. Felipe regarding some points in the implementation of LOI 83.

Thank you in anticipation of your support in the strict observance of LOI 83.

Very truly yours,

(SGD.) MARCELO P. ANGELES, JR.
Chairman, CEAM

cc:
Office of the Assistant Secretary
for Finance and Management Services
Ministry of Education and Culture

A true copy

MALACANANG
Manila

LETTER OF INSTRUCTION NO. 83

ENJOINING ALL GOVERNMENT OFFICES AND AGENCIES TO PURCHASE THEIR SUPPLIES AND EQUIPMENT FROM THE COTTAGE INDUSTRY DEVELOPMENT ENTERPRISE (CIDE) AND THE REGISTERED PRODUCERS OF THE NATIONAL COTTAGE INDUSTRIES DEVELOPMENT AUTHORITY, THRU THE NACIDA.

TO: All Heads of Government Offices, Agencies and Government Owned or Controlled Corporations

In order to assist the CIDE and the NACIDA in their participation in the Program for Rural Employment and thereby promote the development of cottage industries, all departments, bureaus and offices, including local political sub-divisions and government-owned or controlled corporations, are hereby enjoined to purchase from the CIDE's production units and the registered producers of the National Cottage Industries Development Authority all their supplies and equipment, through the CIDE and/or the NACIDA.

To effect implementation of this Letter of Instruction, all the above mentioned government offices and agencies are hereby required to submit to the Bureau of Supply Coordination, a list of their immediate and future supply and equipment requirements within ten (10) days after receipt of this Letter of Instruction.

It is understood that should the authorized representatives of the CIDE and the NACIDA certify that the supplies and equipment cannot be produced by the CIDE's production units and/or NACIDA registered producers, the usual government procurement operations shall be observed.

Done in the City of Manila, this 29th of May in the year of our Lord, nineteen hundred and seventy three.

(SGD.) FERDINAND E. MARCOS
President
Republic of the Philippines

A true copy

Republic of the Philippines
COMMISSION ON AUDIT
Central Office
Don Mariano Marcos Avenue, Quezon City, Philippines

August 6, 1980

Atty. Carlito C. Felipe
Chairman, Pag-asa Cottage Producers
Cooperative
2033 Ilustre St., Sta. Cruz, Manila

Dear Sir:

Reference is made to your letter of July 31, 1980 copy furnished this Office, regarding matters on procurement of cottage industry products.

We are indeed privileged to hear your views on the matter while sharing the enthusiasm and concern that you cherish for your association.

There are certain matters you seek clarification; these are:

1. Can a cottage (industry) product be subject to bidding or canvass in procurement by government agencies?

Presidential issuances exhort government agencies to procure from the NACIDA where such requirements can be satisfied by that Office. Bidding and canvass procedures are obviously not necessary in this mode of procurement.

2. Can a supply officer direct a purchase order to NACIDA member-suppliers?

Letter of Instruction No. 83 requires that purchase orders to NACIDA members be coursed through the NACIDA. Non-compliance to this requirement is a violation to said Presidential directive.

3. What government office determine the price, quality, specifications of cottage products?

Procuring agencies determine the specifications and quality of products they need. They also determine the price at which they are willing to buy. If the specifications and quality of your products meet their requirements and you are

willing to sell at a price agreeable to both parties, there would be no reason why such transaction cannot be consummated.

4. Can the Commission on Audit have power over the following:

(a) Check on NACIDA specifications, quality and price?

COA checks on these to ensure that such comply with the purchasing agency requirements. COA never imposes nor seeks to modify but only to satisfy procurement needs.

(b) Adopt COA price on cottage products?

COA does not have prices for cottage products. Rather we compare NACIDA products to non-NACIDA products of equivalent specifications and quality and advise agencies on comparative prices.

While we believe that preferential treatment should be accorded local producers and indigenous products, we also believe that such can be ensured without sacrificing quality and the government's scarce resources. Whatever you offer and the government indorses should be the best without alternatives.

Respectfully yours,

(SGD.) FRANCISCO S. TANTUICO, JR.
Acting Chairman

A true copy