

PHILIPPINE DEPOSIT INSURANCE CORPORATION

BIDS AND AWARDS COMMITTEE

Project Reference No. : 17-12
Name of the Project : **Renewal of Internet Service Contract**
Approved Budget : Php 376,320.00
Subject of Resolution : Recommendation for the Approval of the Renewal of the Internet Service Contract with Eastern Telecommunications Philippines, Inc.

RESOLUTION NO. 17-26

WHEREAS, on 7 June 2017, the Bids and Awards Committee (BAC) received a referral from Mr. Renar M. Gonzales, the Department Manager of the Technical Support Department (TSD), requesting for the endorsement by the BAC to the President the renewal of the Internet Service Contract with Eastern Telecommunications Philippines, Inc. (Eastern Telecoms) for the period from 01 July 2017 to 30 June 2018, and for a total cost of Php 376,320.00;

WHEREAS, the request is premised on the following information:

1. The existing internet service is provided by Eastern Telecoms. During its first year of implementation, the internet bandwidth was only at 4Mbps for a total cost of Php376,320.00;
2. Since Y2012, Eastern Telecoms has increased our internet bandwidth by at least 1Mbps every renewal of subscription without increasing the annual cost. At present, our internet bandwidth is already at 9Mbps at the same one-year cost of Php376,320.00;
3. The Corporation also maintains a secondary 5Mbps internet service provided by Innove Communications Inc. under Globe Telecoms, Inc., which functions as redundant internet connection in case the primary internet service of Eastern Telecoms goes down;
4. No major internet downtime is attributable to the services of Eastern Telecoms and have been performing very satisfactorily in accordance with the service agreement;
5. In view of the expiration of the Internet Service Contract with Eastern Telecoms on June 30, 2017, TSD, as part of the evaluation process, conducted a canvass of the current market prices of internet services from other internet service providers (ISP), including quotation from Eastern Telecoms, as follows:

Internet Service Provider (ISP)	Bandwidth	One Year Cost (Vat inclusive)	Monthly cost per mbps
1. Eastern Telecoms (current provider)	15mbps	Php376,320.00	Php2,090.67
2. PLDT	20 mbps (does not have 15mbps plan)	Php948,000.00	Php3,575.00
3. Innove Communications. (Globe Telecoms)	15 mbps	Php1,501,799.04	Php8,343.33

6. Based on the above data, the quotation of Eastern Telecoms for internet service still appears to be most advantageous to PDIC for the following reasons:

- Eastern Telecoms quoted the lowest cost among the other qualified ISPs which submitted quotations; and
- The performance of Eastern Telecoms for the past years is very satisfactory.

WHEREAS, based on the aforesaid facts and circumstances, the request for the renewal of the Internet Service Contract with Eastern Telecoms is compliant with the requirements under the Guidelines on Procurement of Water, Electricity, Telecommunications and Internet Service Providers, Appendix 21 of the 2016 IRR of RA 9184;

NOW, THEREFORE, WE, the Members of the Bids and Awards Committee, hereby RESOLVE, as it is hereby RESOLVED, to recommend the renewal of the Internet Service Contract with Eastern Telecommunications Philippines, Inc. for the period from 01 July 2017 to 30 June 2018, and for a total contract cost of Php376,320.00.

RESOLVED, at the PDIC, Makati City, this 9th day of June 2017.


FERNANDO S. ABADILLA
Member

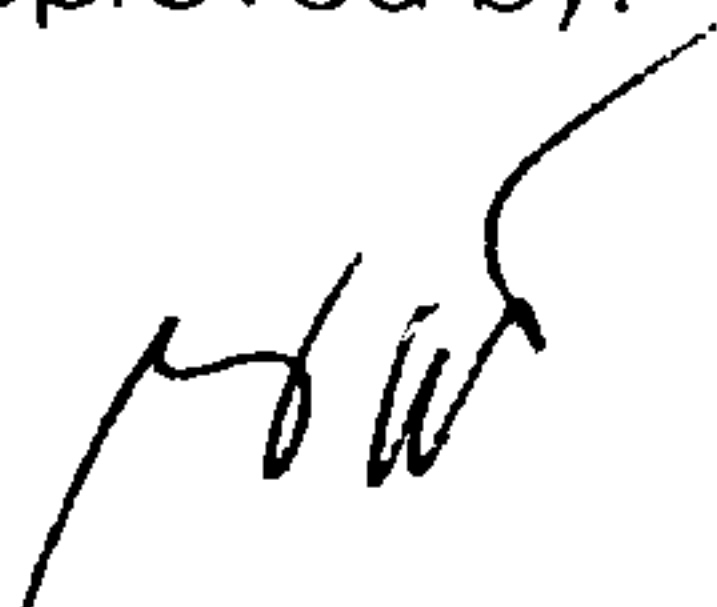

NINA NOREEN A. JACINTO
Member

Not present during deliberation
JOSEFINA J. VELLILA
Member


ADALZON P. BANOOGON
Vice Chairperson

Not present during deliberation
ROMEO M. MENDOZA, JR.
Chairperson

Approved by:


ROBERTO B. TAN
President
Approved on _____