



Republic of the Philippines  
Department of Agriculture  
OFFICE OF THE SECRETARY  
Elliptical Road, Diliman  
Quezon City 1100, Philippines

17 September 2018

**MEMORANDUM ORDER**

No. 35

Series of 2018

**SUBJECT : GUIDELINES ON AMTEC TESTING AND EVALUATION OF IRRIGATION SYSTEMS, PROCESSING FACILITIES AND OTHER AGRICULTURAL SYSTEMS OF THE LIKE IN THE DEPARTMENT OF AGRICULTURE, ITS REGIONAL FIELD OFFICES, ATTACHED AGENCIES, BUREAUS AND GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS (GOCCS)**

---

*WHEREAS*, Section 2, Article I of RA 10601, otherwise known as the Agricultural and Fisheries Mechanization Law (AFMech Law), declares the policies of the state to:

- (a) Promote the development and adoption of modern, appropriate and cost-effective and environmentally-safe agricultural and fisheries machinery and equipment to enhance farm productivity and efficiency in order to achieve food security and safety and increase farmers' income;
- (b) Ensure the quality and safety of machineries and equipment locally manufactured or imported by strengthening regulation through the development and enforcement of machinery and machine performance standards, regular testing and evaluation, registration, and the accreditation and classification of suppliers, assemblers and manufacturers to ensure compliance to prescribed quality standards;
- (c) Unify, rationalize and strengthen the implementation, coordination of activities and mechanisms on agricultural and fisheries mechanization programs and projects; and
- (d) Deliver integrated support services to farmers, fisherfolk and other stakeholders, and assist them to be able to viably operate and manage their agricultural and fisheries mechanization projects.

*WHEREAS*, pursuant to Section 18<sup>1</sup>, Article V of RA 10601 (supra), the Agricultural Machinery Testing and Evaluation Center (AMTEC) is mandated to conduct testing and evaluation of agricultural and fisheries machinery to be sold in the market;

*WHEREAS*, Section 18, Article V of RA 10601 (supra) further states that "before it (agricultural and fisheries machinery) can be assembled, manufactured and

---

<sup>1</sup>Section 18. *Testing and Evaluation.* - Agricultural and fisheries machinery and equipment to be sold in the market shall pass through testing and evaluation by the Agricultural Machinery Testing and Evaluation Center (AMTEC) in accordance with the national policies and guidelines to be promulgated by the Secretary. Specifically, before it can be assembled, manufactured and commercially sold in the market, the model of the machine and any modification thereof should be tested by the AMTEC and should pass the prescribed quality and performance standards. The regular testing and evaluation of machinery sold shall be undertaken by the AMTEC on new models and design. Field tests shall likewise be undertaken by the AMTEC to ensure consistent quality of test units as well as on the commercial units. The BAFE shall maintain a certification registry of equipment and machinery as well as a registry of those denied certification.

commercially sold in the market, the model of the machine and any modification thereof should be tested by the AMTEC and should pass the prescribed quality and performance standards”;

**WHEREAS**, the Department of Agriculture (DA), its Regional Field Offices (RFOs), attached agencies, bureaus and government-owned and controlled corporations (GOCCs) procures various agricultural and fisheries machinery and facilities, such as Solar Powered Irrigation System (SPIS), rice mill, and other processing facilities of the like for the benefit of our farmers and fisher folks in the conduct of their related activities;

**WHEREAS**, compliance with the aforesaid provisions of RA 10601 on AMTEC testing and evaluation is mandatory following Subsection 17.2, Rule VI (on the Preparation of Bidding Documents) of the 2016 Revised Implementing Rules and Regulations of RA 9184, otherwise known as the Government Procurement Reform Act, which states that “In the preparation of Bidding Documents, the Procuring Entity shall ensure compliance with existing laws, rules and regulations, especially those concerning licenses and permits required for the project”;

**WHEREAS**, based on experience on the ground, the procurement of agricultural and fisheries machinery and facilities is hampered due to the following reasons:(a) AMTEC’s delay in the testing and evaluation and subsequent issuance of test report; (b) AMTEC’s limited manpower and testing equipment; (c) lack of AMTEC satellite testing center in other parts of the country; and (d) few suppliers in the market;

**WHEREAS**, the current limitations of AMTEC have greatly prejudiced suppliers from joining government biddings due to lack of or delayed issuance of AMTEC Test Report as required in the Bidding Document;

**WHEREAS**, agricultural facilities such as Solar Powered Irrigation System, Multi-pass Rice Mill, Rice Processing Center; Corn Processing Facility, Cassava Processing Facility, Fruit Processing Facility, Ice Plants and Cold Storages, Tramlines and other agricultural facilities/systems of the like are composed of different component-machinery which will only function upon complete installation;

**WHEREAS**, it is impractical to initially subject the above-mentioned facilities to individual machinery testing as the overall system performance may vary depending on the manner of installation and composite parts;

**WHEREAS**, there is a need to address this situation to encourage the suppliers/prospective bidders to participate in the procurement activities and deliver integrated support services to farmers, fisher folk and other stakeholders, and assist them to viably operate and manage their agricultural and fisheries mechanization projects;

**NOW, THEREFORE, I, SECRETARY EMMANUEL F. PIÑOL of the Department of Agriculture**, in accordance with the Agriculture and Fisheries Mechanization Law of 2013, hereby issue this Order to implement the following guidelines on AMTEC testing and evaluation:

**Section I.**  
Scope and Coverage

This Order shall apply to the Department of Agriculture, its Regional Field Offices, attached agencies, bureaus and GOCCs in the conduct of their procurement of agricultural and fisheries machinery and facilities in their respective offices.

Further, this Guidelines shall cover AMTEC testing and evaluation for the following agricultural and fisheries machinery/facilities/systems that requires complete installation to fully function:

1. Solar Powered Irrigation System;
2. Multi-pass Rice Mill;
3. Rice Processing Center;
4. Corn Processing Facility;
5. Cassava Processing Facility;
6. Fruit Processing Facility;
7. Ice Plants and Cold Storages;
8. Tramlines; or
9. Other agricultural facilities/systems of the like.

**Section II.**  
Objectives

1. To provide assistance to AMTEC in the conduct of testing and evaluation of Agricultural and fisheries machinery by reducing backlogs, preventing delays and improving the service in a fast and efficient manner.
2. To provide a uniform guideline in the procurement of the above-stated agricultural and fisheries and machinery conducted the Department, its' Regional Field Offices, attached agencies, bureaus and GOCCs.
3. To encourage the suppliers/prospective bidders to participate in the procurement activities of the Department, its Regional Field Offices, attached agencies and bureaus, and GOCCs.
4. To deliver integrated support services to farmers, fisher folk and other stakeholders, and assist them to viably operate and manage their agricultural and fisheries mechanization projects.

**Section III.**  
Definition of Terms

1. **AMTEC Test Report** – narrative report showing the description, performance and conditions of the machine, method of test used, result of test as well as photographs of the machine.

2. **Contractor** – synonymous with supplier; refers to any person or entity engaged in the business of trade and supply of agricultural and fisheries machinery.
3. **Irrigation Facilities** - small scale irrigation systems that are composed of several parts/components to provide the desired output, which includes but not limited to Solar Powered Irrigation System and other renewable energy-based irrigation systems.
4. **Multi-pass Rice Milling Machine** – refers to a postharvest machinery used to remove the hull and bran of the paddy to produce milled rice which consists mainly of hulling and whitening assembly and employs series of two or more whitening/polishing machines.
5. **Processing Facilities** – consist of several machineries that permit hygienic primary and secondary processing of various agricultural commodities.
6. **Procuring Entity** – refers to the Department of Agriculture, its Regional Field Offices, attached agencies, bureaus and GOCCs.
7. **Prospective Bidder** – refers to a contractor/supplier who signified interest in participating in the competitive public bidding as advertised by the procuring entity.
8. **Solar Powered Irrigation System (SPIS)** - is an irrigation system powered by solar energy, consisting of one or more solar panels (also known as solar modules or solar plates), a pump, electronic controls or a controller device to operate the pump, storage tank and conveyance structures.

#### **Section IV.**

##### Implementation Procedure

The procuring entity that intends to procure SPIS, Multi-pass Rice Mill, Rice Processing Center, Corn Processing Facility, Cassava Processing Facility, Fruit Processing Facility, Ice Plants and Cold Storages, Tramlines or other agricultural facilities and systems *of the like* shall not require AMTEC testing and evaluation at the initial stage of the bidding. Instead, AMTEC testing and evaluation shall be required prior to the acceptance and payment by the procuring entity. The following procedures should be observed in harmony with the prescribed bidding procedures under RA No. 9184 and its 2016 Revised Implementing Rules and Regulations:

*First*, the procuring entity must indicate this provision in the Bidding Documents as part of the Special Conditions of the Contract:

“The inspections and tests that will be conducted are:

*The AMTEC testing and evaluation for “Solar Powered Irrigation System, Rice Mill, Crop Processing Facility and other agricultural facilities of the like” should be conducted after the award of contract to the winning bidder and after the complete installation of the*

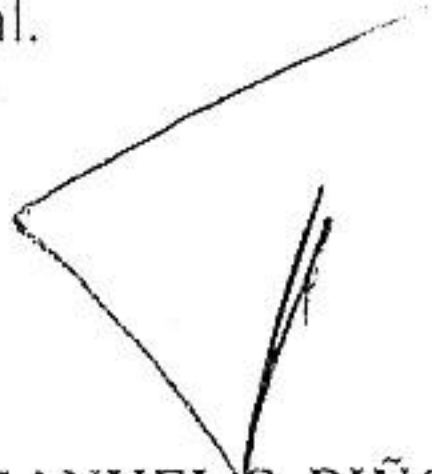
*machinery on site. Thereafter, AMTEC test report shall be submitted by the winning bidder to the Procuring Entity prior to the acceptance and payment of the procuring entity."*

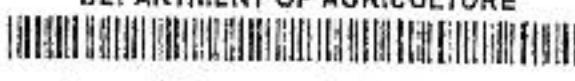
*Second, AMTEC testing and evaluation of SPIS, Multi-pass Rice Mill, Rice Processing Center, Corn Processing Facility, Cassava Processing Facility, Fruit Processing Facility, Ice Plants and Cold Storages, Tramlines or other agricultural facilities and systems of the like shall be undertaken by the procuring entities in the following manner:*

1. Following the regular procedures of public bidding pursuant to RA9184 and its 2016 Revised Implementing Rules and Regulation, AMTEC testing and evaluation shall be required after the contract has been awarded to the winning bidder and after the latter has completed the installation of the agricultural and fisheries machinery. It shall form part of the inspection and commissioning of the installed systems/facilities.
2. AMTEC testing and evaluation shall be based on PAES/PNS, if available, or other internationally recognized procedure duly approved by BAFS and BAFE. Thereafter, AMTEC shall issue AMTEC preliminary test report to the winning bidder within 15 days after the testing.
3. AMTEC test report shall be submitted by the winning bidder to the procuring entity prior to its acceptance and payment.
4. Should the AMTEC test report indicates that the agricultural and fisheries machinery offered by the supplier fails to meet the prescribed specifications and performance standards set in the PAES/PNS, the procuring entity shall not accept the goods and proceed with the termination of contract on the ground that the supplier, who is in default, fails to perform any other obligation under the Contract. The Guidelines on Termination of Contracts<sup>2</sup> shall be the primary guide of the procuring entity in rescinding the contract.

**Section V.**  
**Effectivity**

This Order shall take effect immediately upon approval.

  
**EMMANUEL F. PIÑOL**  
Secretary

DEPARTMENT OF AGRICULTURE  
  
in replying pls cite this code :  
For Signature: S-11-18-0410  
Received : 11/26/2018 01:29 PM

<sup>2</sup> Annex "I" of the 2016 Revised Implementing Rules and Regulations of RA 9184