

PHILIPPINE BIDDING DOCUMENTS PROCUREMENT OF GOODS

Lot	Bid No.	PR No.	PhilGEPS	R.O	Description	ABC	Rate of Bidding Documents
1	B20170001	1611-3289	4298588	PEO	Procurement of 1 Lot Job Order: Supply & Installation of Aluminum Composite Panel & 1 Lot Job Order: Supply & Installation of IKO Asphalt Fiberglass Singles for Upgrading of DdN Sports & Tourism Complex (Proposed Dav Nor Pavilion)	2,202,154.62	5,000.00
2	B20170002	1612-3559	4298611	DepEd	Procurement of Uniforms for DAVRAA Meet 2017	607,480.00	1,000.00
3	B20170003	1612-3562	4298622	PGO	Procurement of 2 units Air conditioning for GSP new office	89,016.00	500

PROVINCIAL GOVERNMENT OF DAVAO DEL NORTE
MANKILAM, TAGUM CITY

JANUARY 18, 2017

TABLE OF CONTENTS

Section I. Invitation to Bid.....	3
Section II. Instructions to Bidder	5
Section III. Bid Data Sheet.....	33
Section IV. General Conditions of the Contract.....	37
Section V. Special Conditions of the Contract.....	50
Section VI. Schedule of Requirements.....	48
Section VII. Technical Specifications	51
Section VIII. Bidding Forms.....	55
Section IX. Sample Forms.....	56
Section X. Checklist of Eligibility and Technical Requirements	54
Section XI. Sealing and Marking of Bids.....	68

Section I. Invitation to Bid



INVITATION TO BID FOR PROCUREMENT OF GOODS

1. The Provincial Government of Davao del Norte, through CY 2017 General Fund (GF) Annual Budget hereby invites all interested PhilGEPS registered suppliers to submit bids for the procurement of goods. Bids received in excess of the ABC shall be automatically rejected at bid opening.

The Provincial Government of Davao del Norte now invites bids for the procurement of goods by lot awarding:

Lot	Bid No.	PR No.	R.O	Description	ABC	Rate of Bidding Documents
1	B20170001	1611-3289	PEO	Procurement of 1 Lot Job Order : Supply & Installation of Aluminum Composite Panel & 1 Lot Job Order : Supply & Installation of IKO Asphalt Fiberglass Singles for Upgrading of DdN Sports & Tourism Complex (Proposed Dav Nor Pavilion)	2,202,154.62	5,000.00
2	B20170002	1612-3559	DepEd	Procurement of Uniforms for DAVRAA Meet 2017	607,480.00	1,000.00
3	B20170003	1612-3562	PGO	Procurement of 2 units Air conditioning for GSP new office	89,016.00	500.00

2. The prospective bidder must have completed, within the period specified in the Invitation to Bid, an SLCC that is similar to the contract to be bid, and whose value, adjusted to current prices using the Philippine Statistics Authority (PSA) consumer price indices, must be at least fifty percent (50%) of the ABC. However, in the case of Expendable Supplies, said SLCC must be at least twenty five percent (25%) of the ABC. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders.
3. Bidding will be conducted through open competitive bidding procedures using a non-discretionary "pass/fail" criterion as specified in the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the "Government Procurement Reform Act".

Bidding is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to RA 5183 and subject to Commonwealth Act 138.

4. Interested bidders may obtain further information from The Provincial Government of Davao del Norte and inspect the Bidding Documents at the address given below from 8:00 a.m. to 5:00 p.m., from Monday to Friday.
5. A complete set of Bidding Documents may be acquired by interested Bidders on **January 18, 2017 to February 07, 2017**, from the address below and upon payment of a nonrefundable fee for the

Bidding Documents pursuant to Provincial Ordinance No. 2015-001.

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity, provided that bidders shall pay the nonrefundable fee for the Bidding Documents not later than the submission of their bids.

6. The Provincial Government of Davao del Norte will hold a **Pre-Bid Conference** on **January 27, 2017** at **9:00 a.m.** at the **Provincial General Services Office (PGSO) Conference Room, 2F PGSO Bldg., Government Center, Mankilam, Tagum City**, which shall be opened to all interested parties.
7. **Bids must be delivered** to the address below on **February 08, 2017** before **10:00 a.m.** at BAC Secretariat, 2F PGSO Bldg., Government Center, Mankilam, Tagum City, Davao Del Norte. All Bids must be accompanied with a bid security in any of the acceptable forms and in the amount stated in ITB Clause 18.

Bids will be opened in the presence of the Bidders' representatives who choose to attend at the address below. Late bids shall not be accepted.

8. The Provincial Government of Davao del Norte reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.
9. For further information, please refer to:

ATTY. EDD MARK O. WAKAN

Provincial General Services Officer/BAC Chairperson
Province of Davao del Norte
Mankilam, Tagum City
Tel.No. (084) 216-6904
FAX No. (084) 655-9411
Website address: www.davaodelnorte.gov.ph
Email: bacddn@gmail.com

ATTY. EDD MARK O. WAKAN
Provincial General Services Officer
BAC Chairperson

Date: January 18, 2017

BASTA DavaoNorte. THE BEST!

 Government Center, Mankilam
Tagum City 8100

 Facebook: bacddn

 Email: bacddn@gmail.com

 084 216 6904
084 655 9411



Section II. Instructions to Bidders

Notes on the Instructions to Bidders

This section of the Bidding Documents provides the information necessary for Bidders to prepare responsive bids, in accordance with the requirements of the Procuring Entity. It also provides information on bid submission, opening, evaluation, and award of contract.

Section II contains provisions that are to be used unchanged. Section III consists of provisions that supplement, amend, or specify in detail, information or requirements included in Section II which are specific to each procurement.

Matters governing performance of the Bidder, payments, or those affecting the risks, rights, and obligations of the parties under the contract are not normally included in this section, but rather under

TABLE OF CONTENTS

A. GENERAL.....	7
1. Scope of Bid	7
2. Source of Funds	7
3. Corrupt, Fraudulent, Collusive, and Coercive Practices	7
4. Conflict of Interest.....	8
5. Eligible Bidders	9
6. Bidder's Responsibilities	10
7. Origin of Goods	12
8. Subcontracts.....	12
B. CONTENTS OF BIDDING DOCUMENTS.....	12
9. Pre-Bid Conference	12
10. Clarification and Amendment of Bidding Documents	12
C. PREPARATION OF BIDS.....	13
11. Language of Bid	13
12. Documents Comprising the Bid: Eligibility and Technical Components	13
13. Documents Comprising the Bid: Financial Component.....	14
14. Alternative Bids	15
15. Bid Prices	15
16. Bid Currencies	16
17. Bid Validity.....	16
18. Bid Security	17
19. Format and Signing of Bids	18
20. Sealing and Marking of Bids	19
D. SUBMISSION AND OPENING OF BIDS.....	20
21. Deadline for Submission of Bids.....	20
22. Late Bids	20
23. Modification and Withdrawal of Bids	20
24. Opening and Preliminary Examination of Bids	20
E. EVALUATION AND COMPARISON OF BIDS.....	22
25. Process to be Confidential.....	22
26. Clarification of Bids	22

27.	Domestic Preference	22
28.	Detailed Evaluation and Comparison of Bids.....	23
29.	Post-Qualification	24
30.	Reservation Clause	25
F.	AWARD OF CONTRACT.....	26
31.	Contract Award	26
32.	Signing of the Contract.....	26
33.	Performance Security	27
34.	Notice to Proceed	28

A. General

1. Scope of Bid

- 1.1. The procuring entity named in the **BDS** (hereinafter referred to as the "Procuring Entity") wishes to receive bids for supply and delivery of the goods as described in Section VII. Technical Specifications (hereinafter referred to as the "Goods").
- 1.2. The name, identification, and number of lots specific to this bidding are provided in the **BDS**. The contracting strategy and basis of evaluation of lots is described in **ITB** Clause 28.

2. Source of Funds

The Procuring Entity has a budget or has applied for or received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the contract.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1. The Procuring Entity as well as the bidders and suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:
 - (a). defines, for purposes of this provision, the terms set forth below as follows:
 - i. "corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution. It also means entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profits or will profit thereby; and similar acts as provided in Republic Act 3019.
 - ii. "fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Procuring Entity.
 - iii. "collusive practices" means a scheme or arrangement including practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels to prevent free and open competition.
 - iv. "coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract.
 - (b). will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.
- 3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and

organizations deemed to be involved in any of the practices mentioned in **ITB** Clause 3.1 (a).

- 3.3. Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the **GCC** Clause 3.

4. Conflict of Interest

- 4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (j) below:

- (a). A Bidder has controlling shareholders in common with another Bidder;
- (b). A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
- (c). A Bidder has the same legal representative as that of another Bidder for purposes of this bid;
- (d). A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project;
- (e). A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid; or
- (f). A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid.
- (g). A bidder who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project;
- (h). If a consultant combines the function of consulting with those of contracting and/or supply of equipment;
- (i). If a consultant is associated with, affiliated to, or owned by a contractor or a manufacturing firm with departments or design offices offering services as consultants unless such consultant includes relevant information on such relationships along with a statement in the technical proposal cover letter to

the effect that the consultant shall limit its role to that of a consultant and disqualify itself and its associates from work in any other capacity that may emerge from the project (including bidding for any part of the future project). The contract with the consultant selected to undertake the project shall contain an appropriate provision to such effect; or

- (j). If there is a conflict among consulting projects, the consultant (including its personnel and subcontractors) and any subsidiaries or entities controlled by such consultant shall not be recruited for the relevant project. The duties of the consultant depend on the circumstances of each case. While continuity of consulting services may be appropriate in particular situations where no conflict exists, a consultant cannot be recruited to carry out a project that, by its nature, shall result in conflict with a prior or current project of such consultant. Examples of the situations mentioned are when a consultant engaged to prepare engineering design for an infrastructure project shall not be recruited to prepare an independent environmental assessment for the same project; similarly, a consultant assisting a Procuring Entity in privatization of public assets shall not purchase, nor advise purchasers, of such assets; or a consultant hired to prepare terms of reference for a project shall not be recruited for the project in question.

4.2. In accordance with Section 47 of the IRR of RA 9184, All bids shall be accompanied by a sworn affidavit of the bidder that it is not related to the HoPE, members of the BAC, the TWG, and the BAC Secretariat, the head of the PMO or the end-user or implementing unit, and the project consultants, by consanguinity or affinity up to the third civil degree. Failure to comply with the aforementioned provision shall be a ground for the automatic disqualification of the bid in consonance with Section 30 of this IRR. For this reason, relation to the aforementioned persons within the third civil degree of consanguinity or affinity shall automatically disqualify the bidder from participating in the procurement of contracts of the Procuring Entity notwithstanding the act of such persons inhibiting themselves from the procurement process. On the part of the bidder, this provision shall apply to the following persons:

- (a). If the bidder is an individual or a sole proprietorship, to the bidder himself;
- (b). If the bidder is a partnership, to all its officers and members;
- (c). If the bidder is a corporation, to all its officers, directors, and controlling stockholders;
- (d). If the bidder is a cooperative, to all its officers, directors, and controlling shareholders or members; and
- (e). If the bidder is a joint venture, the provisions of items (a), (b), (c), or (d) of this Section shall correspondingly apply to each of the members of the said joint venture, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

5.1. Unless otherwise indicated in the **BDS**, the following persons shall be eligible to participate in this bidding:

- (a). Duly licensed Filipino citizens/sole proprietorships;
 - (b). Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
 - (c). Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
 - (d). Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; and
 - (e). Persons/entities forming themselves into a JV, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).
- 5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:
- (a). When provided for under any Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184;
 - (b). When the foreign supplier is a citizen, corporation or association of a country, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations or associations of the Philippines;
 - (c). When the goods sought to be procured are not available from local suppliers; or
 - (d). When there is a need to prevent situations that defeat competition or restrain trade.
- 5.3. GOCCs may be eligible to participate in Competitive Bidding only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not attached agencies of the Procuring Entity. The GPPB shall promulgate the necessary guidelines for this provision.
- 5.4. Unless otherwise provided in the **BDS**, the prospective bidder must have completed, within the period specified in the Invitation to Bid, an SLCC that is similar to the contract to be bid, and whose value, adjusted to current prices using the Philippine Statistics Authority (PSA) consumer price indices, must be at least equivalent to a percentage of the ABC stated in the **BDS**.
- For this purpose, contracts similar to the Project shall be those described in the **BDS**, and completed within the relevant period stated in the Invitation to Bid and **ITB** Clause 0.
- 5.5. Unless otherwise provided in the **BDS**, the Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC) or a commitment from a Universal or Commercial Bank to extend a credit line in its favor if awarded the contract for this Project (CLC).

The NFCC, computed using the following formula, must be at least equal to the ABC to be bid:

NFCC = [(Current assets minus current liabilities) (K)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started coinciding with the contract to be bid.

Where:

K = is fixed at 15

If the prospective bidder submits a committed Line of Credit, it must be at least equal to ten percent (10%) of the ABC to be bid: Provided that if the same is issued by a foreign Universal or Commercial Bank, it shall be confirmed or authenticated by a local Universal or Commercial Bank.

6. Bidder's Responsibilities

- 6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VIII. Bidding Forms as required in **ITB** Clause 0.
- 6.2. The Bidder is responsible for the following:
 - (a). Having taken steps to carefully examine all of the Bidding Documents;
 - (b). Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
 - (c). Having made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - (d). Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under **ITB** Clause 10.3.
 - (e). Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
 - (f). Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
 - (g). Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
 - (h). Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
 - (i). Complying with the disclosure provision under Section 47 of RA 9184 in relation to other provisions of RA 3019; and

- (j). Complying with existing labor laws and standards, in the case of procurement of services.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents. Unless otherwise indicated in the **BDS**, failure to furnish all information or documentation required in the Bidding Documents shall result in the rejection of the bid and the disqualification of the Bidder.
- 6.4. It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.
- 6.5. The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.
- 6.6. The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.7. Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.
- 6.8. The Bidder should note that the Procuring Entity will accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

7. Origin of Goods

Unless otherwise indicated in the **BDS**, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to **ITB** Clause 27.1.

8. Subcontracts

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Goods to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
- 8.2. Subcontractors must comply with the eligibility criteria and the documentary requirements specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.
- 8.3. The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation.

If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

B. Contents of Bidding Documents

9. Pre-Bid Conference

- 9.1. If so specified in the **BDS**, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.
- 9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.
- 9.3. Any statement made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.
- 9.4. The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids, but not earlier than seven (7) calendar days from the PhilGEPS posting of the Invitation to Bid or Bidding Documents and in the case of Consulting Services, from the determination of the shortlisted consultants. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid or when international participation will be more advantageous to the GoP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids.

10. Clarification and Amendment of Bidding Documents

- 10.1. Requests for clarification(s) on any part of the Bidding Documents or for an interpretation must be in writing and submitted to the BAC of the Procuring Entity concerned at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of bids. The BAC shall respond to the said request by issuing a Supplemental/Bid Bulletin, duly signed by the BAC Chairperson, to be made available to all those who have properly secured the Bidding Documents, at least seven (7) calendar days before the deadline for the submission and receipt of bids.
- 10.2. Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative at least seven (7) calendar days before the deadline for the submission and receipt of bids. Any modification to the Bidding Documents shall be identified as an amendment.
- 10.3. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with **ITBC** clause 23.

C. Preparation of Bids

11. Language of Bid

The bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Procuring Entity, shall be written in English. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation in English certified by the appropriate embassy or consulate in the Philippines, in which case the English translation shall govern for purposes of interpretation of the bid.

12. Documents Comprising the Bid: Eligibility and Technical Components

12.1. Unless otherwise indicated in the **BDS**, the first envelope shall contain the following eligibility and technical documents:

Eligibility Documents –

(a). Class "A" Documents:

Legal Documents

- (i) PhilGEPS Certificate of Registration and membership in accordance with Section 8.5.2 of the 2016 Revised IRR, except for foreign bidders participating in the procurement by a Philippine Foreign Service Office or Post, which shall submit their eligibility documents under Section 23.1 of this IRR: Provided, that the winning bidder shall register with the PhilGEPS in accordance with Section 37.1.4 of the 2016 Revised IRR of RA 9184;
- (ii) Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the **BDS**;
- (iii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located or the equivalent document for Exclusive Economic Zones or Areas.

In cases of recently expired Mayor's/Business permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period prescribed by the concerned local government unit, provided that the renewed permit shall be submitted as a post qualification requirement in accordance with Section 34.2 of the 2016 Revised IRR;

- (iv) Tax Clearance per Executive Order 398, series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

Technical Documents

(v) Statement of the prospective bidder of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid.

(vi) Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid, except under conditions provided for in Sections 23.4.1.3 and 23.4.2.4 of the 2016 Revised IRR, within the relevant period as stated in the **BDS** in the case of Goods.

All of the above statements shall include all information required in the **BDS** prescribed by the GPPB.

(vii) Bid security in accordance with **ITB** Clause 18. If the Bidder opts to submit the bid security in the form of:

(vii.1) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.

(vii.2) Bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or

(vii.3) Surety bond, it shall be accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments;

(vii.4) Bid Securing Declaration

(vii) In the case of procurement of Infrastructure Projects, a valid Philippine Contractors Accreditation Board (PCAB) License or Special PCAB License in case of Joint Ventures, and registration for the type and cost of the contract to be bid.

(viii) Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents; and

(ix) Sworn statement in accordance with Section 25.3 of the 2016 Revised IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.

Financial Documents

(x) The prospective bidder's audited financial statements, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission;

(xi) The prospective bidder's computation of Net Financial Contracting Capacity (NFCC). However, in the case of procurement of Goods, a bidder may submit a committed Line of Credit from a Universal or Commercial Bank, in lieu of its NFCC computation. NFCC computation or CLC is in accordance with **ITB** Clause 5.5; and

(b). Class "B" Document:

- (xi) If applicable, for Goods, valid joint venture agreement (JVA), in case the joint venture is already in existence. In the absence of a JVA, duly notarized statements from all the potential joint venture partners should be included in the bid, stating that they will enter into and abide by the provisions of the JVA in the event that the bid is successful. Failure to enter into a joint venture in the event of a contract award shall be ground for the forfeiture of the bid security.

13. Documents Comprising the Bid: Financial Component

- 13.1. Unless otherwise stated in the **BDS**, the financial component of the bid shall contain the following:
- (a). Financial Bid Form, which includes bid prices and the bill of quantities and the applicable Price Schedules, in accordance with **ITB** Clauses 15.1 and 15.4;
 - (b). If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification from the DTI, SEC, or CDA issued in accordance with **ITB** Clause 27; and
 - (c). Any other document required in the **BDS**.
- 13.2. Unless otherwise stated in the **BDS**, all bids that exceed the ABC shall not be accepted.

14. Alternative Bids

Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

15. Bid Prices

- 15.1. The Bidder shall complete the appropriate Price Schedules included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.
- 15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Bill of Quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Government.
- 15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the

obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.

15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:

(a). For Goods offered from within the Procuring Entity's country:

(i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable:

(i.1) on the components and raw material used in the manufacture or assembly of Goods quoted ex works or ex factory; or

(i.2) on the previously imported Goods of foreign origin quoted ex warehouse, ex showroom, or off-the-shelf and any Procuring Entity country sales and other taxes which will be payable on the Goods if the contract is awarded.

(ii) The price for inland transportation, insurance, and other local costs incidental to delivery of the Goods to their final destination.

(iii) The price of other (incidental) services, if any, listed in the **BDS**.

(b). For Goods offered from abroad:

(i) Unless otherwise stated in the **BDS**, the price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the **BDS**. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.

(ii) The price of other (incidental) services, if any, listed in the **BDS**.

15.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account, unless otherwise specified in the **BDS**. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to **ITB** Clause 24.

15.6. All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances as indicated in the **BDS** and specified in the **GCC** and its corresponding **SCC** provision.

16. Bid Currencies

16.1. Prices shall be quoted in the following currencies:

(a). For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.

- (b). For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency(ies) stated in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.
- 16.2. If so allowed in accordance with **ITB** Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.
- 16.3. Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

17. Bid Validity

- 17.1. Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.
- 17.2. Should it become necessary to extend the validity of the bids and bid securities beyond one hundred twenty (120) calendar days, the Procuring Entity concerned shall request in writing all those who submitted bids for such extension before the expiration date therefore. Bidders, however, shall have the right to refuse to grant such extension without forfeiting their bid security. The bid security described in **ITB** Clause 18 should also be extended corresponding to the extension of the bid validity period at the least.

18. Bid Security

- 18.1. The bid security in the amount stated in the **BDS** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)
(d) Bid Securing Declaration	

For biddings conducted by LGUs, the Bidder may also submit bid securities in the form of cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit from other banks certified by the BSP as authorized to issue such financial statement.

- 18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.
- 18.3. No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice to the provisions of the Act and this IRR on the forfeiture of bid securities, bid securities shall be returned only after the bidder with the Lowest Calculated Responsive Bid (LCRB) or Highest Rated Responsive Bid (HRRB), as the case may be, has signed the contract and furnished the performance security, except to those declared by the BAC as failed or post-disqualified in accordance with this IRR, upon submission of a written waiver of their right to file a request for reconsideration and/or protest, but in no case later than the expiration of the bid security validity period indicated in **ITB** Clause 18.2.
- 18.4. Upon signing and execution of the contract pursuant to **ITB** Clause 32, and the posting of the performance security pursuant to **ITB** Clause 33, the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in the **ITB** Clause 18.2.
- 18.5. A Bid Securing Declaration is an undertaking which states, among others, that the bidder shall enter into contract with the Procuring Entity and furnish the required performance security within ten (10) calendar days, as indicated in the Bidding Documents, from receipt of the Notice of Award, and commits to pay the corresponding amount as fine and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as required in the guidelines issued by the GPPB.
- 18.6. The bid security may be forfeited:
 - (a). if a Bidder:
 - (i) withdraws its bid during the period of bid validity specified in **ITB** Clause 17;
 - (ii) does not accept the correction of errors pursuant to **ITB** Clause (a).A(b);
 - (iii) fails to submit the requirements within the prescribed period or a finding against their veracity as stated in **ITB** Clause 29.2;
 - (iv) submission of eligibility requirements containing false information or falsified documents;
 - (v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;

- (vi) allowing the use of one's name, or using the name of another for purposes of public bidding;
- (vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the Lowest Calculated and Responsive Bid;
- (viii) refusal or failure to post the required performance security within the prescribed time;
- (ix) refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
- (x) any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;
- (xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or
- (xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.

(b). if the successful Bidder:

- (i) fails to sign the contract in accordance with **ITB** Clause 32; or
- (ii) fails to furnish performance security in accordance with **ITB** Clause 33.

19. Format and Signing of Bids

- 19.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section VIII. Bidding Forms on or before the deadline specified in the **ITB** Clauses 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under **ITB** Clause 12.1, and the second shall contain the financial component of the bid.
- 19.2. Forms as mentioned in **ITB** Clause 19.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 19.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in **ITB** Clauses 12 and 13. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 19.4. The bid, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.

- 19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

20. Sealing and Marking of Bids

- 20.1. Unless otherwise indicated in the **BDS**, Bidders shall enclose their original eligibility and technical documents described in **ITB** Clause 12 in one sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component in another sealed envelope marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".
- 20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as "COPY NO. ___ - TECHNICAL COMPONENT" and "COPY NO. ___ - FINANCIAL COMPONENT" and the outer envelope as "COPY NO. ___", respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 20.3. The original and the number of copies of the Bid as indicated in the **BDS** shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.
- 20.4. All envelopes shall:
- (a). contain the name of the contract to be bid in capital letters;
 - (b). bear the name and address of the Bidder in capital letters;
 - (c). be addressed to the Procuring Entity's BAC in accordance with **ITB** Clause 1.1;
 - (d). bear the specific identification of this bidding process indicated in the **ITB** Clause 1.2; and
 - (e). bear a warning "DO NOT OPEN BEFORE..." the date and time for the opening of bids, in accordance with **ITB** Clause 21.
- 20.5. If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid. Moreover, failure to comply with the required sealing and marking of bids shall be a ground for disqualification.

D. Submission and Opening of Bids

21. Deadline for Submission of Bids

Bids must be received by the Procuring Entity's BAC at the address and on or before the date and time indicated in the **BDS**.

22. Late Bids

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to **ITB** Clause 21, shall be declared "Late" and shall not be accepted by the Procuring Entity.

23. Modification and Withdrawal of Bids

- 23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.
- 23.2. A bidder may, through a letter, withdraw its bid before the deadline for the receipt of bids. Withdrawal of bids after the applicable deadline shall be subject to appropriate sanctions as prescribed in this IRR. A bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped received by the BAC before the deadline for the receipt of bids. A bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.
- 23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 23.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.
- 23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to **ITB** Clause 18.6, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its IRR.

24. Opening and Preliminary Examination of Bids

- 24.1. The BAC shall open the first bid envelopes of Bidders in public as specified in the **BDS** to determine each Bidder's compliance with the documents prescribed in **ITB** Clause 12. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the said first bid envelope as "passed".
- 24.2. Immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in **ITB** Clause 13.2, the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.

- 24.3. Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
- 24.4. If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "A" Documents, the said certification may be submitted in lieu of the requirements enumerated in **ITB** Clause 12.1(a), items (i) to (v).
- 24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class "A" Documents described in **ITB** Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.
- 24.6. Each partner of a joint venture agreement shall likewise submit the requirements in **ITB** Clauses 12.10 and (a)(ii). Submission of documents required under **ITB** Clauses 0 to 12.1(a) by any of the joint venture partners constitutes compliance.
- 24.7. A Bidder determined as "failed" has three (3) calendar days upon written notice or, if present at the time of bid opening, upon verbal notification, within which to file a request or motion for reconsideration with the BAC: Provided, however, that the motion for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his intent to file a motion for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the motion for reconsideration or protest has been resolved.
- 24.8. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.

E. Evaluation and Comparison of Bids

25. Process to be Confidential

- 25.1. Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the **BDS** or in the case of **ITB** Clause 26.
- 25.2. Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's bid.

26. Clarification of Bids

To assist in the evaluation, comparison, and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

27. Domestic Preference

27.1. Unless otherwise stated in the **BDS**, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:

- (a). The preference shall be applied when the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder. The Procuring Entity shall ensure that both bids are responsive to the minimum requirements as specified in the Bidding Documents.
- (b). For evaluation purposes, the lowest Foreign Bid shall be increased by fifteen percent (15%).
- (c). In the event that the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, the Procuring Entity shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid.
- (d). If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award the contract to the bidder offering the Foreign Bid.
- (e). The award of contract shall be subject to post-qualification and submission of all the documentary requirements under the 2016 Revised IRR of RA 9184.

27.2. A Bidder may be granted preference as a Domestic Entity subject to the certification from the DTI (in case of sole proprietorships), SEC (in case of partnerships and corporations), or CDA (in case of cooperatives) that the (a) sole proprietor is a citizen of the Philippines or the partnership, corporation, cooperative, or association is duly organized under the laws of the Philippines with at least seventy five percent (75%) of its interest or outstanding capital stock belonging to citizens of the Philippines, (b) habitually established in business and habitually engaged in the manufacture or sale of the merchandise covered by his bid, and (c) the business has been in existence for at least five (5) consecutive years prior to the advertisement and/or posting of the Invitation to Bid for this Project.

27.3. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

28. Detailed Evaluation and Comparison of Bids

- 28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to **ITB** Clause 24, in order to determine the Lowest Calculated Bid.
- 28.2. The Lowest Calculated Bid shall be determined in two steps:
- (a). The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
 - (b). The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 28.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. Unless otherwise specified in the **BDS**, the BAC shall consider the following in the evaluation of bids:
- (a). Completeness of the bid. Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Procuring Entity; and
 - (b). Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications, if allowed in the **BDS**. Any adjustment shall be calculated in monetary terms to determine the calculated prices.
- 28.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered.
- 28.5. Unless otherwise indicated in the **BDS**, the Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form.
- 28.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

29. Post-Qualification

- 29.1. The Lowest Calculated Bid/Highest Rated Bid shall undergo post-qualification in order to determine whether the bidder concerned complies with and is responsive to all the requirements and conditions as specified in the **ITB** Clauses 5, 12, and 13.

29.2. Within five (5) calendar days from receipt by the bidder of the notice from the BAC that the bidder has the Lowest Calculated Bid or Highest Rated Bid, the bidder shall submit to the BAC the following documentary requirements, except as provided for in the **BDS**:

- (a). Latest income and business tax returns in the form specified in the **BDS**;
- (b). Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure to submit any of the post-qualification requirements on time, or a finding against the veracity thereof, shall disqualify the bidder for award: Provided, That in the event that a finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the Bid Security in accordance with Section 69 of this IRR.

29.3. The post-qualification shall verify, validate, and ascertain all statements made and documents submitted by the bidder with the Lowest Calculated Bid/Highest Rated Bid, using non-discretionary criteria, as stated in the Bidding Documents. These criteria shall consider, but shall not be limited to, the following:

a) Legal Requirements.

To verify, validate, and ascertain licenses, certificates, permits, and agreements submitted by the bidder, and the fact that it is not included in any "blacklist" as provided in Section 25.3 of this IRR. For this purpose, the GPPB shall maintain a consolidated file of all "blacklisted" suppliers, contractors, and consultants.

b) Technical Requirements.

To determine compliance of the goods, infrastructure projects, or consulting services offered with the requirements specified in the Bidding Documents, including, where applicable:

i) Verification and validation of the bidder's stated competence and experience, and the competence and experience of the bidder's key personnel to be assigned to the project, for the procurement of Infrastructure Projects and Consulting Services;

ii) Verification of availability and commitment, and/or inspection and testing for the required capacities and operating conditions, of equipment units to be owned/leased/under purchase by the bidder for use in the contract under bidding, as well as checking the performance of the bidder in its ongoing government and private contracts, if any of these ongoing contracts shows:

a. Negative slippage of at least fifteen percent (15%) in any one project or a negative slippage of at least ten percent (10%) in each of two (2) or more contracts;

b. Failure of the contractor to commence repair works on ongoing contracts within seven (7) calendar days and to complete them within thirty (30) calendar days after receipt of the Procuring Entity's notice of defects and deficiencies;

c. Failure of the contractor to commence repair works on contracts with pending certificates of acceptance within thirty (30) calendar days and complete them within ninety (90) days after receipt of the Procuring Entity's notice of defects and failures; or

d. Substandard quality of work as per contract plans and specifications, or unsatisfactory performance of the contractor's obligations as per contract terms and conditions, at the time of inspection. If the BAC verifies any of these deficiencies to be due to the contractor's fault or negligence, the agency shall disqualify the contractor from the award, for the procurement of Infrastructure Projects.

iii) Verification and/or inspection and testing of the goods/product, after-sales and/or maintenance capabilities, in applicable cases, as well as checking the following:

a. Delay in the partial delivery of goods amounting to ten percent (10%) of the contract price in its ongoing government and private contracts;

b. If any of these contracts shows the bidder's failure to deliver or perform any or all of the goods or services within the period(s) specified in the contract or within any extension thereof granted by the Procuring Entity pursuant to a request made by the supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price; or

c. Unsatisfactory performance of the supplier's obligations as per contract terms and conditions at the time of inspection.

If the BAC verifies any of these deficiencies to be due to the bidder's fault or negligence, the BAC shall disqualify the bidder from the award, for the procurement of Goods.

iv) Ascertainment of the authenticity of the bid security and its correctness as to type, amount, form and wording, and validity period, as required in the Bidding Documents.

c) Financial Requirements.

To verify, validate and ascertain the bid price proposal of the bidder and, whenever applicable, the required committed Line of Credit in the amount specified and over the period stipulated in the Bidding Documents, or the bidder's NFCC to ensure that the bidder can sustain the operating cash flow of the transaction.

29.4 If the BAC determines that the bidder with the Lowest Calculated Bid/Highest Rated Bid passes all the criteria for post-qualification, it shall declare the said bid as the LCRB or HRRB, and recommend to the HoPE the award of contract to the said bidder at its submitted bid price or its calculated bid price, whichever is lower or, in the case of quality-based evaluation procedure, submitted bid price or its negotiated price, whichever is lower.

29.5 If, however, the BAC determines that the bidder with the Lowest Calculated Bid/Highest Rated Bid

fails the criteria for post-qualification, it shall immediately notify the said bidder in writing of its post-disqualification and the grounds for it.

29.6 Immediately after the BAC has notified the first bidder of its post-disqualification, and notwithstanding any pending request for reconsideration thereof, the BAC shall initiate and complete the same post-qualification process on the bidder with the second Lowest Calculated Bid/Highest Rated Bid. If the second bidder passes the post qualification, and provided that the request for reconsideration of the first bidder has been denied, the second bidder shall be post-qualified as the bidder with the LCRB or HRRB.

29.7 If the second bidder, however, fails the post-qualification, the procedure for post qualification shall be repeated for the bidder with the next Lowest Calculated Bid/Highest Rated Bid, and so on until the LCRB or HRRB, as the case may be, is determined for award, subject to Section 37 of this IRR.

29.8 The post-qualification process shall be completed in not more than twelve (12) calendar days from the determination of the Lowest Calculated Bid/Highest Rated Bid. In exceptional cases, the post-qualification period may be extended by the HoPE, but in no case shall the aggregate period exceed forty-five (45) calendar days for Goods and Infrastructure Projects, or thirty (30) calendar days in Consulting Services. In case of post-disqualification of the bidder with the lowest calculated bid/highest rated bid, the BAC shall be given the same fresh period to conduct the post qualification of the next lowest calculated bid/highest rated bid until a bidder is post qualified or failure of bidding is declared based on Section 35.1(c) of this IRR.

30. Reservation Clause

30.1. Notwithstanding the eligibility or post-qualification of a bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

30.2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:

(a). If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;

(b). If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or

- (c). For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
 - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;
 - (ii) If the project is no longer necessary as determined by the head of the procuring entity; and
 - (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.
- 30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:
- (a). No bids are received;
 - (b). All prospective bidders are declared ineligible;
 - (c). All bids fail to comply with all the bid requirements or fail post-qualification; or
 - (d). The bidder with the Lowest Calculated Responsive Bid (LCRB) refuses, without justifiable cause to accept the award of contract, and no award is made.

F. Award of Contract

31. Contract Award

- 31.1. Subject to **ITB** Clause 29, the Procuring Entity shall award the contract to the Bidder whose bid has been determined to be the LCRB.
- 31.2. Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.
- 31.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:
 - (a). Submission of the valid JVA, if applicable, within ten (10) calendar days from receipt by the Bidder of the notice from the BAC that the Bidder has the LCRB;
 - (b). Posting of the performance security in accordance with **ITB** Clause 33;
 - (c). Signing of the contract as provided in **ITB** Clause 32; and
 - (d). Approval by higher authority, if required.
- 31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in **Error! Reference source not found.**

32. Signing of the Contract

- 32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
- 32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security and sign and date the contract and return it to the Procuring Entity.
- 32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- 32.4. The following documents shall form part of the contract:
- (a). Contract Agreement;
 - (b). Bidding Documents;
 - (c). Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
 - (d). Performance Security;
 - (e). Credit line in accordance with **ITB** Clause 5.5, if applicable;
 - (f). Notice of Award of Contract; and
 - (g). Other contract documents that may be required by existing laws and/or specified in the **BDS**.

33. Performance Security

- 33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- 33.2. The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Goods and Consulting Services Five percent (5%)

Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security;	Thirty percent (30%)

33.3. Failure of the successful Bidder to comply with the above-mentioned requirements shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

34. Notice to Proceed

34.1 The concerned Procuring Entity shall issue the Notice to Proceed together with a copy or copies of the approved contract to the successful bidder within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority. All notices called for by the terms of the contract shall be effective only at the time of receipt thereof by the successful bidder.

34.2 The Procuring Entity, through the BAC Secretariat, shall post a copy of the Notice to Proceed and the approved contract in the PhilGEPS and the website of the Procuring Entity, if any, within fifteen (15) calendar days from the issuance of the Notice to Proceed.

34.3 The date of the Bidder's receipt of the Notice to Proceed will be regarded as the effective date of the contract, unless otherwise specified in the **BDS**.

Section III. Bid Data Sheet

ITB Clause				
1.1	The Procuring Entity is the PROVINCIAL GOVERNMENT OF DAVAO DEL NORTE.			
1.2	Lot 1.	B20170001	-	Procurement of 1 Lot Job Order : Supply & Installation of Aluminum Composite Panel & 1 Lot Job Order : Supply & Installation of IKO Asphalt Fiberglass Singles for Upgrading of DdN Sports & Tourism Complex (Proposed Dav Nor Pavilion)
Reference ID/PR				1611-3289
1.2	Lot 2.	B20170002	-	Procurement of Uniforms for DAVRAA Meet 2017
Reference ID/PR				1612-3559
1.2	Lot 3.	B20170003	-	Procurement of 2 units Air conditioning for GSP new office
Reference ID/PR				1612-3562
2	The Funding Source is: The Provincial Government of Davao del Norte through CY 2017 General Fund (GF) Annual Budget.			
	The name of the Projects are:			
1.2	Lot 1.	B20170001	-	Procurement of 1 Lot Job Order : Supply & Installation of Aluminum Composite Panel & 1 Lot Job Order : Supply & Installation of IKO Asphalt Fiberglass Singles for Upgrading of DdN Sports & Tourism Complex (Proposed Dav Nor Pavilion)
Reference ID/PR				1611-3289
1.2	Lot 2.	B20170002	-	Procurement of Uniforms for DAVRAA Meet 2017
Reference ID/PR				1612-3559
1.2	Lot 3.	B20170003	-	Procurement of 2 units Air conditioning for GSP new office
Reference ID/PR				1612-3562
3.1	No further instructions.			
5.1	No further instructions.			
5.2	None of the circumstances mentioned in the ITB Clause exists in this Project. Foreign bidders, except those falling under ITB Clause 5.2(b), may not participate in this Project.			
5.4	No further instructions.			
5.5	No further instructions.			
6.3	No further instructions.			
7	No further instructions.			
8.1	"Subcontracting is not allowed."			
8.2	"Not applicable".			
9.1	The Procuring Entity will hold a Pre-bid Conference on January 27, 2017 at 9:00 a.m. at the PGSO Conference Room, 2F PGSO Bldg., Government Center, Mankilam, Tagum City, Davao del Norte.			

10.1	<p>The Procuring Entity's address is:</p> <p>HON. ANTONIO RAFAEL G. DEL ROSARIO Governor Province of Davao Del Norte Government Center, Mankilam, Tagum City Telephone No. (084) 216-6919 and 655-9396 Website: www.davaodelnorte.gov.ph</p>
12.1	<p>The first envelope shall contain the eligibility and technical documents stated in the ITB Clause 12. Any application for eligibility or updates submitted after the deadline for the submission of the letter of intent shall not be considered for the bidding at hand. The following requirements shall be present:</p> <ol style="list-style-type: none"> 1. Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives; 2. Mayor's permit; 3. Tax Clearance per Executive Order 398, series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR); 4. Statement of all ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid; 5. Statement of the bidder's Single Largest Completed Contract (SLCC); 6. Bid Security; 7. Omnibus Sworn statement; 8. The prospective bidder's audited financial statements, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission; 9. The prospective bidder's computation of Net Financial Contracting Capacity (NFCC) or a committed Line of Credit; from a Universal or Commercial Bank; 10. JVA in accordance with R.A. 4566 and its IRR, in case of JV; 13. The bidder shall also pay the Registration/Bidders fee in the amount of P 500.00 (enclose official receipt only) (Note: Must be renewed annually). <p>Under ITB Clause 12.1 (a)(i) for PhilGEPS Registration, from 28 October 2016 until 30 April 2017, bidders may still submit their Class "A" Eligibility Documents required to be uploaded and maintained current and updated in the PhilGEPS pursuant to Section 8.5.2 of the 2016 Revised IRR, or if already registered in the PhilGEPS under Platinum category, their Certificate of Registration and Membership in lieu of their uploaded file of Class "A" Documents, pursuant to GPPB Circular No. 03-2016.</p>
12.1(a)(ii)	"No other acceptable proof of registration is recognized."

12.1(a)(v)	Statement of all ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid.						
12.1(a)(vi)	The prospective bidder must have completed, within the period specified in the ITB, a Single Largest Completed Contract (SLCC) that is similar to the contract to be bid, and whose value, adjusted to current prices using the Philippine Statistics Authority (PSA) consumer price indices, must be at least fifty percent (50%) of the ABC. However, in the case of Expendable Supplies, said SLCC must be at least twenty five percent (25%) of the ABC.						
13.1	Bid Form enclosed in the bidding documents and Bid Form which is PASIMS generated must be included in the Financial Component of the Bid.						
13.1(b)	No further instructions.						
13.2	<p>The ABC is:</p> <table border="1"> <tr> <td>Lot 1</td> <td>2,202,154.62</td> </tr> <tr> <td>Lot 2</td> <td>607,480.00</td> </tr> <tr> <td>Lot 3</td> <td>89,016.00</td> </tr> </table> <p>Any bid with a financial component exceeding the foregoing ABC's shall not be accepted.</p>	Lot 1	2,202,154.62	Lot 2	607,480.00	Lot 3	89,016.00
Lot 1	2,202,154.62						
Lot 2	607,480.00						
Lot 3	89,016.00						
15.4(a)(iii)	No incidental services are required.						
15.4(b)	Not applicable						
15.5	Bid prices shall be fixed. Adjustable price proposals shall be treated as non-responsive and shall be rejected.						
15.6	All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation.						
16.1(b)	The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.						
16.3	No further instructions						
17.1	Bids will be valid until June 08, 2017 (120 days from opening of bids)						
18.1	<p>The bid security shall be in the following amount:</p> <ol style="list-style-type: none"> 1. The amount must be 2% of ABC if bid security is in cash, cashier's/manager's check issued; 2. The amount must be 2% of ABC if bid security is Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal Bank, if issued by a foreign bank; 3. The amount must be 5% of the ABC if bid security is Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; 4. Bid Securing Declaration 						
18.2	The bid security shall be valid until June 08, 2017 .						
18.5	No further instructions.						
20.3	Each Bidder shall submit one (1) original and two (2) copies of the first and second components of its bid.						
21	<p>The address for submission of bids is :</p> <p>The Chairperson Bids and Awards Committee</p>						

	2F PGSO Bldg., Government Center, Mankilam, Tagum City, Davao del Norte									
	The deadline for submission of bids is February 08, 2017 before 10:00 a.m.									
24.1	The place of bid opening is : PGSO Conference Room, 2F PGSO Bldg., Government Center, Mankilam, Tagum City, Davao del Norte									
	The date and time of bid opening is February 08, 2017 at 10:00 a.m.									
25.1	No further instructions.									
27.1	No further instructions.									
28.3	<table border="1"> <tr> <td>Lot 1.</td> <td>-</td> <td>Lot Awarding</td> </tr> <tr> <td>Lot 2.</td> <td>-</td> <td>Lot Awarding</td> </tr> <tr> <td>Lot 3.</td> <td>-</td> <td>Lot Awarding</td> </tr> </table>	Lot 1.	-	Lot Awarding	Lot 2.	-	Lot Awarding	Lot 3.	-	Lot Awarding
Lot 1.	-	Lot Awarding								
Lot 2.	-	Lot Awarding								
Lot 3.	-	Lot Awarding								
28.3(b)	Bid modification based on the arithmetical corrections is allowed.									
28.5	No further instructions.									
29.2	The Certificate of PhilGEPS Registration (Blue Membership) will remain as a post qualification requirement in accordance with Section 34.2 of the 2009 Revised IRR of RA 9184, pursuant to GPPB Circular No. 03-2016.									
29.2(a)	Bidders must submit latest income and business tax returns within the last six months preceding the date of bid submission.									
32.4(g)	Supplementary Provisions: The winning bidder or its duly authorized representative shall comply with all the remaining documentary requirements, if any, prior to formally entering into contract with the Procuring Entity concerned within ten (10) calendar days from receipt of the Notice of Award.									

Section IV. General Conditions of Contract

TABLE OF CONTENT

1.	DEFINITIONS.....	33
2.	CORRUPT, FRAUDULENT, COLLUSIVE, AND COERCIVE PRACTICES.....	33
3.	INSPECTION AND AUDIT BY THE FUNDING SOURCE.....	35
4.	GOVERNING LAW AND LANGUAGE.....	35
5.	NOTICES.....	35
6.	SCOPE OF CONTRACT.....	35
7.	SUBCONTRACTING.....	35
8.	PROCURING ENTITY'S RESPONSIBILITIES.....	35
9.	PRICES.....	36
10.	PAYMENT.....	36
11.	ADVANCE PAYMENT.....	36
12.	TAXES AND DUTIES.....	37
13.	PERFORMANCE SECURITY.....	37
14.	USE OF CONTRACT DOCUMENTS AND INFORMATION.....	38
15.	STANDARDS.....	38
16.	INSPECTION AND TESTS.....	38
17.	WARRANTY.....	39
18.	DELAYS IN THE SUPPLIER'S PERFORMANCE.....	39
19.	LIQUIDATED DAMAGES.....	40
20.	SETTLEMENT OF DISPUTES.....	40
21.	LIABILITY OF THE SUPPLIER.....	40
22.	FORCE MAJEURE.....	40
23.	TERMINATION FOR DEFAULT.....	41
24.	TERMINATION FOR INSOLVENCY.....	41
25.	TERMINATION FOR CONVENIENCE.....	42
26.	TERMINATION FOR UNLAWFUL ACTS.....	42
27.	PROCEDURES FOR TERMINATION OF CONTRACTS.....	42
28.	ASSIGNMENT OF RIGHTS.....	44
29.	CONTRACT AMENDMENT.....	44
30.	APPLICATION.....	44

1. DEFINITIONS

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a). "The Contract" means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b). "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c). "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d). "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e). "GCC" means the General Conditions of Contract contained in this Section.
- (f). "SCC" means the Special Conditions of Contract.
- (g). "The Procuring Entity" means the organization purchasing the Goods, as named in the **SCC**.
- (h). "The Procuring Entity's country" is the Philippines.
- (i). "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the **SCC**.
- (j). The "Funding Source" means the organization named in the **SCC**.
- (k). "The Project Site," where applicable, means the place or places named in the **SCC**.
- (l). "Day" means calendar day.
- (m). The "Effective Date" of the contract will be the date of receipt by the Supplier of the Notice to Proceed or the date provided in the Notice to Proceed. Performance of all obligations shall be reckoned from the Effective Date of the Contract.
- (n). "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1. The Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a). defines, for the purposes of this provision, the terms set forth below as follows:
- (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
 - (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
 - (i) "obstructive practice" is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
 - (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.
- (b). will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract defines, for the purposes of this provision, the terms set forth below as follows:

2.2. Further the Funding Source, Borrower or Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the

applicable law on individuals and organizations deemed to be involved with any of the practices mentioned in **GCC** Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

5. Notices

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the **SCC**, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the **SCC** for **GCC** Clause 5.1.

6. Scope of Contract

6.1. The GOODS and Related Services to be provided shall be as specified in **Error! Reference source not found.**

6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the **SCC**.

7. Subcontracting

7.1. Subcontracting of any portion of the Goods, if allowed in the **BDS**, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.

7.2. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with **GCC** Clause 6.

9. Prices

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.

9.2 Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with **GCC** Clause 29.

10. Payment

- 10.1. Unless otherwise specified in the **SCC**, payments shall be made only upon a certification by the Head of the Procuring Entity to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in **GCC** Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the **SCC** provision for **GCC** Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to **GCC** Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4. Unless otherwise specified in the **SCC**, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment

- 11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.
- 11.2. For Goods supplied from abroad, ten percent (10%) of the Contract price shall be paid within sixty (60) calendar days from signing of the contract and upon submission of a claim and a bank guarantee issued by a licensed bank for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.

- (a) On Contract Signature: Ten percent (10%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
- (b) On Delivery: Seventy percent (70%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the SCC provision on Delivery and Documents.
- (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

11.3. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

- 13.1. Unless otherwise specified in the SCC, within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the **ITB** Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
 - (b) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
 - (c) The Supplier has no pending claims for labor and materials filed against it; and
 - (d) Other terms specified in the SCC.
- 13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such

reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

14. Use of Contract Documents and Information

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2. Any document, other than this Contract itself, enumerated in **GCC** Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the **Error! Reference source not found.**; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

- 16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The **SCC** and Section VII. Technical Specification shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity.
- 16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to **GCC** Clause 5.

- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. Warranty

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the **SCC**. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least ten percent (10%) of every progress payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price or other such amount if so specified in the **SCC**. The said amounts shall only be released after the lapse of the warranty period specified in the **SCC**; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the **SCC** and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in **GCC** Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in **Error! Reference source not found.**
- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under **GCC** Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.

- 18.3. Except as provided under **GCC** Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to **GCC** Clause 19, unless an extension of time is agreed upon pursuant to **GCC** Clause 29 without the application of liquidated damages.

19. Liquidated Damages

Subject to **GCC** Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the **SCC** of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage specified in the **SCC**. Once the maximum is reached, the Procuring Entity shall rescind the Contract pursuant to **GCC** Clause 23, without prejudice to other courses of action and remedies open to it.

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the **SCC**.
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. Subject to additional provisions, if any, set forth in the **SCC**, the Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. For purposes of this Contract the terms "*force majeure*" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
 - (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
 - (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased; or
 - (c) The Supplier fails to perform any other obligation under the Contract.
- 23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under **GCC** Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.
- 23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Supplier.

25. Termination for Convenience

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.
- 25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:
- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
 - (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.
- 25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

- 26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:
- (a) Corrupt, fraudulent, and coercive practices as defined in **ITB** Clause 3.1(a);
 - (b) Drawing up or using forged documents;
 - (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
 - (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

- 27.1. The following provisions shall govern the procedures for termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the Implementing Unit, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
 - (i) that this Contract is being terminated for any of the ground(s) aforementioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
 - (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at anytime before receipt of the Supplier's verified position paper to withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The Head of the Procuring Entity may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the Procuring Entity; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. Assignment of Rights

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

29. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

Section V. Special Conditions of Contract

GCC Clause	
1.1 (g)	The Procuring Entity is Provincial Government of Davao Del Norte
1.1 (i)	The Supplier is <i>(to be inserted at the time of contract award)</i>
1.1 (j)	The Funding Source is: The Provincial Government of Davao del Norte through 2017 General Budget Appropriation
1.1 (k)	The Project Site is Government Center, Mankilam, Tagum City.
5.1	The Procuring Entity's address for Notices is: Hon. Antonio Rafael G. Del Rosario Governor Province of Davao Del Norte Government Center, Mankilam, Tagum City Tel. No.(084)655-9396 and 216-6919 The Supplier's address for Notices is: <i>(Insert address including, name of contract, fax and telephone number)</i>
6.2	No further instructions.
10.1	No further instructions.
10.4	No further instructions.
13.4 (c)	No further instructions.
16.1	No further instructions.
17.3	No further instructions.
17.4	The period for correction of defects in the warranty period is within the 7 calendar days.
21.1	No additional provision, however, <i>if the Supplier is a joint venture</i> , all partners to the joint venture shall be jointly and severally liable to the Procuring Entity.

Section VI. Schedule of Requirements

Lot 1.	B20170001	-	Procurement of 1 Lot Job Order : Supply & Installation of Aluminum Composite Panel & 1 Lot Job Order : Supply & Installation of IKO Asphalt Fiberglass Singles for Upgrading of DdN Sports & Tourism Complex (Proposed Dav Nor Pavilion)
Reference ID/PR	1611-3289		With ABC of Php
			2,202,154.62
TERMS & CONDITIONS:			
1. Please see PEO-PDP for plans & specs;			
2. Verify actual dimensions at site before installation and fabrication;			
3. All materials must be pre-inspected by QC engineers before fabrication and installation;			
4. The supplier shall commence work two(2) days after receipt of written notice from the Area Engineer;			
5. Work duration is twenty (20) working days;			
6. One (1) year warranty against workmanship.			
Place of Delivery: Jobsite			
Lot 2.	B20170002	-	Procurement of Uniforms for DAVRAA Meet 2017
Reference ID/PR	1612-3559		With ABC of Php
			607,480.00
Place of Delivery: PGSO Warehouse			
Lot 3.	B20170003	-	Procurement of 2units Air conditioning for GSP new office DDNSTC
Reference ID/PR	1612-3562		With ABC of Php
			89,016.00
Place of Delivery: On site			

Section VII: Technical Specifications

Lot 1.	B20170001	-	Procurement of 1 Lot Job Order : Supply & Installation of Aluminum Composite Panel & 1 Lot Job Order : Supply & Installation of IKO Asphalt Fiberglass Singles for Upgrading of DdN Sports & Tourism Complex (Proposed Dav Nor Pavilion)	
Reference ID/PR	1611-3289		With ABC of Php	2,202,154.62
<p>1 Lot JOB ORDER: Supply & Install. of Aluminum Composite Panel</p> <ul style="list-style-type: none"> - Aluminum Composite Panel (include aluminum sq.tubes, aluminum angles, screws, sealant & all other standard accessories) - Fiber Cement Board with Paint <p>1 Lot JOB ORDER: Supply & Install. of IKO Asphalt Fiberglass Singles</p> <p>Materials:</p> <ul style="list-style-type: none"> 1 Lot Asphalt Fiberglass Shingles 95 Bundles - Cambridge 30AR 4 Bundles - Marathon Ultra AR 10 rolls - Asphalt Felt Underlay 45 pcs. - Drip Edge 12 pcs. - Wall Flashing 6 pcs. - Roof Cement 45 kgs. - Flathead 1 4 kgs. - Flathead 3/4 150 shts - Marine Plywood 3/4" (Painted w/accessories) 				
Lot 2.	B20170002	-	Procurement of Uniforms for DAVRAA Meet 2017	
Reference ID/PR	1612-3559		With ABC of Php	607,480.00
<p>540 pcs Jogging Pants - single face</p> <p>48 pcs Baseball/Softball Pants - single face</p> <p>314 pcs Short pants - Rips taps</p> <p>Note:</p> <ul style="list-style-type: none"> - Good quality and durable. - Must strictly comply with the specification - Deviation from the technical specification shall be subjected for disqualification. - For bidding purposes only. For 2017 budget. <p>Pls. see attached drawing..</p> <ul style="list-style-type: none"> 246 pcs T-shirt - Rips taps 112 pcs Sando - Rips taps 4 pcs Red Sando for box ers - Rips tapsc 4 pcs Blue Sando for box ers - Rips taps 48 pcs Sabrena for Volleyball - Rips taps 540 pcs Jacket - Micro Fiber 540 pcs Sports Cap - Ox ford green (all green) 				
Lot 3.	B20170003	-	Procurement of 2 units Air conditioning for GSP new office DDNSTC	
Reference ID/PR	1612-3562		With ABC of Php	89,016.00
<p>1 unit 3 tons/4 hp floor mounted split type standard</p> <p>2 1 unit 2 hp wall mounted type split type standard</p>				

Section X. ELIGIBILITY CHECK REQUIREMENTS FOR THE PROCUREMENT OF GOODS

ENVELOPE 1 - ELIGIBILITY AND TECHNICAL COMPONENTS

Class "A" Documents

- () DTI business name registration or SEC registration certificate/CDA for Cooperatives
- () Valid and current Mayor's permit where the principal place of business is located
- () Valid BIR Tax Clearance per Executive Order 398, series of 2005, **as finally reviewed and approved by the BIR.**
- () Bidder's Income Tax Return (ITR) together with the Audited Financial Statements, stamped received by the BIR or its duly accredited and authorized institutions, for the immediately preceding calendar year.
- () Statement of all ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid.

(Note: Must be updated everytime the supplier/bidder participates in the opening of bids)

- () Statement of the bidder's Single Largest Completed Contract (SLCC) that is similar to the contract to be bid, and whose value, adjusted to current prices using the Philippine Statistics Authority (PSA) consumer price indices, must be at least fifty percent (50%) of the ABC. However, in the case of Expendable Supplies, said SLCC must be at least twenty five percent (25%) of the ABC.

(Note: Must be updated everytime the supplier/bidder participates in the opening of bids)

The computation of Net Financial Contracting Capacity (NFCC) at least equal to the ABC *(Note: The value of the bidder's current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR) or a Committed line of Credit from a Universal or Commercial Bank*

Bid Security (Either of the following):

- () Cash or Cashier's/Manager's check
- () Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank
- () Surety bond
- () Bid Securing Declaration
- () Omnibus Sworn Statement

(Note: Must be updated everytime the supplier/bidder participates in the opening of bids)

- () Technical Specifications, which may include production/delivery schedule, manpower requirements, and/or after-sales service/parts, if applicable

Other Documents, if relevant such as:

Exclusive Distributorship:

- Duly Notarized Certificate of Sole Distributorship from the source

Suppliers of Fertilizers & Pesticides: - Fertilizer & Pesticides Authority (FPA) Accreditation/Licence to Operate

Suppliers of Seeds and Grafted Seedlings: - Bureau of Plant Industry (BPI) Accreditation

Sand and Gravel: - Quarry Permit

Lumber Dealers: - DENR/PCA Permit

Printing Press: - Provincial Permit to Operate with Official Receipt Payment

- () Registration/Bidders fee of P500.00 (enclose official receipt only) *(Note: Must be renewed annually)*

Class "B" Documents

- () Valid Joint Venture Agreement (JVA) if applicable

ENVELOPE 2 - FINANCIAL COMPONENTS

- () Bid Forms
- () 1) Bid form endorsed in bid document
- () 2) Bid form PASIMS generated

Requirements for submission during Post-qualification

1. The latest income and business tax returns are those within the last six months preceding the date of bid submission.
2. Certificate of PhilGEPS registration, per GPPB Circular 03-2016.
3. Other appropriate licenses and permit required by law and stated in the Bidding Documents.

Section VIII. Bidding Forms

Section IX. Sample Forms

TABLE OF CONTENTS

1. Bid Form.....	56
2. Statement of all Ongoing Government & Private Contracts Including Awarded Contracts.....	57
3. Statement of the Bidder's Single Largest Completed Contract (SLCC).....	58
4. Omnibus Sworn Statement.....	59
5. Net Financial Contracting Capacity (NFCC).....	61
6. Form of Bid Security (Bank Guarantee).....	62
7. Bid Security Declaration.....	63

BID FORM

Date: _____
Invitation to Bid No.: _____

To: *Provincial Government of Davao Del Norte*
Government Center, Mankilam, Tagum City

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers (*insert numbers*), the receipt of which is hereby duly acknowledged, we, the undersigned, offer to deliver _____ Reference ID/PR No. _____ in conformity with the said Bidding Documents for the sum of _____ or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in **BDS** provision for **ITB** Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

(if none, state "None")

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Bid you may receive

We certify/confirm that we comply with the eligibility requirements as per **ITB** Clause 5 of the Bidding Documents.

Dated this _____ day of _____ 2016.

[Signature]
Duly authorized to sign Bid for and on behalf of _____

[in the capacity of]

Statement of all Ongoing Government & Private Contracts Including Awarded Contracts but not yet started

Business Name : _____
 Business Address : _____

Name of Contract/ Project Cost	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidder's Role		a. Date Awarded b. Date Started c. Date of Completion	% of Accomplishment		Value of Outstanding Works/ Undelivered Portion
			Description	%		Planned	Actual	
Total Cost								

Note: This statement shall be supported with:

1. Notice of Award and/or contract
2. Notice to proceed issued by the owner
3. Certificate of Accomplishments signed by the owner or authorized representative

Submitted by : _____
 (Printed Name & Signature)
 Designation : _____
 Date : _____

Statement of Single Largest Completed Contract (SLCC) Similar to the Contract to be Bid

Business Name : _____
 Business Address : _____

Name of Contract/ Project Cost	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidder's Role		a. Amount at Award b. Amount at Completion c. Duration	a. Date Awarded b. Contract Effectivity c. Date Completed
			Description	%		
Note: This statement shall be supported with:					Total Cost	

1. Contract
2. Certificate of completion
3. Certificate of Acceptance

Submitted by : _____
(Printed Name & Signature)

Designation : _____

Date : _____

Omnibus Sworn Statement

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

AFFIDAVIT

I, [Name of Affiant], of legal age, [Civil Status], [Nationality], and residing at [Address of Affiant], after having been duly sworn in accordance with law, do hereby depose and state that:

1. Select one, delete the other:

If a sole proprietorship: I am the sole proprietor of [Name of Bidder] with office address at [address of Bidder];

If a partnership, corporation, cooperative, or joint venture: I am the duly authorized and designated representative of [Name of Bidder] with office address at [address of Bidder];

2. Select one, delete the other:

If a sole proprietorship: As the owner and sole proprietor of [Name of Bidder], I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for [Name of the Project] of the [Name of the Procuring Entity];

If a partnership, corporation, cooperative, or joint venture: I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the [Name of Bidder] in the bidding as shown in the attached [state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)];

3. [Name of Bidder] is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. [Name of Bidder] is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. Select one, delete the rest:

If a sole proprietorship: I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

If a partnership or cooperative: None of the officers and members of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

If a corporation or joint venture: None of the officers, directors, and controlling stockholders of [Name of Bidder] is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. [Name of Bidder] complies with existing labor laws and standards;

8. [Name of Bidder] is aware of and has undertaken the following responsibilities as a Bidder:

- a) Carefully examine all of the Bidding Documents;
- b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract
- c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
- d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the [Name of the Project]; and

9. [Name of Bidder] did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this __ day of ____, 20__ at _____, Philippines.

[Bidder's Representative/Authorized Signatory]

[JURAT]

NET FINANCIAL CONTRACTING CAPACITY (NFCC)

The computation for the Net Financial Contracting Capacity (NFCC) should be included in the eligibility documents following the formula and format calculated as follows:

NFCC = [(Current assets minus current liabilities) (K)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.

Note: K factor is fixed at 15

The values of the bidder's current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR.

*Current assets and current liabilities should be picked up from the corresponding entry in the audited financial statement for the year 2015.

*The NFCC should at least be equal to the Approved Budget for the Contract (ABC) to be bid.

Example:

Current Assets – P 5.2M

Current Liabilities - P 4.1M

Value of all Outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid–

P 1.1M

$$\text{NFCC} = (5.2\text{M} - 4.1\text{M}) * 15 - 1.1\text{M}$$

$$\text{NFCC} = 15.4\text{M}$$

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.
X-----X

BID-SECURING DECLARATION

Invitation to Bid/Request for Expression of Interest No.: *[Insert reference number]*

To: *[Insert name and address of the Procuring Entity]*

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.

2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration without prejudice to other legal action the government may undertake, to wit:

- (a) Failure to enter into a joint venture in the event of a contract award, shall be ground for the forfeiture of the bid security (Section 23.1 (b) of the IRR of RA 9184);
- (b) Failure to submit the post-qualification requirements on time or a finding against the veracity of such shall be ground for the forfeiture of the bid security and disqualify the bidder forward (Section 34.2 of the IRR of RA 9184);
- (c) Bidder refuses or is unable to submit the documents required under Section 37.1 of the IRR or to make good its bid by entering into a contract with the procuring entity or post the required Performance Security with the required period (Section 40.1 of the IRR of RA 9184);
- (d) All other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons (Section 69.1.i of the IRR of RA 9184);

3. I/We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:

- (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
- (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and
 - (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
- (c) I am/we are declared as the bidder with the Lowest Calculated and Responsive Bid/Highest Rated and Responsive Bid, and I/we have furnished the performance security and signed the Contract.

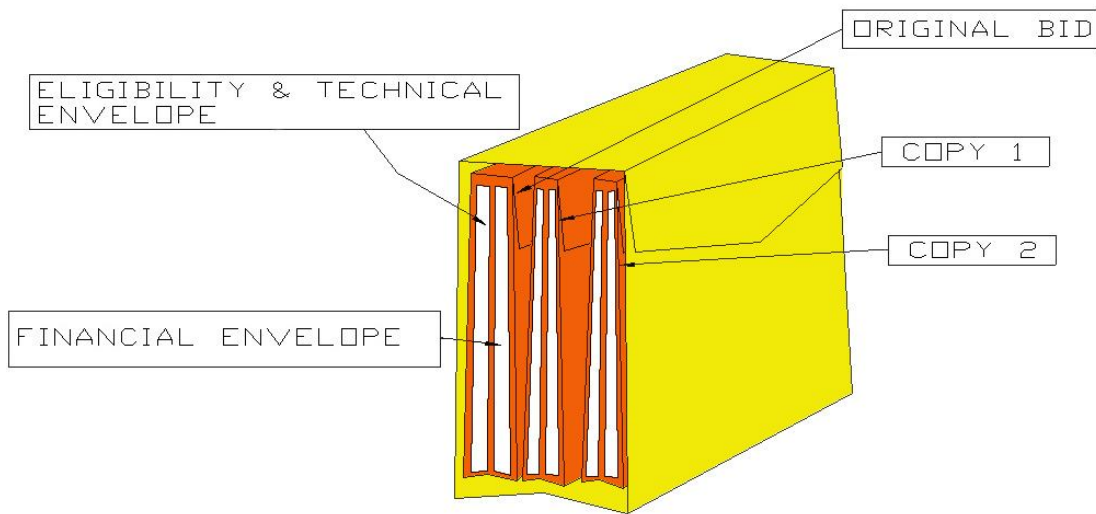
IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this ____ day of [month] [year] at [place of execution].

**[Insert NAME OF BIDDER'S
AUTHORIZED REPRESENTATIVE]
[Insert signatory's legal capacity]
Affiant**

SUBSCRIBED AND SWORN to before me this __ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on _____ at _____.

Witness my hand and seal this _____ day of (month) (year).

Section XI. SEALING AND MARKING OF BIDS



I. Single Stage Bidding Process

Envelope 1. Original Bid

- a. Original Eligibility Documents and Technical Proposal
- b. Original Financial Proposal

Envelope 2. Copy #1

- a. Copy #1 Eligibility Documents and Technical Proposal
- b. Copy #1 Financial Proposal

Envelope 3. Copy #2

- a. Copy #2 Eligibility Documents and Technical Proposal
- b. Copy #2 Financial Proposal

II. Each Envelope shall:

- 1. Contain the name of the contract to be bid in capital letters
- 2. Bear the name and address of the prospective bidder in capital letters
- 3. Bear addressed to the PROCURING ENTITY'S BAC
- 4. Bear the specific identification of this project indicated in the ITB
- 5. Bear a warning "DO NOT OPEN BEFORE . . ." the date and time for the Opening of Bids indicated in the ITB.
- 6. Each envelope must be sealed.

<p>The Chairman Bids & Awards Committee 2F/PGSO Building, Government Center, Mankilam, Tagum City Davao del Norte</p>	<div style="border: 1px solid black; padding: 5px; display: inline-block;">ORIGINAL ENVELOPE</div>
<p>Bid No. / PROCUREMENT OF _____</p>	
<p>Contractor: <u>(NAME OF CONTRACTOR)</u> (ADDRESS)</p>	
<p>"DO NOT OPEN BEFORE <u> Date Open </u> AT <u>10:00 AM</u>"</p>	

BIDS AND AWARDS COMMITTEE

