



**DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

**DPWH PROCUREMENT
MANUAL**

GOODS AND SERVICES

**Volume IV – Goods and Services
Annex IVA: DPWH Standard Bidding Documents
for Goods and Services
Volume IV: Procurement Manual for Goods
Common Procurement Forms**

JUNE 2016

MESSAGE

From 2010 and 2011, the infrastructure budget of the DPWH sharply rose from Php 90 Billion to over Php 360 Billion in 2016. With such a large capital outlay, management should be efficient and effective to avoid wastage of government resources. For this reason, we had to review and revise existing policies and rules in procurement and project implementation to improve transparency, efficiency, and to reduce opportunities for corruption.

In addition, we also decentralized many of our procurement policies and levels of authorities to Regional and District Offices for them to accommodate the procurement of a large number of contracts. This decentralization and delegation was necessary for improved efficiency, and accountability in project execution

To make sure that these management reforms are done properly and in a sustained manner, the improvements and revisions in procurement policies and rules introduced over the last five years have been integrated and incorporated in a revised manual that will promote transparency, accountability, and consistency in all levels from Central to Regional & District Offices. The bottom-line: the same rules apply across regions and offices and lessen the confusion on the procedures of procurement. This consistency will certainly put the private sector at ease, and there will not be undue discretion by the procuring and implementing offices.

All of these are embodied in this DPWH Procurement Manual for Infrastructure, Consulting Services, and Goods that shall be applicable across all entities of this Department. This will make our procurement more transparent to the public, hold our procurement officers responsible for their actions, make project implementation more efficient and consistent, and importantly prevent corruption in government.

I would like to thank the World Bank and the Australian Government for extending technical assistance to the DPWH in crafting this Manual. I also express my appreciation to the external stakeholders from the construction, consultancy, and supplies sectors for their useful inputs in the preparation of this Manual. Finally, I acknowledge the valuable efforts of the DPWH staff in putting together this important Manual.


ROGELIO L. SINGSON
Secretary

Preface

The Department of Public Works and Highways (DPWH) has prepared this Procurement Manual to guide it in effectively carrying out its heavy procurement workload involving contracts for around 14,000 projects a year under its regular infrastructure budget which in 2016 alone totaled P360 billion. Added to this is the procurement by the DPWH for contracts of around 7,000 infrastructure projects costing about P50 billion a year of non-infrastructure agencies, such as the Department of Education and the Department Agriculture. The DPWH has to efficiently manage the implementation of this extensive procurement program through its Procuring Entities in the Central Office (CO), 17 Regional Offices (ROs), and 182 District Engineering Offices (DEOs).

This DPWH Procurement Manual (DPM) seeks to address the problems in the procurement regime brought about by rules and procedures dispersed in separate documents, such as Republic Act (RA) No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations (IRR), various orders and issuances of the Government Procurement Policy Board (GPPB) and the DPWH, Bidding Documents, and old/incomplete manuals. Some of these documents have unclear, outdated, or conflicting provisions. Consequently, DPWH staff in the CO, ROs and DEOs, as well as private contractors, consultants, and suppliers, have found it difficult to interpret and carry out the procurement process in a clear, unambiguous, and consistent manner. This situation tends to contribute to delays, overruns, substandard work, conflicting interpretations, procedural lapses, and even corrupt acts in the procurement and implementation of projects and services.

The DPM, therefore, aims to put together a coherent set of clear, complete, up-to-date, streamlined, and simple operational rules and procedures, to serve as common reference and guide for DPWH and private contractors, consultants, and suppliers in the procurement of contracts for infrastructure, consulting services, and goods, consistent with RA 9184 and its IRR.

This Procurement Manual is expected to enhance the quality of DPWH procurement, by making it simpler, quicker, consistent (across all DPWH offices), more transparent, more competitive, with greater accountability, and capable of public monitoring - in line with the procurement principles in RA 9184. In turn, this will result in faster and more economical provision of infrastructure works and services needed to accelerate socio-economic development.

The DPM consists of four volumes, viz., Volume I - Systems and Organizations, Volume II - Infrastructure, Volume III - Consulting Services, and Volume IV ó Goods and Services. Apart from the Main Guidelines, the DPM also includes Standard Bidding Documents and Standard Bidding Forms for each of Volumes II, III, and IV.

This DPM is applicable to procurement for (a) projects funded and implemented by the DPWH, (b) projects funded by other agencies but procured/implemented by the DPWH, and (c) foreign-assisted projects in accordance with the approved loan agreements.

In preparing the Manual, the DPWH has evaluated existing procurement policies, rules and practices in the DPWH and elsewhere in the Government, conducted a series of focus group discussions with stakeholders, both internal and external to the Department. The DPWH has also aligned the Manual with the latest amendments (June 2016) of the IRR of RA 9184 adopted by the GPPB. The Department has likewise referred to other relevant GPPB Resolutions and issuances, DPWH Orders, GPPB Generic Procurement Manuals, the Philippine Bidding

Documents harmonized with the Asian Development Bank (ADB), Japan International Cooperation Agency (JICA) and the World Bank (WB), and procurement guidelines of the Official Development Assistance (ODA) agencies.

To ensure that concerned interest groups were properly consulted, the DPWH held a Stakeholders Workshop in January 2016, where Department officials and consultants discussed with key stakeholders the draft Manual and secured their comments and suggestions to improve the Manual. External stakeholders that participated included representatives from the WB, ADB, JICA, Philippine Constructors Association, National Constructors Association of the Philippines, GPPB, Department of Budget and Management, Philippine Government Electronic Procurement System (PhilGEPS), Council of Engineering Consultants of the Philippines, Confederation of Filipino Consulting Organizations, Association of Suppliers, American Chamber of Commerce in the Philippines, and European Chamber of Commerce in the Philippines. Participating internal stakeholders were procurement-related staff from the DPWH CO, Unified Project Management Office (UPMO), five ROs, and four DEOs.

To test the usability of the draft Procurement Manual, the DPWH conducted a Pilot Technical Workshop in January 2016, involving DPWH technical staff from the CO, UPMO, five ROs, and four DEOs.

The DPWH used the results of these two workshops as inputs to improve the quality and practicability of the Manual in its different aspects and components.

The DPWH has produced the DPM under the overall direction of Secretary Rogelio L. Singson. Assisting him was a DPWH Steering Committee chaired by Undersecretary Ardeliza R. Medenilla and composed of members of the DPWH Management Committee and selected Directors, which provided policy and operational guidance in the development and review of the Manual. Actual crafting of the Manual was managed by the DPWH Procurement Service under Director Nimfa E. Potante, aided by a Technical Working Group composed of her staff and representatives of different procurement-related units of the DPWH.

The Australia-World Bank Philippines Development Trust Fund (PH-PTF) provided technical assistance to the DPWH through the engagement of consultants who worked closely with the Department staff in developing the DPM.



**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

PROCUREMENT MANUAL

**VOLUME IV- GOODS AND
SERVICES**

19 June 2016

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ABBREVIATIONS AND ACRONYMS

ABC	Approved Budget for the Contract
ADB	Asian Development Bank
APP	Annual Procurement Plan
APP-CSE	Annual Procurement Plan for Common Use Supplies and Equipment
APR	Agency Procurement Request
BAC	Bids and Awards Committee
BD	Bidding Documents
BDS	Bid Data Sheet
BSD	Bid Securing Declaration
BSP	Bangko Sentral ng Pilipinas
CDA	Cooperatives Development Authority
CAF	Certificate of Availability of Funds
CO	Central Office (DPWH)
COA	Commission on Audit
DBM	Department of Budget and Management
DBM-PS	Department of Budget and Management-Procurement Service
DEO	District Engineering Office
DO	Department Order (DPWH)
DoTS	Document Tracking System (DPWH)
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industry
DV	Disbursement Voucher
EFPS	Electronic Filing and Payment System
EO	Executive Order
EU	End User Unit
FAP	Foreign Assisted Project
GAA	General Appropriations Act
GCC	General Conditions of Contract
GOP	Government of the Philippines
GPPB	Government Procurement Policy Board
GPRA	Government Procurement Reform Act (R.A. 9184)
HOPE	Head of Procuring Entity (DPWH)
IB	Invitation to Bid
ICB	International Competitive Bidding
IFI	International Financing Institution
IPR	Intellectual Property Rights
IRR	Implementing Rules and Regulations of R.A. 9184
ITB	Instructions to Bidders
IU	Implementing Unit (DPWH)
JICA	Japan International Cooperation Agency
JVA	Joint Venture Agreement
LC	Letter of Credit
LCB	Lowest Calculated Bid
LCRB	Lowest Calculated Responsive Bid (this shall have the same meaning as Lowest Evaluated and Responsive Bid [LERB] for IFIs)
MDS	Modified Disbursement Scheme
NCA	Notice of Cash Allocation
NEDA	National Economic and Development Authority
NFCC	Net Financial Contracting Capacity
NGA	National Government Agency

NGO	Non-Government Organization
NTC	National Telecommunications Commission
NTP	Notice to Proceed
OS	Obligation Slip
PBDs	Philippine Bidding Documents
PD	Presidential Decree
PE	Procuring Entity (DPWH)
PMO	Project Management Office
PNP	Philippine National Police
PPMP	Project Procurement Management Plan
PhilGEPS	Philippine Government Electronic Procurement System
PrS	DPWH Procurement Service
PSA	Philippine Statistical Authority
R.A.	Republic Act
R.A. 9184	Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act"
RIS	Requisition and Issuance Slip
RO	Regional Office (DPWH)
SARO	Special Allotment Release Order
SBDs	Standard Bidding Documents
SCB	Single Calculated Bid
SCC	Special Conditions of Contract
SCRB	Single Calculated and Responsive Bid
SEC	Securities and Exchange Commission
SMEs	Small and Medium Enterprises
SOW	Scope of Work
SPA	Special Power of Attorney
TSO	Technical Support Office
TWG	Technical Working Group
UNDB	United Nations Development Business
WB	World Bank

SECTION 1

INTRODUCTION

1.1 SCOPE OF MANUAL VOLUME IV

Volume IV of the DPWH Customized Procurement Manual seeks to provide its users with clear, concise, and accurate information on the process for the public procurement of goods and services by the Department of Public Works and Highways (DPWH), as prescribed by Republic Act (RA) No. 9184, otherwise known as the Government Procurement Reform Act of 2003, and its Implementing Rules and Regulations (IRR)¹. It also discusses important issues that may confront government officials in all stages of goods and services procurement, from the preparation of Bid Documents, to the actual bidding activity, monitoring of contract implementation and the final payment to the supplier.

Volume IV covers all stages of goods and services procurement, from procurement planning and preparation of Bidding Documents, through the actual bidding activities, up to the award of the contract to the winning supplier. For each procurement stage or step, the Manual lays down the legal reference, the policies and guidelines to be followed, the format and content of the required documents, procedures to be observed, responsible participants, schedules and time frames, clarification on issues and concerns regarding the specific phase of procurement, among others.

Volume IV consists of the following documents which should be used together:

MAIN MANUAL – This Document

ANNEX IVA – DPWH Standard Bidding Documents (SBDs) for Goods and Services

ANNEX IVB – DPWH Standard Bidding Forms (SBFs) for Goods and Services

The DPWH **SBDs** and **SBFs** are patterned after the Philippine Bidding Documents (**PBDs**) for Goods and Services as harmonized by the Government of the Philippines (GOP) with the main International Financing Institutions (IFIs) ó Asian Development Bank (ADB), the Japan International Cooperating Agency (JICA), and the World Bank (WB) ó and prescribed by the Government Procurement Policy Board (GPPB) for use by all government agencies. The **PBDs**, however, have been customized and modified into the DPWH **SBDs** and **SBFs** to fit the particular procurement environment and requirements of the Department. When the GPPB issues the revised **PBDs**, the DPWH **SBDs** shall be revised accordingly.

The provisions of this **Volume IV** shall apply to goods and services procured by the Central, Regional and District Engineering Offices.

1.2 Definition of Commonly Used Terms

For purposes of this Manual, the following terms, words or phrases shall mean or be understood as follows:

- a. **Approved Budget for the Contract** ó The budget for the contract duly approved by the Head of the Procuring Entity, as provided for in the General Appropriations Act (GAA), and/or continuing appropriations, and the estimated contract cost in the case of foreign-funded procurement based on the procurement plan consistent with the loan or grant agreement. There are two types of ABC: (a) the Indicative ABC or estimated project cost for inclusion in the PPMP and the APP for budgetary purposes, (b) the Final ABC or the

¹Implementing Rules and Regulations (IRR) refer to the latest revisions of the IRR as issued by the GPPB.

revised and updated budget based on the approved budget under the General Appropriations Act (GAA) and approved by the HOPE.

- b. **Bid** ó A signed offer or proposal to undertake a contract submitted by a bidder in response to and in consonance with the requirements of the Bidding Documents. The term "Bid" shall be equivalent to and be used interchangeably with "Proposal" and "Tender".
- c. **Bidder** ó An eligible contractor, manufacturer, supplier, distributor and/or consultant competing for the award of a contract in any procurement by the GOP who submits a bid in response to the requirements of the bidding documents.
- d. **Common-use supplies** - Goods, materials, and equipment that are repetitively used in the day-to-day operations of Procuring Entities and in the performance of their functions, such as office supplies, office equipment and consumables, furniture and fixtures, computer supplies. Common-use supplies shall include those in the Electronic Catalogue of the PhilGEPS and should be procured from the DBMóPS on a quarterly basis.
- e. **Domestic Bidder** - Any person or entity 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.
- f. **Electronic Bid Submission (E-Bid Submission)** ó A facility in PhilGEPS that allows bidders through the internet to download bidding documents and submit proposals or tenders online.
- g. **Electronic Bulletin Board** ó The central repository of government procurement opportunities, notice, and bid results including awards, bidding documents, supplemental bid bulletins, and other related documents in the PhilGEPS
- h. **Equipment**- Devices, machines, tools, vehicles and other similar items which may be needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity. This includes office equipment, computer equipment, laboratory equipment, scientific instruments and apparatus, testing equipment, safety and occupational products, audio visual equipment, security equipment, electrical equipment, firefighting, rescue and safety equipment, construction heavy equipment and maritime equipment, equipment rentals, among others.
- i. **Expendable Supplies** –Articles which are normally consumed in use within one (1) year or converted in the process of manufacture or construction, or those having a life expectancy of more than one (1) year but which shall have decreased substantially in value after being put to use for only one (1) year (e.g., medicines, stationery, fuel, and spare parts).
- h. **Goods** - The generic term that refers to items, supplies, materials and general support services, except consulting services and infrastructure projects, which may be needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity.

In the case of the DPWH, the term refers to, among others, office supplies, office equipment and consumables, furniture and fixtures, computer equipment and supplies,

janitorial supplies, books, flags, maps and other publications, laboratory equipment and apparatus, safety and occupational products, audio visual equipment, equipment rentals, fuel, additives and lubricants, common electrical and communication supplies, appliances, construction materials and supplies, security supplies, agricultural products, firefighting, rescue and safety equipment, ammunition, firearms, vehicle parts and accessories, air conditioning parts, heavy equipment and maritime equipment spare parts, engineering supplies, mailing supplies, meals and snacks for seminars, workshops, trainings and similar types of activities, or personal property of any kind, among others.

- i. Inventory items** - Common-use supplies, goods, materials and equipment that are not in the Electronic Catalogue of the PhilGEPS but are regularly used and kept on stock by the DPWH such as janitorial, security, common electrical and communication supplies, books, flags, maps and other publications, audio visual equipment, appliances, construction materials and supplies. Inventory items that are not common-use supplies may be procured from commercial sources, or suppliers other than the DBM-PS.
- j. Non-common use supplies** - Goods, materials, and equipment that are neither common-use supplies nor inventory items, and may include those goods, materials and equipment that are required by the DPWH for a specific project only such as laboratory equipment and apparatus, safety and occupational products, appliances, fuel, additive and lubricants, agricultural products, firefighting, rescue and safety equipment, ammunition, firearms, vehicle parts and accessories, air conditioning parts, heavy equipment and maritime equipment spare parts, engineering supplies, mailing supplies or similar items.
- k. Services** The generic term that refer to general support services, except consulting services and infrastructure projects, which may be needed in support of the transaction of public businesses or in the pursuit of any government undertaking, project or activity. These include non-personal or contractual services such as the repair and maintenance of equipment and furniture, trucking, hauling, janitorial, security, printing, pest control, telecommunication, document management and archiving, repair and maintenance of service vehicles and elevator services, mail and cargo transport services, air conditioning services, and related or analogous services (e.g. rental of venues and facilities, catering services, attendance to trainings and seminars, short term services not considered as consulting services), as well as procurement of materials and supplies provided by the DPWH for such services. The term related or analogous services shall include, but is not limited to, lease of office space, media advertisements, health maintenance services, and other services essential to the operation of the DPWH.

Volume I Annex A provides an extensive list of procurement related terms commonly used in the DPM.

1.3 How to Use and Maintain this Manual

The four volumes of this Manual, its standard bidding documents and forms shall be used by the Bids and Awards Committees (BACs) of the Central Office, Regional Offices and District Engineering Offices, the Procurement Service at the Central Office, Procurement Units, BAC Secretariats at the Regional and District Engineering Offices, members of the Technical Working Groups (TWGs), implementing offices, project management offices, end user units and all other concerned personnel for all its procurement related activities.

The Main Guidelines, standard bidding documents and forms are all interrelated and complementary and users are advised to refer first to the relevant provisions in the Main

Guidelines, then to the standard bidding documents and forms to ensure clarity and consistency in interpretation.

In case there are changes in the procedures, forms, policies or new circulars, amendments to the implementing rules and regulation of RA 9184, GPPB resolutions, Department Orders issued in the future (after approval and release of this original Manual), the corresponding revision shall be made in the last section of each Main Guidelines entitled: Addenda on New Guidelines and Issuances. The Procurement Service shall be responsible for updating the contents of the Manual, whenever new issuances or resolutions are issued by the relevant government agencies. It shall maintain a data base of these issuances and guidelines in the DPWH website. Users are advised to refer to the last section of the guidelines from time to time and as needed.

SECTION 2

PREPARATIONS FOR THE PROCUREMENT OF GOODS AND SERVICES

2.1 SCOPE OF PREPARATION FOR PROCUREMENT

This Section focuses mainly on preparations for the procurement of goods and services. The user is advised to refer to the pertinent discussions in Volume I on Procurement Planning which contains extensive discussions on the matter.

In line with the DPWH thrust to fast track the procurement of goods and services and to be more transparent in its operations, all procurement related documents shall be registered in the Document Tracking System (DoTS) in accordance with the provisions of DPWH Department Order (DO) No. 8-A dated June 26, 2012, DO 104 dated November 8, 2013. All Services/Bureaus/Project Management Offices shall inform their Supply Officers of these procedures and documents without the DoTS header will be returned to the requesting office without action. The processing of documents shall be undertaken by the concerned offices based on the D.O.

Preparations for the procurement of goods and services in case of competitive bidding involve three (3) activities:

- a. Procurement Planning,
- b. Preparation of the Bidding Documents
- c. Conduct of the Pre-Procurement Conference

2.2. PROCUREMENT PLANNING

2.2.1. Legal Reference

IRR Section 7 provides the legal reference for procurement planning.

2.2.2 Purpose of Procurement Planning

The purpose of procurement planning is for the DPWH to schedule its procurement activities for goods and services in advance, consistent with the approved budget and its target for implementation.

2.2.3. Policies and Guidelines in Procurement Planning

- a. The Procuring Entity shall undertake the procurement for goods and services based on the Final Annual Procurement Plan (APP) approved by the Head of the Procuring Entity.
- b. The goods and services to be procured under the Final APP must fall within the approved DPWH annual budget.
- c. The Final APP of the Procuring Entity must be based on the consolidated Project Final Procurement Management Plans (PPMPs) from the different End User Units proposed for procurement during the year.
- d. The Procuring Entity must package contracts into sizes that are sufficiently attractive and viable to, and within the capability of, relevant suppliers, and that will have a significant impact on the users. Moreover, the sizes and number of such contracts must be within the

capacity of the Procuring Entity, i.e., CO/RO/D EO, to efficiently manage, monitor and supervise.

- e. In preparing the PPMPs and APP, each Procuring Entity shall set its procurement targets in terms of total number and sizes of contracts that it will procure during the year. The Procurement Service shall monitor the performance of the Procuring Entity against these targets.
- f. The following procedure shall be observed in preparing the PPMPs and the APP:
 - (1) Based on the DPWH Budget Proposal for the incoming year submitted to the Department of Budget and Management (DBM), each Project Management Office (PMO), Implementing Unit (IO) or End User Unit (EU) shall prepare by January its Indicative PPMP for the coming year, and submit this to the BAC, through its Secretariat. In doing so, the Procuring Entity must fully consider the policies and guidelines in Section 2.2.3 a to e above.
 - (2) The District BAC shall consolidate the Indicative PPMPs into the Indicative APP for the District, and submit these to the District Engineer for approval. All District Engineers shall then transmit, not later than the first week of April, their approved Indicative APPs to the Regional BAC, through its Secretariat, for consolidation together with the Indicative APP for projects to be procured directly by the Region. This results in an Indicative Regional APP to be approved by the Regional Director. The Regional Directors shall then forward, not later than the first week of July, their approved Indicative Regional APPs, to the Central BAC, through its Secretariat, for consolidation together with the Indicative APP for projects to be procured directly by the Central Office. This will produce an overall Indicative DPWH APP, by last week of July, which is subject to the approval of the DPWH Secretary.
 - (3) In accordance with GPPB Resolution No. 011-2005, before the approval of the GAA, the indicative Approved Budget for the Contract (ABC) is prepared by the PMOs/IUs/End-User Units.
 - (4) Within fifteen (15) days after the incoming General Appropriations Act (GAA) is approved and becomes final, usually around December/January, the PMO/IU/EUs shall revise, update and finalize their Indicative PPMPs, ABCs and APPs to reflect the authorized budget allocations for their respective projects in their respective PAPs. The BAC for the Procuring Entity, through its Secretariat, shall consolidate the Final PPMPs into the Final APP for the Entity.
 - (5) The Final APP shall be submitted to the Head of the Procuring Entity (HOPE) for approval. The Final APP shall be submitted to the GPPB on or before the end of January of the budget year.
 - (6) The individual PPMPs may be updated every six (6) months or as may be necessary by the End-User Units; consolidated by the BAC Secretariat; and approved by the Head of Procuring Entity². Revisions in the APP, if any, for the budget year shall be submitted to the GPPB in July of the current budget year and in January of the following budget year.

² D.O. 64 dated September 17, 2012

2.2.4. Content of Project Procurement Management Plan (PPMP)

The concerned EU shall prepare the PPMP for each of its requirements for goods and services, using Form DPWH-G&S-01 and shall contain the following information:

- a. Name of Office and Office Location
- b. Purchase Request Number
- c. Description of Contract Package
- d. Procurement Method
- e. Estimated Budget/Approved Budget for the Contract (ABC)
- g. Procurement Schedule/Milestone of Activities

2.2.5. Content of Annual Procurement Plan (APP)

The BAC of the Procuring Entity, through the Procurement Service/Unit/BAC Secretariat, shall consolidate all the PPMPs prepared by the PMO/IU/EU into an Indicative/Final Annual Procurement Plan (APP) for goods and services, using Form DPWH-G&S-02, based on the PPMPs submitted by the PMO/IU/EU. It shall extract the common use supplies to be procured through the DBM PS from the APP into an APP for Common Use Supplies and Equipment (APP-CSE) using DPWH-G&S-03-APP-CSE³. Both Indicative and Final APPs shall be submitted to the Head of the Procuring Entity for approval. The APP shall include the list of the goods and services contracts to be procured during the year, with the following information for each contract:

- a. Name of procurement project
- b. PMO/IU/End-User Unit
- c. Mode of Procurement
- d. Schedule of identified procurement activities as reflected in the APP form approved by the GPPB
- e. Source of funds
- f. Indicative/Final Approved Budget for the Contract
- g. Other relevant description of the project, if applicable

In the case of the APP-CSE, the information shall include the item code, description/specifications, unit and unit price for both retail and wholesale purchases. The procedures for the procurement of common use supplies from the DBM-PS are found in Section 3.3. of this Manual. The APP CSE shall be prepared by June of the coming year and submitted to DBM PS by the Third Quarter.

³The format can be downloaded through the DBM PS website at <http://www.procurement-service.org> and the PhilGEPs website at <http://www.philgeps.net>

2.2.6. Factors to Consider in Procurement Planning for Goods and Services

The Procurement Service/ Regional/ District Offices and the End-User Units should consider the following factors which impact contract packaging, the procurement method to be used, and other components of Procurement Planning as discussed in Volume 1 of these Manuals:

a. Nature of the Goods to be Procured. Goods may be classified into different categories, such as:

- (1) Common-Use Supplies;
- (2) Inventory Items;
- (3) Non-Common use supplies (which may include equipment or supplies that are project-specific); or
- (4) Services.

The Procurement Service/Unit should consider the most effective manner for procuring common-use supplies from the DBMóPS perhaps on a quarterly basis.

For inventory items that may be procured from commercial sources or suppliers, the bulk purchase of these goods may be a good strategy to lower costs and achieve administrative efficiency. Likewise, it is a good practice to monitor the consumption of these items and identify when re-orders are necessary to ensure round-the-clock availability and to avoid over-the-counter purchases or purchases using petty cash funds.

For non-common use supplies, since these are not used regularly, and may even be highly specialized, these may be procured individually. There may be cases, however, when the APP will reveal that similar items are required for different projects, and in order to minimize costs, these may be procured under a single contract. For goods that are available off-the-shelf and are of relatively low value, shopping may be resorted to, provided the conditions for the use of this alternative mode of procurement are present.

For services, it may be a good idea to cluster requirements based on the requirements of the PMO/IU/EU as in the case of janitorial, security, pest control, repair and maintenance of office and computer equipment where it is more economical to do so.

b. Availability of the Goods or Services in the Market. The identification of the mode of procurement is sometimes dependent on the supply market. The Procuring Entity or End User Unit should, therefore, study the supply market to determine the availability of the goods. Goods that are universally available should be procured through public bidding. However, there are instances wherein alternative modes of procurement may be applicable.

Goods that are available seasonally, or those that are to be manufactured specially for the DPWH only upon its order, would require more intensive planning in terms of timelines for procurement, taking into consideration manufacturing lead time.

c. Obsolescence, operation, and maintenance of equipment/non-consumable goods. In buying equipment, the DPWH has to consider the operation and maintenance requirements of the goods to be procured. These refer to the availability and cost of spare parts in the local market, the skills required in operating and maintaining the equipment, and similar considerations. For example, if spare parts and maintenance services are not available locally, or, if available, are very expensive, the DPWH may consider buying,

instead, the substitute or equivalent product. It should be noted, however, that spare parts must be available locally. On the other hand, if the items being procured are high-technology items, or are highly specialized) and cannot be satisfactorily substituted by other products, the DPWH may consider including the supply of spare parts, consumables and/or maintenance services for a specified period of time, as part of the contract package. For the maintenance of equipment and motor vehicles, Department Order 123 dated July 29, 2015 shall serve as guidelines, unless otherwise revised.

Obsolescence could also be a factor in deciding whether to lease or to buy equipment. It may be more economical for the DPWH to consider the leases of equipment that are easily rendered obsolete, like IT equipment. Please refer to Department Order No. 10 dated January 26, 2015 on the guidelines for the procurement, turn-over, disposal and inventory of information and communications technology (ICT) resources.

- d. Technical Specifications.** The term "technical specifications" refers to the physical description of the goods or services, as well as the DPWH's requirements in terms of the functional, performance, environmental interface and design standard requirements to be met by the goods to be manufactured or supplied, or the services to be rendered. The technical specifications must include the testing parameters for goods, when such testing is required in the contract.
- e. Types of Contract, Packaging and Evaluation.** In packaging contracts by item or by lot, an item of goods is defined as the individual good being procured while a lot is defined as the quantity and number of items that will be included in a single contract. Lots should be composed of items that are likely to attract maximum competition.

The size and scope of goods contracts will depend on the magnitude, nature, and location of the project, for example:

- (1) For projects requiring a variety of goods and works, separate contracts may be awarded for the supply and/or installation of different items of equipment and plant ("plant" refers to installed equipment, as in a production facility) and for the works.
- (2) For a project requiring similar but separate items of equipment, bids may be invited under alternative contract options that would attract the interest of both small and large firms, which could be allowed, at their option, to Bid for individual contracts (slices/items) or for a group of similar contracts (package). All bids and combinations of bids should be received by the same deadline and opened and evaluated simultaneously so as to determine the Bid or combination of bids offering the lowest calculated cost to the DPWH.

In accordance with DO 32 dated March 6, 2015, the following guidelines shall be followed in the packaging and evaluation of bids for goods by item or by lot:

- (1) Packaging of items into a single lot may be adopted in any of the following cases:
 - (a) The items comprising the lot will not be commercially or functionally attractive to prospective bidders if procured individually, especially small low cost items. These include items that are rarely procured over three or more years, e.g., special laboratory equipment which can be included in a lot of common-use laboratory supplies;

- (b) Award by lot to a single supplier will ensure compatibility of functionally interrelated items comprising the lot.
- (2) The concerned Bids and Awards Committee (BAC) shall, in consultation with the End-User Unit and during the Pre-Procurement Conference, select one of the following options for packaging and award of contracts and prescribe the selected option in the Bidding Documents:
- Option 1 ó Different items can stand alone individually and be awarded as separate contract packages
- Option 2 ó All items to be grouped to form one complete lot that will be awarded to one bidder as one contract package
- Option 3 ó Similar items to be grouped together to form several lots that shall be awarded as separate contract packages
- (3) Bidders may submit bids under the option prescribed by the BAC on any and all contract packages, within the limits of their eligibility, and the BAC shall undertake the evaluation of bids and recommend award on a per package basis. For a particular package for which a bidder is eligible and intends to bid, the bidder must quote bids for the complete package, i.e., all items in that package must be priced. If a bidder offers a particular item for free, it must put "00" in the Bid price column and not leave it blank. Any violation of the rules under this item shall render the Bid as non-complying.
- (4) The Approved Budget for the Contract (ABC) shall be established for each contract package as the ceiling for award. If the procurement is to be done by item as a contract package, the ABC shall be set for that item; if the procurement is to be done for a lot as a contract package, the ABC shall be set for that lot.

2.2.7. Preparation of the Approved Budget for the Contract

The ABC is the budget for the contract duly approved by the Head of the Procuring Entity, as provided for in the General Appropriations Act (GAA), and/or continuing appropriations, and the estimated contract cost in the case of foreign-funded procurement based on the procurement plan consistent with the loan or grant agreement. There are two types of ABC: (a) the Indicative ABC or estimated project cost for inclusion in the PPMP and the APP for budgetary purposes, (b) the Final ABC or the revised and updated budget based on the approved budget under the General Appropriations Act (GAA) and approved by the HOPE.

a. Considerations in the Preparation of the ABC for Goods and Services

In determining the ABC, the Procuring Entity or End-User Unit, with the assistance of the TWG (when necessary), must in general consider the different cost components, namely:

- (1) The cost or market price of the product or service itself;
- (2) Incidental expenses like freight, insurance, taxes, installation costs, training costs, if necessary, and cost of inspection, if applicable;
- (3) The cost of money, to account for government agencies usually buying on credit terms;

- (4) Inflationary factor, since the planning phase is usually done one year ahead of the actual procurement date;
- (5) Quantities, considering that buying in bulk usually means lower unit prices; and
- (6) The supply of spare parts and/or maintenance services, if these are part of the contract package.

b. Procedures for the Preparation of the ABC for Goods and Services

- (1) For items procured for the first time or where there are no previous data, the End-User Units shall conduct a market survey of prevailing prices of the goods/services to be procured from at least three suppliers and the average price submitted by the suppliers shall be computed taking into the consideration the factors discussed above on procurement planning. A \pm ten percent (10%) mark-up shall be added to the average price to cover the cost of contingencies and price fluctuations from the preparation of the ABC to the conduct of actual procurement;
- (2) For previously procured items where there is historical data on prices, the End-User shall utilize the most current prices in the PrS data base, where available. For prices in the data base which have not been updated in the last four months, the procedures discussed in (a) shall be followed.
- (3) If the contract has a foreign component, it is also best to include a currency valuation adjustment factor, in order to address foreign exchange rate fluctuations between the planning phase and the actual procurement date. To determine the factor to be used, the End-User Unit may request for guidance from the BSP, or refer to BSP forecasts, if available.

The ABC may be adjusted only in case of failure of bidding and after the conduct of the mandatory review and evaluation of the terms, conditions, specifications and cost estimates. The BAC shall revise the terms of reference, conditions and agree on the minimum technical specifications, and if necessary, adjust the ABC subject to applicable threshold, if any, and required budget approvals. The adjusted ABC cannot be increased by more than twenty percent (20%) of the ABC for the last failed bidding.

2.3. PREPARATION OF BIDDING DOCUMENTS

2.3.1 Legal Reference

IRR Section 17 provides the rules in relation to the preparation of the Bidding Documents (BDs).

2.3.2 Purpose of Bidding Documents

For each particular goods and services contract to be procured, the BAC Secretariat shall issue the Bidding Documents (BDs) to prospective bidders to provide them the necessary information needed to prepare responsive bids (IRR Section 5 f)). The BDs shall clearly and adequately define the following aspects, among other things (IRR Section 17.1):

- a. The objectives, scope and expected outputs and/or results of the proposed contract;
- b. The technical specifications of goods and services to be procured;
- c. Expected contract duration, the estimated quantity in the case of procurement of goods, delivery schedule and/or time frame;
- d. Minimum legal, technical, and financial requirements that the bidder must meet to be eligible to bid.

- e. Documents and other requirements that the bidder must include in its bid.
- f. Terms and conditions of the contract between the winning bidder and the DPWH, including their prospective obligations.
- g. Process and rules for the submission and receipt of bids, evaluation of bids, post-qualification, and award of contract.

2.3.3. Contents of the Bidding Documents

The BDs for the specific contract for goods and services to be procured shall consist of the following:

ANNEX IVA-1:	Section I. Invitation to Bid (IB)
ANNEX IVA-2:	Section II. Instructions to Bidders (ITB)
ANNEX IVA-3:	Section III. Bid Data Sheet (BDS)
ANNEX IVA-4:	Section IV. General Conditions of Contract (GCC)
ANNEX IVA-5:	Section V. Special Conditions of Contract (SCC)
ANNEX IVA-6:	Section VI. Schedule of Requirements
ANNEX IVA-7:	Section VII. Technical Specifications of Goods and Services to be Procured
ANNEX IVA-8:	Section VIII. Sample Forms (SBFs)
ANNEX IVA-9:	Section IX. Foreign-Assisted Projects (FAPs)

2.3.4 Standard Bidding Documents (SBDs)

For every goods and services contract to be procured, the End User Unit in coordination with the BAC Secretariat shall prepare the BDs by using, as template, the DPWH Standard Bidding Documents (SBDs) shown in ANNEX IVA of this Manual. The SBDs are essentially based on the Philippine Bidding Documents (PBDs) prepared by the Government Procurement Policy Board (GPPB), with appropriate modifications to suit the specific procurement systems and procedures of the DPWH. The DPWH Procurement Service shall post the SBDs in the DPWH website (www.dpwh.gov.ph) for easy reference of the prospective bidders/suppliers.

For each contract to be procured, however, the Procuring Entity shall insert in the SBDs the information specific to the contract to be procured, particularly in the IB, BDS, SCC, Technical Specifications, Schedule of Requirements, in order to produce the complete contract-specific BDs.

The technical specifications and other terms in the Bidding Documents shall reflect minimum requirements or specifications required to meet the needs of the DPWH in clear and unambiguous terms. (IRR Section 17.2). A bidder may, therefore, be allowed to submit a superior offer. However, in the evaluation of the bids, no premium or bonus shall be given as a result of this superior offer.

In case of mixed procurements, the procuring entity shall specify in the bidding documents the requirements, criteria and other conditions of the bidding procedures and the ensuing contract as applicable to each component of the project. In no case shall the procuring entity circumvent any provision of existing laws, rules and regulations especially those concerning licenses and permits required for the project, in accordance with IRR Section 34.2.

2.3.5. Participants in the Preparation of Bidding Documents

The following must participate in the preparation of the Bidding Documents:

- a. The BAC;
- b. The TWG;
- c. The End-User Unit;
- d. Consultants, if any; and
- e. The BAC Secretariat / Procurement Service/Unit.

2.3.6. Schedule for the Preparation of Bidding Documents

The Bidding Documents must be prepared in time for presentation at the Pre-Procurement Conference. After the conference, and before the advertisement and/or posting of the IB, it should be ascertained that these documents will be ready and available for issuance to prospective bidders on the day the IB is first advertised. To provide prospective bidders ample time to examine the Bidding Documents and to prepare their respective bids, the concerned BAC shall make the Bidding Documents available from the time the Invitation To Bid is first advertised/posted until the deadline for the submission and receipt of bids (IRR Section 17.3).

2.4. SPECIFIC CONTENTS OF THE BIDDING DOCUMENTS

2.4.1. Invitation to Bid (IB)

a. Purpose of Invitation to Bid

The Invitation to Bid (IB) serves as the notice to interested suppliers and to the general public and other interested parties of the proposed procurement for a specific contract. It shall also provide basic information that will enable prospective bidders to decide whether or not to participate in the procurement at hand.

b. Format and Content of IB

The standard IB template shown in ANNEX IVA-1 contains the following information (IRR Section 21.1):

- (1) The name of the contract to be bid, and a brief description of the goods/services to be procured;
- (2) The name, identification and number of packages, lots, or items specific to the bidding, as well as the basis of evaluation of the packages, lots, or items.
- (3) A general statement on the criteria to be used for:
 - (a) The eligibility check;
 - (b) The examination and evaluation of bids; and
 - (c) Post-qualification;

- (d) Contract award
- (4) The date, time and place of the deadline for:
 - (a) The submission and receipt of the eligibility requirements;
 - (b) The Pre-Bid Conference if any;
 - (c) The submission and receipt of bids; and
 - (d) The opening of bids;
- (5) The Approved Budget for the Contract (ABC) for the package, lot, or item to be bid;
- (6) The source of funding;
- (7) The place, date, time, and website where the Bidding Documents may be secured or downloaded and where required, the price of the Bidding Documents, ;
- (8) The contract duration or delivery schedule;
- (9) The name, address, telephone number, facsimile number, e-mail and website addresses of the DPWH, and its designated contact person;
- (10)The Reservation Clause, to accept/reject any/all bids or annul the bidding process which is normally located at the bottom of the notice; and
- (11)A statement that electronic bidding is available for the procurement opportunity, if applicable
- (12) Such other necessary information deemed relevant by the DPWH.

Apart from the above items, the IB should also indicate any important Bid Evaluation criteria (for example, the application of a margin of preference in Bid Evaluation) or qualification requirement (for example, a requirement for a minimum level of experience in manufacturing a similar type of product for which the invitation is issued).

The deadline for the submission of bids indicated in the IB should be no later than thirty (30) calendar days from the date of advertisement and/or first day of posting.

c. Reservation Clause

The Reservation Clause declares that the DPWH reserves the right to reject any and all bids, to declare a failure of bidding, or not to award the contract in any of the following situations (IRR Section 41 [a], [b] and [c]):

- (1) If there is prima facie evidence of collusion between appropriate public officers or employees of the DPWH, or between the BAC and any of the bidders, or 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;
- (2) If the BAC is found to have failed in following the prescribed bidding procedures, for which the applicable sanctions shall be applied to the erring officers, as provided in IRR Section 65; or

- (3) For any justifiable and reasonable ground where the contract will not redound to the benefit of the government as follows:
- (a) 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 DPWH Head of Procuring Entity;
 - (b) If the project is no longer necessary as determined by the DPWH Head of Procuring Entity; and
 - (c) If the source of funds for the project has been withheld or reduced through no fault of the DPWH.

The following are some instances where the BAC is deemed to have failed to follow prescribed procedures:

- (a) Prescribing an insufficient number of days in the advertisement and/or posting of the IB;
- (b) Exceeding the required periods for eligibility screening, bid evaluation, post-qualification for each lowest calculated bidder or for awarding the contract without justifiable cause;
- (c) Conducting the Pre-Bid Conference or issuing the Bidding Documents in less than the required number of days before deadline for the submission and opening of bids;
- (d) Requiring the bidder to submit additional documents which is tantamount to improving his Bidding Documents; and
- (e) Allowing a bidder to become eligible or pass the post-qualification with incomplete documents.

The DPWH should be prudent in the use of the reservation clause, because if the DPWH Head of Procuring Entity abuses his power to reject any and all bids, as provided, with manifest preference to any bidder who is closely related to him in accordance with IRR Section 47, or if it is proven that he exerted undue influence or undue pressure on any member of the BAC or any officer or employee of the DPWH to take such action, and the same favors or tends to favor a particular bidder, he shall be meted with the penalties provided in IRR Section 65.

2.4.2. Instructions to Bidders (ITB)

a. Purpose of ITB

The **ITB** aims to provide the information necessary for bidders to prepare responsive bids for the contract to be procured, in accordance with the requirements of the Procuring Entity. It must also provide information on Bid submission, opening, and evaluation, post-qualification, and award of contract.

b. Format and Content of ITB

The Procuring Entity shall use the standard **ITB** template shown in **ANNEX IVA-2**. The provisions of the standard **ITB** for goods and services should be used unchanged. The **Bid Data Sheet (BDS)** contains the provisions that supplement, amend, or specify in detail the information or requirements included in the standard **ITB**, and that are specific to the particular contract to be procured.

The **ITB** shall include the following main elements:

- (1) General Considerations (Scope of Bid, Source of Funds, Bidder's Responsibilities, Subcontracts);
- (2) Contents of BDs;
- (3) Preparation of Bids (Documents Comprising the Bid, Bid Prices, Bid Validity, Bid Security, Technical specifications, Format and Signing of Bids);
- (4) Submission and Opening of Bids;
- (5) Evaluation and Comparison of Bids;
- (6) Award of Contract

2.4.3. **Bid Security**

a. **Purpose of Bid Security**

A Bid Security is a guarantee that the successful bidder will not default on its offer, and enter into contract with the DPWH within ten (10) calendar days, or less as indicated in the ITB, from receipt of the Notice of Award, and furnish the performance security provided for in IRR Section 39 except when IRR Section 37.1 allows a longer period.

b. **Forms of Bid Security and the Corresponding Amounts Required**

All bids shall be accompanied by a Bid Security. It must be operative on the date of Bid opening, and payable to the DPWH. Failure to enclose the required Bid Security in the form and amount prescribed shall automatically disqualify the Bid concerned.

The bidder shall submit a Bid Securing Declaration or any form of bid security in an amount equal to a percentage of the ABC, in accordance with the following schedule:

Table 1. Forms and Amounts of Bid Security

Form	Minimum Amount
a. Cash or cashier's/manager's check issued by a Universal or Commercial Bank; or	2% of ABC
b. Bank draft/guarantee ⁴ or irrevocable letter of credit ⁵ 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; or	2% of ABC
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; or	5% of ABC
d. In the case of bids by foreign suppliers, foreign government guarantee as provided in an executive, bilateral or multilateral agreement, as may be required by	100% of ABC

⁴ Use DPWH Form G&S-06-Bank Guarantee

⁵ Use DPWH Form G&S-05-Irrevocable LC

the DPWH Head of Procuring Entity.	
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For purposes of determining the amount of the Bid Security in biddings with lots or items, whereby a bidder submits a Bid for more than one lot or item, the Bid Security shall be based upon the sum of the ABC for each of the lots or items for which bids are submitted.

The DPWH must specify in the Bidding Documents the preferred forms of Bid Security and the respective amounts thereof. The bidder must choose which among the preferred forms it shall submit.

The DPWH is encouraged to give preference to those forms of Bid Securities that are both easier to call and more accessible to suppliers, such as managers' checks, cashiers' checks, irrevocable letters of credit or bank guarantees.

c. Period of Validity of Bids and the Corresponding Bid Security

Bids, Bid Securities, Bid Securing Declarations must be valid for a reasonable period of time as determined by the DPWH Head of Procuring Entity. This time period must be indicated in the Bidding Documents, but in no case should it exceed one hundred twenty (120) calendar days from the date of the opening of bids. (IRR Section 28) The recommended norm for Bid validity is ninety (90) calendar days with the corresponding Bid Security valid for one hundred twenty (120) calendar days to provide reasonable time (thirty (30) calendar days) for the DPWH to act if the security is to be called.

Should it become necessary to extend the validity of the bids and the Bid Securities, the DPWH should request in writing all those who submitted bids for such extension before the expiry date thereof. Bidders shall have the right to refuse to grant such extension without forfeiting their Bid Securities. The Bid Security of these bidders will be returned to them. (IRR Section 28.2) However, they are deemed to have waived their right to further participate in the bidding.

No Bid Securities shall be returned to bidders after the opening of bids and before contract signing, except those that failed to comply with any of the requirements submitted in the technical envelope of the bids. Without prejudice to the provisions of RA 9184 and its IRR on the forfeiture of Bid Securities, Bid Securities shall be returned only after the bidder with the Lowest Calculated Responsive Bid has signed the contract and furnished the Performance Security, except those declared by the BAC as failed or post-disqualified in accordance with the IRR, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. (IRR Section 27.4)

In no case shall a Bid Security or Bid Securing Declaration be returned later than the expiration of the Bid validity period indicated in the BDS. If a bidder does not submit a Bid Security, its Bid shall be rejected.

d. Denomination of the Bid Security

The Bid Security must be denominated in Philippine currency (IRR Section 27.3), except that foreign bidders who are allowed to submit foreign currency denominated bids may also submit Bid Securities that are denominated in a freely convertible currency allowed or specified in the Bidding Documents.

e. Bid Securing Declaration

A Bid Securing Declaration (BSD) 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, or less, as indicated in the BDs, 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. BSD must be notarized, dry-sealed with documentary stamps. The Bid Securing Declaration shall comply with the standard format attached hereto as DPWH-G&S-04-BSD and shall be submitted to the DPWH in the manner prescribed under IRR Sections 25 and 27.

The Bid Securing Declaration shall be enforced when the bidder commits *any act resulting to the forfeiture of Bid Security under IRR Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f)*⁶.

The following sanctions shall be applied in case of commission of the abovementioned acts:

(1) Penalty of automatic blacklisting for two (2) years in all government procurement activities; and

(2) Payment of fine equivalent to the amount subject to the following rules:

(a) In case of multiple bidders:

Two Percent (2%) of the Approved Budget for the Contract (ABC) or the Difference between the evaluated Bid prices of the bidder with the Lowest Calculated Bid and the bidder with the next Lowest Calculated Bid, and so on, whichever is HIGHER;

As regards the bidder with the Highest Calculated Bid, the amount shall be Two Percent (2%) of the ABC or the Difference between the evaluated Bid price and the ABC, whichever is HIGHER;

(b) In case of a single bidder:

Two Percent (2%) of the ABC or the Difference between the evaluated Bid price and the Approved Budget for the Contract, whichever is HIGHER.

(3) Violations committed prior to opening of financial envelope:

A fixed amount equivalent to two percent (2%) of the ABC.

(4) The bidder shall pay the above-mentioned fine within fifteen (15) days from receipt of the written demand by the procuring entity as a result of the violation of the conditions in the Bid Securing Declaration.

(5) The imposition of the foregoing fine is without prejudice to other legal action the government may undertake against the erring bidder.

⁶GPPB Resolution 15-2014 dated June 20, 2014

f. On-Line Bid Security

When electronic bidding is available, on-line bidders may submit the bid security in cash through the PhilGEPS electronic payment facility. In case of other forms of bid security, the on-line bidder shall prepare and submit a scanned copy of the bid security together with the electronic bid. However, the original bid security must be submitted to the BAC concerned before the end of business hours on the day of bid submission, a failure of which shall automatically render the bid submission as non-compliant. If the on-line bidder sends the original bid security through registered mail or private courier, the indicated date of receipt by the postal service or private courier shall be considered as the date of submission to the BAC concerned, without prejudice to any verifications during post-qualification.

2.4.4. Bid Data Sheet (BDS)

a. Purpose of Bid Data Sheet

The Bid Data Sheet (BDS) supplements the ITB as it provides specific information on the procurement at hand in relation to corresponding clauses in the ITB. Each contract needs a BDS to provide specific information on the contract to be procured.

b. Format and Content of BDS

The Procuring Entity shall use the standard BDS template shown in ANNEX IVA-3. The Procuring Entity should specify in the BDS information and requirements specific to the circumstances of the Procuring Entity, the processing of the procurement, the applicable rules regarding Bid price, and the Bid evaluation criteria that will apply to the bids. In preparing the BDS, the following aspects should be checked:

- (1) Information that specifies and complements provisions of the ITB must be incorporated.
- (2) Amendments and/or supplements, if any, to provisions of the ITB as required by the circumstances of the specific procurement, must also be incorporated.

The BDS shall provide the following information specific to the contract to be procured:

- (1) Name of Procuring Entity
- (2) Contract ID and Name (Lot and Reference no.)
- (3) ABC and funding source
- (4) Date, time, and venue of Pre-Bid Conference
- (5) Procuring Entity's address
- (6) Validity period of bids
- (7) Validity period of Bid security

(8) Address and deadline for receipt of bids

(9) Place, date, and time for opening of bids

2.4.5. General Conditions of Contract(GCC)

a. Purpose of General Conditions of Contract (GCC)

The General Conditions of Contract (GCC) aims to provide the standard terms and provisions of the Contract applicable to all contracts in general, without detailed information and data specific to the contract at hand. The GCC defines the contractual requirements and obligations of both the Procuring Entity and the Contactor for the contract at hand ó e.g., such as the responsibility of the Supplier to deliver and complete the contract for goods and services according to the specifications, drawings, and timetable, and the responsibility of the Procuring Entity to pay the Supplier for goods and services certified as completely delivered. The General Conditions of Contract shall remain unchanged.

b. Format and Content of GCC

The Procuring Entity shall use the standard GCC template shown in ANNEX IVA-6. This GCC shall not be altered. Any changes and complementary information, which may be needed, shall be introduced only through the Special Conditions of Contract (SCC).

The GCC contains the following important provisions, among others:

- (1) Procuring Entity's Obligations
- (2) Supplier's Obligations
- (3) Performance Security
- (4) Subcontracting
- (5) Payment Terms and Conditions
- (6) Warranty Security
- (7) Inspections and Tests
- (8) Delays in Supplier's Performance
- (9) Liquidated Damages
- (10) Termination
- (11) Settlement of disputes
- (12) Liability of Supplier
- (13) Assignment of rights

(14) Contract amendment

2.4.6. Special Conditions of Contract(SCC)

a. Purpose of SCC

The purpose of the Special Conditions of Contract (SCC) is to provide contract-specific information in relation to corresponding clauses in the GCC. The SCC shall specify contractual requirements linked to the special circumstances of the Procuring Entity and of works procured.

b. Format and Content of SCC

The Procuring Entity shall use the standard SCC template given in ANNEX IVA-5.

In preparing the SCC, the following aspects should be checked:

- (1) Information that complements provisions of the GCC must be incorporated.
- (2) Amendments and/or supplements to provisions of the GCC, as necessitated by the circumstances of the specific contract, must also be incorporated.

No special condition which defeats or negates the general intent of the GCC, however, should be incorporated in the SCC.

The SCC should contain the following important contract-specific provisions:

- (1) Intended completion date
- (2) Start date
- (3) Terms and conditions of delivery
- (4) Inspection and Tests

2.4.7. Preparation of Technical Specifications

a. Purpose of Technical Specifications

The technical specifications refer to the detailed description of the requirements for the goods and services to be procured such as the required characteristics to be provided. The technical specifications may be a statement of operational or service requirement or an output based specification. The purpose of a technical specification is to provide prospective bidders with a clear, accurate and full description of the DPWH needs and to enable them to propose a solution to meet these needs. It includes the standards that need to be met by the supplier of the goods to be manufactured and services to be rendered as set by the End User Unit in terms of the physical, functional, performance, environmental interface and design requirements, among others. It should also include the testing parameters for goods, when such testing is required in the contract.

“Functional description” is the detailed description of what the goods and services are expected to do, including its intended capabilities and appearance. It details what the

finished product will do, how the user will interact with it and what it looks like. For example, a ballpen is expected to write 1.5 km of straight, continuous lines.

“Performance description” refers to the manner that the goods are required to perform the functions expected of them and state how well the goods is to do what it is to do. It also describes the performance criteria required for a particular equipment, material or product including the standard testing methods to be done to meet the criteria. For example, a ballpen that writes at 1.5km should do so continuously and smoothly, without skipping, and with the color of the ink being consistent.

“Environmental interface” refers to the environment in which the required functions are performed at the desired level. For example, a ballpen should write continuously for 1.5km on pad paper or bond paper, but not necessarily on wood or on a white board.

“Design” refers to the technical design or drawing of the goods being procured. A design standard is particularly useful in cases where the goods procured are specially manufactured for the DPWH.

b. Considerations in Setting the Technical Specifications of the Goods to be Procured

In determining the technical specifications of the goods it will procure, the End-User Unit must consider the objectives of the project or the procurement at hand, and identify the standards that should be met by the goods in terms of function, performance, environmental interface and/or design. It must also conduct a market survey that will include a study of the available products or services, industry developments or standards, product or service standards specified by the authorized government entity like the Bureau of Product Standards, ISO 9000 or similar local or international bodies. It should also undergo the appropriate review process as provided for under Department Order No. 30 series of 2015 dated March 6, 2015.

As a rule, Philippine standards, as specified by the Bureau of Product Standards, must be followed. For products where there are no specified Philippine standards, the standards of the country of origin or other international body may be considered. Product brochures, technical publications, industry newsletters, the industry itself, as well as the Internet, are good sources of product information. The conduct of a comparative study of the options available in the market and their relevance to the requirements of the Project is highly recommended.

In-house experts who are part of the TWG or the Procuring Entity or End User Units must likewise be tapped to provide technical advice. If there are no in-house experts available to provide advice on highly technical goods, the DPWH may hire consultants to assist in developing the technical specifications for the procurement at hand.

It is important to note that the use of brand names is prohibited by the IRR except for consumable items that are compatible to the existing equipment of the same brand. Specifications for the procurement of goods shall be based on relevant characteristics and/or performance requirements. Hence, a generic description of the product or service must be used.⁷

⁷FAPs guidelines generally require the DPWH to specify internationally accepted standards such as those issued by the International Standards Organization with which the equipment or materials or workmanship should comply, except that where such international standards are unavailable or are inappropriate, national standards may be specified. For this reason, the DPWH should refer to the pertinent provisions of the applicable standard bidding documents for the project. For example, although specifications should be based on relevant characteristics and/or

c. Content of Specifications

The Procuring Entity shall prepare the Specifications for the contract to be procured and include it as ANNEX IVA-7 of the BDS. In crafting the Specifications, the following factors should be considered:

- (1) The Specifications shall reflect minimum requirements. A bidder may submit a superior offer, but, in the evaluation of bids, no premium or bonus points shall be given as a result of the superior offer.
- (2) The Specifications should promote the broadest possible competition in procurement, while assuring the quality, integrity and performance of the goods and services to be provided.
- (3) As far as possible, the End User Unit/TWG should specify standards that are internationally or nationally acceptable.
- (4) The Specifications should require that all goods and materials to be incorporated in the Works be new, unused, and of the most recent or current applicable models, and incorporate all recent improvements in design and materials unless provided otherwise in the Contract.
- (5) The Specifications should ensure that they are not restrictive or tailored to specific brands.

2.5. CONDUCT OF THE PRE-PROCUREMENT CONFERENCE

2.5.1. Purpose of a Pre-Procurement Conference

The Pre-Procurement Conference is the forum where all officials involved in the procurement meet and discuss all aspects of a specific procurement activity, which includes the technical specifications, the ABC, the applicability and appropriateness of the recommended method of procurement and the related milestones, the Bidding Documents, and availability of the pertinent budget release for the project.

For projects involving an ABC amounting to more than Two Million Pesos (P 2 Million), a Pre-Procurement Conference is conducted to determine the readiness of the DPWH to procure goods and services in terms of the legal, technical and financial requirements of the project. Even when the ABC is less than P 2 Million and below, the BAC is encouraged to conduct a Pre-Procurement Conference if the circumstances, like the complexity of the technical specifications, warrant the holding of such conference before the DPWH proceeds with the procurement.

The purposes of a Pre-Procurement Conference are: (IRR Section 20.1)

- a. Confirm the description and scope of the contract, the ABC, and contract duration;
- b. Ensure that the procurement is in accordance with the PPMP and APP;

- c. Determine the readiness of the procurement at hand, including, among other aspects, the following:
- (1) availability of appropriations and programmed budget for the contract;

Pending the approval or enactment of the GAA, the Certification of Availability of Funds refers to the amount in the Indicative APP consistent with the NEP, or MYOA or its equivalent document for procurement short of award.
 - (2) completeness of the Bidding Documents and their adherence to relevant general procurement guidelines;
- d. Review, modify and agree on the criteria for eligibility screening, evaluation and post-qualification;
- e. Review and adopt the procurement schedule, including deadlines and timeframes, for the different activities; and
- f. Reiterate and emphasize the importance of confidentiality, in accordance with IRR Section 19, and the applicable sanctions and penalties, as well as agree on measures to ensure compliance with the foregoing; and
- g. Ensure that the requirements of the goods and services to be procured are in accordance with the ABC.

2.5.2. Schedule for the Conduct of a Pre- Procurement Conference

The Pre-Procurement Conference must be conducted prior to the advertisement or issuance of the IB. (IRR Section 20.1) The BAC shall call for this Pre-Procurement Conference using a pro-forma notice template (DPWH-G&S-7). At least seven (7) calendar days prior to publication or issuance of the IB would be an advisable timeframe for the Pre-Procurement Conference, to give the technical staff sufficient time to incorporate the necessary changes, amendments or revisions.

2.5.3. Participants in a Pre-Procurement Conference

The participants of the Pre-Procurement Conference are:

- a. The BAC;
- b. The BAC Secretariat/ Procuring Unit;
- c. Representatives of the End-User Unit/s;
- d. The members of the TWG/s and consultants hired by the DPWH who prepared the technical specifications, TORs, Bidding Documents and the draft advertisement, as the case may be, for the procurement at hand;
- e. Officials who reviewed the above-enumerated documents prior to final approval, if any; and
- f. Other officials concerned, as may be required.

Minutes of the Pre-Procurement Conference shall be prepared by the BAC Secretariat (DPWH-G&S-8).

SECTION 3

THE PROCUREMENT SERVICE OF THE DBM AND THE PHILGEPS

3.1. MANDATE OF THE DBM PS

The Department of Budget and Management Procurement Service (DBM PS) was created under LOI No. 755 (Relative to the Establishment of an Integrated Procurement System for the National Government and its Instrumentalities) and shall undertake the following activities on a regular basis⁸, among others:

- a. Review of Product Standards and Specifications ó periodically review product standards and specifications of common-use supplies in coordination with the Bureau of Product Standards of the Department of Trade and Industry (DTI) for purposes of improving product quality;
- b. Expansion of Product List ó regularly conduct a survey to determine other products commonly purchased by procuring entities for addition to the list of common use supplies;
- c. Price Monitoring ó regularly conduct price monitoring of common use supplies for the purpose of benchmarking prices against the market;
- d. Expansion of Distribution System ó encourage local government units to establish depots in their locality, as part of their economic enterprise activity; and
- e. Improvement of Inventory Management ó develop a computerized system to manage inventories, with the primary objective of determining and controlling stock levels within the physical distribution function to balance the need for product availability against the need for minimizing stock holding and handling costs. This system shall be connected to the Virtual Store for common use goods to enable client agencies to know the stock availability of items that they are ordering.

IRR Section 53.5 and Section 4 of Administrative Order 17 mandate the procurement of common use supplies directly from the DBM-PS without need of public bidding. The DBM-PS is authorized to issue a Certificate of Non-Availability of Stocks (CNAS), for both local and foreign based procuring entities, on the ground of efficiency, practicality, and/or economic viability, as may be reasonably determined by the DBM-PS, apart from actual non-availability of stocks.

3.2. GOVERNMENT POLICY ON THE USE OF THE PHILGEPS FOR THE PROCUREMENT OF GOODS AND SERVICES

All procuring entities are required to use the PhilGEPS in the procurement of all its common-use supplies to promote transparency and efficiency and the use of information and communications technology. The DBM PS is mandated to administer the Government Electronic Procurement System under the Government Procurement Reform Act (GPRA). Procuring entities are directed to purchase common-use supplies from the DBM PS. The DBM PS website (www.procurement-service.gov.ph) contains an electronic catalogue of common-use supplies that can be bought from the DBM PS. This catalogue includes the descriptions of the items, current prices, stock positions, and other relevant information. For the procurement of non-common use items, procuring entities may hire service providers through competitive bidding to undertake their electronic procurement. (GPPB Circular 01-2005)

All Procuring Entities are mandated to fully use the PhilGEPS in accordance with the policies, rules, regulations, and procedures adopted by the GPPB. In this connection, all Procuring

⁸Administrative Order No. 17 dated July 28, 2012

Entities shall register with the PhilGEPS and shall undertake measures to ensure their access to an on-line network to facilitate the open, speedy and efficient on-line transmission, conveyance and use of electronic data messages or electronic documents. The PS-DBM shall assist Procuring Entities to ensure their on-line connectivity and help in training their personnel responsible for the operation of the PhilGEPS from their terminals.ö

To fully comply with the requirement under IRR Section 8.2.1 (a), and to promote transparency and efficiency in government procurement, all notices of awards of contract, and other related information must be posted in the bulletin board of the PhilGEPS website, in addition to the posting in the website of the DPWH.

Procuring entities with no internet connection or have difficulty accessing internet connection are not exempted from using the PhilGEPS. They shall use available internet facilities in their respective areas such as internet cafes or internet facilities of other government agencies.

3.3. METHODOLOGY: PROCUREMENT THROUGH DBM -PS

3.3.1. Procurement of Common Use Supplies and Equipment

The following steps are undertaken in the procurement of goods through the DBM PS:

- a. The Agency Procurement Officer shall submit the Agency Procurement Request (APR) to PS Sales Division. The PS Sales Officer will verify the correctness and completeness of the document.

The Agency Procurement Request MACROS that automatically segregates RETAIL and BIG BOX quantities is downloadable in the PS and the PhilGEPS websites.

- b. If the submitted APR is not yet in MACROS form, the Agency Procurement Officer shall encode the APR in the kiosk provided.
- c. For Retail Purchases, the Agency Procurement Officer shall proceed to the PS Retail Store with two (2) copies of the APR.
- d. The APR for the big box purchased is processed directly by the PS Sales Officer and a routing slip is attached for payment to the cashier.
- e. The Agency Procurement Officer shall proceed to the Cashier Division for the payment.

If the Agency has an existing advance payment facility, the request will be forwarded to the PS Accounting Division for Certification of Cash Availability (CCA). The PS Sales Officer shall proceed with the encoding of the requested goods once the document has been certified.

- f. For procurement through Fast óup, a copy of the APR is given to WALD for Delivery Receipt (DR) printing. The DR is returned to Sales Division for review and release of the goods to the Agency. The Agency Procurement Officer shall proceed to the WALD to pick up the goods.

If the goods are for delivery, the PS Sales Officer shall forward the copy of the APR to WALD for delivery.

3.3.2. Procurement of Non-Common Use Supplies and Equipment

- a. The Agency submits the APR with the Sales Division and the documents submitted are verified as correctness and completeness. This is subjected to the P 5M threshold.
- b. After verification of the PS Sales Officer, all the documents shall be forwarded to the Planning Divisions. Incomplete documents will be returned to the Agency Procurement Officer.
- c. The PS Planning Division shall set a meeting with the Agency Representative to discuss the Technical Specifications, procurement timelines, documentary requirements, etc.

Note: If the submitted documents are not complete and only the MOA is not submitted, the request for procurement shall be accepted. However, the project will be endorsed to the PS CAB Secretariat for advertisement once the signed MOA is submitted by the Agency.

- d. If the bidding was successfully awarded, the PS Accounting Division shall process the return of savings to the Agency Representative.

SECTION 4

**PROCEDURES FOR THE PROCUREMENT OF GOODS AND
SERVICES THROUGH COMPETITIVE BIDDING**

COMPETITIVE BIDDING

Competitive or Public Bidding is a method of procurement that is open to participation by any interested and qualified party. It consists of the following processes: advertisement, Pre-Bid Conference, receipt of eligibility documents and bids, eligibility check, opening and examination of bids, evaluation of bids, post-qualification, and award of contract. (IRR Section 5 [h]) All procurement should be done through Public Bidding except as provided in Rule XV. (IRR Section 10)

For goods and services, there are two (2) types of Competitive Bidding procedures: the Single-Stage and Two-Stage. The Single-Stage bidding is the regular procedure used for competitive or public bidding while the two stage bidding is employed when the required technical specifications/ requirements of the contract cannot be precisely defined in advance of bidding, or where the problem of technically unequal bids is likely to occur.

The steps of the Single-Stage Bidding procedure will first be discussed in this section, to be followed by those of the Two-Stage Bidding procedure and special types of procurement.

A. SINGLE-STAGE COMPETITIVE BIDDING

4.1. ADVERTISEMENT AND POSTING OF INVITATION TO BID (IB)

4.1.1. Legal Reference

Section 21 specifies the rules in relation to the advertising and posting of the Invitation to Bid (IB).

4.1.2. Purpose of Advertisement and Posting of Invitation to Bid

The Invitation to Bid (IB) serves as the notice to the public and all interested parties of the procurement and bidding opportunities for goods and services of the DPWH. It ensures transparency of the procurement process, widest possible dissemination to increase the number of prospective bidders, and intensify competition for the procurement activity or project. Intensified competition, in turn, will ensure that the DPWH will get the best possible quality and cost for the goods and services sought to be procured.

4.1.3. Document to be Advertised and Posted

The IB should include the information discussed in Section 2.4.1.2. using the format specified in Annex IVA-1 and shall be finalized and signed by the BAC Chairman for advertisement and posting.

4.1.4. Posting of Invitation to Bid

The IB for procurements of goods and services with ABCs of more than Ten Million Pesos (P 10Million) must be advertised and posted as follows: (IRR Section 21.2.2)

- a. Advertised at least once in one (1) newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of issue of the advertisement;

Advertisement in a newspaper of general nationwide circulation shall no longer be required two (2) Years after the effectivity of the revised IRR of RA9184, as of 2016.

However, a Procuring Entity that cannot post its opportunities in the PhilGEPS for justifiable reasons shall continue to publish its advertisements in a newspaper of general nationwide circulation.

- b. Continuously on the websites of the DPWH and the PhilGEPS for seven (7) calendar days starting on date of advertisement, if applicable; and
- c. At any conspicuous place reserved for this purpose in the premises of the DPWH Procuring Entity for seven (7) calendar days, if applicable.

For projects with ABCs of P 10 Million and below, advertisement shall not be required, but the IB should be posted: (IRR Section 21.2.2)

- a. Continuously on the DPWH website as provided in IRR Section 8, and the PhilGEPS for seven (7) calendar days starting on date of advertisement, if applicable; and
- b. At any conspicuous place reserved for this purpose in the premises of the DPWH for seven (7) calendar days, if applicable.

The BAC is responsible for ensuring that the IB is advertised and posted in accordance with law.

4.1.5. Methodology: Advertisement and Posting of IB

The following steps are followed in the advertising and posting of IB:

- a. For public bidding of contracts with an ABC costing more than Ten Million Pesos (P 10Million)
 - (1) The BAC Secretariat prepares the draft IB for review/approval of the BAC.
 - (2) The BAC approves the contents of the IB during the Pre-Procurement Conference.
 - (3) The BAC Secretariat posts the IB in any conspicuous place reserved for this purpose in the premises of the DPWH Procuring Entity for the duration required as certified by the head of the Secretariat.
 - (4) The BAC Secretariat advertises the IB in a newspaper for the duration required, as prescribed above.
 - (5) The BAC Secretariat posts the IB in the PhilGEPS and DPWH websites for the duration required.
- b. For public bidding of contracts with an ABC costing Ten Million Pesos (P10Million) and below:
 - (1) The BAC Secretariat prepares the draft IB for review/approval of the BAC.
 - (2) The BAC approves the contents of the IB.
 - (3) The BAC Secretariat performs steps (3) and (5) in item no. (a) above.

Where electronic bidding is available for the procurement opportunity, the following procedures shall apply in accordance with GPPB Resolution No. 23-2013:

- a. Procuring entities, through their respective Bid Notice Creators, shall create an electronic Invitation to Bid in accordance with the contents provided under IRR Section 21.1. to provide bidders sufficient information on the contract to be bid (õBid Noticesö using the electronic bid facility under PhilGEPS. Only Bid Notices that have been verified and

approved by the Bid Notice Approver shall be posted in the PhilGEPs Electronic Bulletin Board.

4.2. ISSUANCE OF BIDDING DOCUMENTS

4.2.1. Legal Reference

IRR Sections 17 and 21 provide the rules in relation to the issuance of the Bidding Documents (BDs).

4.2.2. Schedule for the Availability of Bidding Documents

The Bidding Documents must be made available to the prospective bidders from the time the IB is first advertised or posted until the deadline for submission and receipt of bids. The DPWH Procuring Entity shall issue hard copies of the BDs to prospective bidders, upon payment of the fee⁹. Where electronic bidding is available for the procurement opportunity, procuring entities shall upload a complete set of bidding documents in the DPWH and PhilGEPs websites which will be available from the time the Bid Notice is posted, and which PDF version can be downloaded free of charge by Registered Merchants until the deadline for the submission and receipt of bids. Prospective bidders, as well as other interested parties, may download the BDs from the DPWH and PhilGEPs websites starting on the first day of advertisement of the IB. They shall pay the fee for the BDs when they submit their bids to the BAC. For electronic bidding, only Registered Merchants who pay the Bid Document Fee through the Bid Payment Modality shall be allowed to download complete bidding documents and bid response forms.

The DPWH must ensure that prospective bidders are given ample time to examine the Bidding Documents and to prepare their respective bids. A maximum period of thirty (30) calendar days from the date of advertisement and/or first day of posting of the IB up to opening of bids is provided by IRR Section 21.2.2, for which the Bidding Documents are available for purchase.

The Bidding Documents are strictly confidential and shall not be divulged or released to any person prior to its official release.

4.2.3. Cost of Bidding Documents

The BAC may recover the cost for the preparation and development of Bidding Documents by asking bidders to pay for such documents pursuant to the guidelines issued by the GPPB.

The cost recovery component may include the following:

a. Direct costs, which include:

- (1) Development costs, which are incurred in developing the original content of the documents, designs, plans and specifications. However, the design cost may be excluded if it is to be included in the capitalized cost of the project, or the project cost, which is to be recovered from the use of the completed project facility;
- (2) Reproduction costs, which are labor, supplies and equipment rental costs incurred in the reproduction of the documents; and
- (3) Communication costs, which include mail and fax costs, plus costs of advertising, meetings, internet/web posting, and other costs incurred for the dissemination of information about the bidding.

⁹Appendix 25 Guidelines on the Sale of Bidding Documents

- b. Indirect costs, such as overhead, supervision, and administrative costs, allocated to the bidding activity. This may include the costs of paying honoraria to the officers and personnel of the DPWH who are entitled thereto under the law.

The bidding documents fee may be refunded in case the Head of Procuring Entity exercises his right to reject any and all bids, declare a failure of bidding or not award the contract based on the grounds provided for under IRR Section 41.

In accordance with GPPB Resolution No. 04-2012, the cost of Bidding Documents shall correspond to the ABC range as indicated in the table below. This shall be the maximum amount that procuring entities can set for the acquisition of Bidding Documents.

Table 2. Cost of Bidding Documents

Approved Budget for the Contract	Maximum Cost of Bidding Documents (in Philippine Peso)
P 500,000 and below	500.00
More than P 500,000 up to P1 Million	1,000.00
More than P 1 Million up to P 5 Million	5,000.00
More than P 5 Million up to P 10 Million	10,000.00
More than P 10 Million up to P 50 Million	25,000.00
More than P 50 Million up to P 500 Million	50,000.00
More than P 500 Million	75,000.00

4.2.4. Methodology: Issuance of Bidding Documents

The BAC Secretariat issues the Bidding Documents to the prospective bidders who may wish to secure the said documents, or, if it is for sale, to those who may wish to purchase the same. If the Bidding Documents are sold, only those prospective bidders that have paid the amount required shall be issued Bidding Documents, and bidders should be informed that the DPWH will only accept bids from bidders that have purchased the Bidding Documents from the office indicated in the IB. Prior to the issuance of the Bidding Documents, prospective bidders may be required to show the official receipt as proof of payment.

The BAC must issue copies of the Bidding Documents to the Observers free of charge.

4.2.5. Responsibilities of a Prospective Bidder with Regard to the Bidding Documents

A prospective bidder must be responsible for having: (IRR Section 25.1)

- a. Taken steps to carefully examine all of the Bidding Documents;
- b. Acknowledged 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. Complied with his responsibility as provided for under Section 22.5.1, which provides that it shall be the responsibility of all those who have properly secured the Bidding

Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC.

Failure to observe any of the above responsibilities shall be at the risk of the prospective or eligible bidder concerned. The DPWH shall not be responsible for any erroneous interpretation or conclusions by the prospective or eligible bidders of the data it furnished. The bidders are deemed to have become familiar with all existing Philippine laws, decrees, ordinances, acts and regulations that may affect the contract in any way.

4.3. PRE-BID CONFERENCE(PBC) AND ISSUANCE OF SUPPLEMENTAL/BID BULLETINS

4.3.1. Legal Reference

IRR Section 22 provides the procedures for the conduct of Pre-Bid Conference.

4.3.2. Purpose of Pre-Bid Conference

The Pre-Bid Conference is the forum where the DPWH's representatives and the prospective bidders discuss the different aspects of the procurement at hand. The ground rules that will govern the procurement are discussed during the conference. In particular, the participants discuss, clarify and explain the legal, technical and financial components of the contract to be bid. This is also an opportunity for the prospective bidders to request for clarifications about the Bidding Documents. However, it should be noted that any statement made at the Pre-Bid Conference would not modify the terms of the Bidding Documents, unless such statement is specifically identified in writing as an amendment of the documents and issued as a supplemental/Bid bulletin. (IRR Section 22.4)

The agenda of the PBC shall include a discussion, clarification and explanation of the following items:

- a. Basic contract data.
- b. Requirements of the BDS.
- c. Eligibility, technical and financial documentary requirements to be submitted by the bidder.
- d. Criteria and procedures for the preliminary examination of bids, detailed evaluation of bids, post-qualification, and award.
- e. Questions/Clarifications/Comments raised by prospective bidders before and during the Pre-Bid Conference and Replies of BAC and other Representatives of Procuring Entity.
- f. Other matters.
- g. Summary of proceedings, including Bid Bulletins (Addenda) to be issued.

It is important that responsible and knowledgeable officials attend the conference. The persons who actually formulated the scope of work, plans and technical specifications for the project should be present and among those representing the DPWH. The Pre-Bid Conference is open to prospective bidders but attendance thereto shall not be mandatory. Prospective bidders should be

encouraged to send representatives who are legally and technically knowledgeable about the requirements of the procurement at hand. It is also important that the prospective bidders are given ample time to review the Bidding Documents prior to the Pre-Bid Conference.

When electronic bidding is available, procuring entities with videoconferencing facilities may conduct their pre-bidding conferences electronically provided their Registered Merchants shall also have similar capabilities and facilities.

4.3.3. Schedule of Pre-Bid Conference

A Pre-Bid Conference must be held for contracts with ABCs of at least One Million Pesos (P1 Million). For contracts with ABCs of less than P 1 million, Pre-Bid Conferences may be held at the discretion of the BAC. As a general rule, however, the BAC is encouraged to hold a Pre-Bid Conference even if the amount is below P 1 M or upon the written request of a prospective bidder. (IRR Section 22.1)

A Pre-Bid Conference must be conducted 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 posting of the Invitation to Bid/Bidding Documents. (IRR Section 22.2) If the DPWH 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. The BAC Chairman shall issue a notice of Pre-Bid Conference to all concerned. (DPWH-G&S-11)

4.3.4. Participants in Pre-Bid Conference

The following shall attend the Pre-Bid Conference:

- a. The BAC;
- b. The BAC Secretariat/Procurement Unit;
- c. The TWG members and consultants, if any;
- d. The procuring unit/End-User Unit;
- e. The prospective bidders/Registered Merchants; and
- f. The Observers.

The attendance of the prospective bidders shall not be mandatory. However, at the option of the DPWH, only those who have purchased the Bidding Documents shall be allowed to participate in the Pre-Bid Conference and raise or submit written queries or clarifications.

4.3.5. Conduct of Participants during the Pre-Bid Conference and Other Stages of the Procurement Process

The BAC, BAC Secretariat, TWG, and other officials involved in procurement are expected to act in an impartial, courteous and professional manner in all their dealings and interactions with the bidders during all stages of the procurement. The bidders' representatives are likewise enjoined to adopt the same professional manner in their dealings with the DPWH's officials. Communications between the parties must, as much as possible, be made in writing.

4.3.6. Methodology: Conduct of Pre-Bid Conference

The Pre-Bid Conference may be conducted in person or face-to-face through videoconferencing, webcasting, or similar technology, or a combination thereof. A Procuring Entity with videoconferencing capabilities that has manufacturers, suppliers, and distributors that also have videoconferencing capabilities may conduct its Pre-Bid Conferences electronically. The Pre-Bid Conference is open to prospective bidders but attendance shall not be mandatory **IRR Section 22.3**).

The manner by which the Pre-Bid Conference is conducted depends on the discretion of the BAC. However, several events need to take place in the conference, namely:

- a. The presentation by the BAC of the eligibility requirements as well as the technical and financial components of the contract to be bid, the evaluation procedure, evaluation criteria, and possible causes of failure of the bidding;
- b. The BAC shall also discuss the requirements in the ITB, the replies to the bidders' queries about the requirements, specifications and other conditions of the project, the Bid evaluation of all bidders and post-qualification evaluation of the lowest calculated bidder.

Emphasis should also be given to the warranty requirement of the project and the different offenses and penalties provided for in IRR of R.A. 9184.

The BAC must initiate discussions on contentious issues, most especially if the participating prospective bidders have no ready questions. It is probable that there are issues that may not be apparent in the Bidding Documents but are known to the representatives of the DPWH. If these issues are brought out and openly discussed, prospective bidders will be able to prepare responsive bids, thus avoiding situations that may give rise to a failure of bidding due to lack of bids received or failure of bids to comply with all the Bid requirements. This would also help prevent the birth of contentious issues during the bidding itself.

When electronic bidding is available, Registered Merchants may send requests for clarification through the PhilGEPS online facility, which shall be read during the meeting and shall form part of the minutes, unless the procuring entity has previously decided that only those who have purchased the Bidding Documents shall be allowed to participate in the pre-bid conference and raise or submit written queries or clarification.

- c. The recording by the BAC Secretariat of minutes of the Pre-Bid Conference (DPWH-G&S-12), and its availability to all participants shall be not later than five(5) calendar days after the Pre-Bid Conference. Not later than five (5) days upon written request, the minutes shall be made available to prospective bidders (**IRR Section 22.4**). The BAC Secretariat may charge a reasonable amount for the cost of reproducing the minutes.

When electronic bidding is available, the minutes shall be recorded as an electronic document made electronically available to all participating Registered Merchants through the PhilGEPS Electronic Bulletin Board not later than three (3) calendar days after the Pre-Bid Conference.

4.3.7. Requests for Clarification or Interpretation on the Bidding Documents After the Pre-Bid Conference

The BAC may issue a Supplemental Bulletin to amend provisions of the Bidding Documents (BDs) at least seven (7) calendar days before the deadline for the receipt of bids (IRR Section 22.5.1).

The BAC may also issue a Bid Bulletin to clarify any provision of the BDs in response to a request or query from prospective bidders, provided that this request or query is in writing, and is submitted to the BAC at least ten (10) calendar days before the deadline for the receipt of bids (IRR Section 22.5.1). The BAC may, at its own initiative, also issue a Bid Bulletin to clarify any provision of the BDs. In all cases, the Bid Bulletin shall be issued at least seven (7) calendar days before the deadline for the receipt of bids (IRR Section 22.5.2).

Requests for clarification(s) on any part of the Bidding Documents or for an interpretation may be made by prospective bidders provided that these are in writing and are submitted to the BAC, or electronically through the PhilGEPS where electronic bidding is available, at least ten (10) calendar days before the deadline for the submission and receipt of bids. The BAC shall issue its response and/decisions amending any provisions of the original bidding documents in writing through a Supplemental /Bid Bulletin 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. (IRR Section 22.5.1)

The DPWH may, at its own initiative, issue Supplemental/Bid Bulletins for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of bids. Any modification to the Bidding Documents must be identified as an "AMENDMENT" (IRR Section 22.5.2)

The BAC should also post the Supplemental/Bid Bulletin on the DPWH and PhilGEPS websites and at any conspicuous place in the premises of the procuring entity, within seven (7) calendar days before the deadline for the submission of bids. It will be the prospective bidders' responsibility to ask for, and secure, these bulletins.

When electronic bidding is available, only Supplemental/Bid Bulletins approved by the Bid Notice Approver shall be posted in the PhilGEPS at least seven (7) calendar days before the deadline for the submission and receipt of bids. PhilGEPs shall automatically notify through email all Registered Merchants who have downloaded the Bidding Documents and paid the Bid Document Fee.

A Supplemental/Bid Bulletin must contain a brief but comprehensive and accurate summary of the issue or issues that it wishes to address. If it was a prospective bidder that raised the issue addressed by the bulletin, then it shall contain a summary of that bidder's request for clarification and/or interpretation, without identifying the bidder.

4.3.8. Participants in the Issuance of the Supplemental/Bid Bulletin

The following are involved in the issuance of the Supplemental/Bid Bulletin:

- a. The BAC;
- b. The BAC Secretariat / Procurement Unit;
- c. The TWG members; and
- d. The prospective bidders.

4.3.9. Methodology: Issuance of Supplemental/Bid Bulletin

If the Supplemental/Bid Bulletin is being issued upon the initiative of the BAC, the following steps are followed:

- a. The BAC Secretariat and/or the TWG draft the Supplemental/ Bid Bulletin for approval by the BAC.
- b. The BAC approves the Supplemental/Bid Bulletin and the BAC chairperson signs it.
- c. The BAC Secretariat sends copies of the Supplemental/Bid Bulletin to all prospective bidders who have properly secured or purchased the Bidding Documents, within the period prescribed above.
- d. The BAC Secretariat posts the Supplemental/Bid Bulletin in the PhilGEPS and the DPWH websites within the same period prescribed in number (3) above.

If the Supplemental/Bid Bulletin is being issued in response to a request for clarification submitted by a prospective bidder, on the other hand, the process goes as follows:

- a. The prospective bidder submits to the BAC, through the BAC Secretariat, a written request for clarification, within the period prescribed above.
- b. The BAC directs the BAC Secretariat and/or TWG to study the request for clarification.
- c. The TWG, BAC and BAC Secretariat perform the steps undertaken in the issuance of the Supplemental/Bid Bulletin issued at the initiative of the BAC.

4.4. RECEIPT OF BIDS, ELIGIBILITY CHECK, AND OPENING AND PRELIMINARY EXAMINATION OF BIDS

4.4.1. Legal Reference

IRR Section 23 sets the rules pertaining to eligibility check, Section 25 defines the rules for submission and receipt of bids, and Sections 29 to 31 prescribe the rules for opening and preliminary examination of bids.

4.4.2. Eligibility Check

An eligibility check is a procedure to determine if a prospective bidder is eligible to participate in the bidding at hand. In determining a prospective bidder's eligibility, the BAC shall use non-discretionary pass/fail criteria, as stated in the IB and the ITB. Essentially, this means that the absence, incompleteness or insufficiency of a document shall make a prospective bidder ineligible to Bid for the particular procurement.

4.4.3. Eligibility Requirements for Procurement of Goods and Services

The DPWH Procuring Entity shall use the following set of criteria to determine the eligibility of prospective bidders for goods and services. **(IRR 23.5.1)** The documentary requirements responding to these criteria shall be submitted by the prospective bidders.

CLASS "A" DOCUMENTS

a. Legal Requirements

(1) Citizenship

The prospective bidder must be either of the following:

- i. A duly licensed Filipino citizen/sole proprietorship;
- ii. A partnership 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.
- iii. A corporation duly organized under the laws of the Philippines and of which at least sixty (60%) of the outstanding capital stock belongs to citizens of the Philippines.
- iv. A cooperative duly registered with Cooperative Development Authority (CDA), and of which at least sixty percent (60%) belongs to citizens of the Philippines; or;
- v. Persons/entities forming themselves into a joint venture for a particular contract, provided that Filipino ownership or interest in the joint venture concerned shall be at least sixty percent (60%), Filipino ownership shall be based on the contribution of each of the members of the joint venture as specified in the joint venture agreement (JVA);

(2) Business License

- i. Registration certificate from SEC, Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives;
- ii. Mayor's/Business 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 prescribed period, provided that the renewed permit shall be submitted prior to contract award.

- iii. Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR¹⁰.

b. Technical Requirements

(1) Work Experience in Similar Contracts

The prospective bidder must have completed, within the period specified in the Invitation to Bid, a single contract that is similar to the contract to be bid, through a statement of the bidder's single largest completed contract (SLCC) and whose value, adjusted to current prices using the Philippine Statistical Authority (PSA) consumer price indices, must be at least fifty percent (50%) of the ABC. In the case of Expendable Supplies, the SLCC must be at least twenty five percent (25%) of the ABC. (IRR Section 23.5.1.3)

For this purpose, the prospective bidder shall submit a Statement of all its on-going 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; and Statement identifying the bidder's single largest completed contract similar to the

¹⁰GPPB Resolution No. 21-2013 dated July 30, 2013

contract to be bid, except under conditions provided for in IRR Section 23.5.1.3, within the relevant period as provided in the Bidding Documents. (DPWH-G&S-13, DPWH-G&S-14) All of the above statements shall include all information required in the SBDs. The Procuring Entity may clarify in the Bidding Documents the definition or description of what it considers to be similar projects.

A contract is similar to the contract to be Bid if it involves goods or related services of the same nature and complexity as those which are the subject of the public bidding concerned; for example, if it has the same major categories of goods, such as computers and network equipment.

In the case of goods that are rarely purchased by the agency but essential to its operations, such as spare parts for dredging equipment, the requirement for single largest contract completed (SLCC) may be based on experience for similar types of goods in lieu of the actual number of years in supplying such goods.

Failure to include an immaterial on-going contract or failure to disclose complete information in the statement of contracts shall result in the following:

- i. Disqualification of the bidder for non-compliance with the eligibility requirement under IRR Sections 23.1.
- ii. Blacklisting under IRR Section 65.3 (a) or (b).

c. Financial Requirements

- (1) 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;
- (2) The prospective bidder's computation of its Net Financial Contracting Capacity (NFCC) (**IRR Section 23.5.1.4**).

The computation of a prospective bidder's NFCC must be at least equal to the ABC to be bid, calculated as follows:

$$\text{NFCC} = [(\text{Current assets minus current liabilities}) (15)] \text{ minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.}$$

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

For purposes of computing the foreign bidders' NFCC, the value of the current assets and current liabilities shall be based on their Audited Financial Statements prepared in accordance with international financial reporting standards.

- (3) In lieu of its NFCC computation, a bidder may submit a committed line of credit (CLC) specific to the contract to be bid from a universal or commercial bank (**IRR Section 23.5.1.4**).

If the prospective bidder submits a CLC, it must be at least equal to ten percent (10%) of the ABC to be bid, provided that, if it is issued by a foreign universal or commercial bank, it shall be confirmed or authenticated by a local universal or commercial bank.

To facilitate determination of eligibility, the BAC shall use the contents of the PhilGEPS electronic registry of manufacturers, suppliers, distributors, contractors, and/or consultants (**IRR Section 23.3**). For the procurement of goods, the PhilGEPS registry system shall contain the foregoing applicable Class "A" documents which should be maintained current and updated by the bidder concerned at least once a year or more frequently as may be necessary.

When electronic bidding is available, on-line bidders may submit their eligibility requirements to the procuring entity through the e-bidding facility of PhilGEPS.

A bidder who maintains a current and updated file of his Class "A" documents should be registered under the Platinum Membership Registration and shall submit to the procuring entity, in lieu of the said documents, the Certificate of Registration and Membership under the Platinum Membership issued by PhilGEPS pursuant to IRR Section 8.5.2.

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. Sub-contractors must comply with the eligibility criteria and the documentary requirements specified in the BDS. In the event that any subcontractor is found by the DWPB Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.

CLASS "B" DOCUMENTS

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. Each partner of the joint venture shall submit the legal eligibility documents. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance, provided that the partner submitting the NFCC shall likewise submit the Statement of all its ongoing contracts and audited financial statements (**IRR Section 23.1**).

When electronic bidding is available, each partner of the joint venture must:

- a. Be registered with the PhilGEPS;
- b. Secure Certified Membership Status;
- c. Electronically send their eligibility documents.

The joint venture partners must identify and designate the Primary and Secondary Partners. Before the PhilGEPS will accept submissions of technical and financial proposals from the Primary Partner, there must be a confirmation from the Secondary Partner(s) as to the existence of, or agreement to enter into a joint venture. Upon Confirmation, the Primary Partner shall be required by PhilGEPS to upload the Joint Venture Agreement or a duly notarized statement.

The DPWH shall maintain the existing Supplier's Registry to provide a data base of suppliers and shall not be used as a requirement to ascertain eligibility of prospective bidders.

4.4.4. Eligibility Requirements of a Prospective Foreign Bidder

Foreign bidders may be eligible to participate in the procurement of goods and services under any of the following circumstances (IRR Section 23.5.1.2):

- a. When provided for under any Treaty or International or Executive Agreement as provided for in IRR Section 4;
- b. When the foreign supplier is a citizen, corporation or association of a country, the laws and regulations of which grant reciprocal rights or privileges to citizens, corporations or associations of the Philippines¹¹;
- c. The goods are not available from domestic sources at the prescribed minimum specifications of the appropriate government authority and/or ABC of the Procuring Entity, as certified by the Head of the Procuring Entity, confirmed by the DTI;
- d. If despite the availability of the goods sought to be procured, no local supplier is interested to participate in the procurement process, the Head of the Procuring Entity shall certify that it has advertised the same for public bidding and shall make a statement that no local supplier participated in the bidding and that the same is due to reasons not attributable to the Procuring Entity. For purposes of inviting foreign suppliers, the bidding requirements and conditions, as advertised, shall not be modified or changed. Otherwise, modifications and/or changes in the requirements and conditions of the bidding shall disallow the Procuring Entity to resort to invitation of foreign bidders.
- e. There is a need to prevent situations that defeat competition or restrain trade.

In case of foreign bidders, the foregoing eligibility requirements under Class "A" Documents may be substituted by the appropriate equivalent documents, if any, issued by the country of the foreign bidder. The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. A translation of the documents in English certified by the appropriate embassy or consulate in the Philippines must accompany the eligibility requirements under Class "A" and "B" Documents if they are in another foreign language.

The bidder claiming eligibility by reason of their country's extension of reciprocal rights to Filipinos shall submit a certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement for the same item/product.

If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency authorized to translate documents, or a registered translator in the foreign bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines.

¹¹GPPB Resolution 34-2014 dated December 16, 2014

Notwithstanding the eligibility of a bidder, the procuring entity concerned reserves the right to review the qualifications of the bidder at any stage of the procurement process if the procuring entity 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 requirements, statements or documents, or any changes in the situation of the bidder which will affect the capability of the bidder to undertake the project so that it fails the eligibility criteria, the procuring entity shall consider the said bidder as ineligible and shall disqualify it from obtaining an award or contracts (IRR Section 23.7.)

4.4.5. Submission and Receipt of Technical and Financial Component Proposals

The prospective bidder shall submit their bids in one (1) envelope containing the Technical Component and the Financial Component (one original and two photocopies) in accordance with the requirements of the ITB and BDS of this Manual. The Technical Component shall contain the eligibility requirements and the Technical Proposal. The original copy of the bid shall be retained by the BAC Secretariat, the first set of photocopies shall be maintained by the End-User Unit while the second set of photocopies shall be submitted to the Commission on Audit (COA) Resident Auditor for audit purposes. A checklist of eligibility, technical and financial requirements for bidders is available and is part of the bidding forms provided to bidders. (DPWH-G&S-15) The entire bid shall be submitted on or before the deadline specified in the IB.

Technical and Financial Component Proposals submitted after the deadline should not be accepted by the BAC. For purposes of synchronizing the time, the BAC may identify an official timepiece that will be referred to for purposes of determining timely submission. The official timepiece must be indicated in the bidding documents and announced during the Pre-Bid Conference, to ensure that all prospective bidders are aware of this information. Bids shall be dropped in the duly designated bid box found in the premises of the DPWH Procuring Entity concerned or submitted directly to the BAC Secretariat for Goods on or before the deadline. The Bid Box shall be kept securely under lock and key by the BAC Secretariat and opened only during the scheduled bid opening.

When electronic bidding is available, on-line Bidders, or the Primary Partner in the case of Joint Ventures, shall electronically submit their bids through the Bidder's On-line Nominee, at any time before the closing date and time specified in the bidding documents. The actual time of bid submission of an On-line Bidder shall be the time indicated on the PhilGEPS Server when the bidder clicks the "Submit" button which shall be automatically recorded by PhilGEPS. Upon receipt of a bid, the PhilGEPS shall automatically generate a bid receipt page that can be printed by the on-line bidder. This contains the recorded "submission time" which shall be considered as the Official Submission Time of the bidder. An On-line Bidder may modify its bid at any time before the closing date and time for the submission and receipt of bids. An On-line Bidder may withdraw its bid before the deadline for the submission and receipt of bids.

a. Contents of the Technical Proposal

The Technical Proposal shall contain, at the minimum, the following technical information/documents:

- (1) PhilGEPS Certificate of Registration and membership in accordance with Section 8.5.2;
- (2) Statement of all on-going government and private contracts;

- (3) SLCC;
- (4) NFCC or Committed Line of Credit;
- (5) JVA or the duly notarized statement in accordance with IRR Section 23.1(b), if applicable;
- (6) Bid Security in the prescribed form, amount and validity period (DPWH-G&S-04, 05, 06);
- (7) Technical specifications proposal (DPWH-G&S-16);
- (8) Schedule of requirements/delivery (DPWH-G&S-17);
- (9) Manpower requirements, if applicable;
- (10) After-sales service/parts, if applicable;
- (11) Omnibus Sworn Statement by the prospective bidder or its duly authorized representative as to the following (DPWH-G&S-18):
 - (a) It is not "blacklisted" or barred from bidding by the government or any of its agencies, offices, corporations, or local government units (LGUs), including foreign government/foreign or international financing institution, whose blacklisting rules have been recognized by the GPPB.
 - (b) 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.
 - (c) It is authorizing the Head of the Procuring Entity or his duly authorized representative(s) to verify all the documents submitted.
 - (d) The signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the prospective bidder is a corporation, partnership or joint venture, or a duly notarized Special Power of Attorney in case of Sole Proprietorship.
 - (e) It complies with the disclosure provision under Section 47 of RA 9184 in relation to the provisions of RA 3019.
 - (f) It complies with the responsibilities of a bidder provided in the PBDs.
 - (g) It complies with existing labor laws and standards.
 - (i) It did not give or pay any, 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 or activity.

- (12) For foreign bidders claiming eligibility by reason of their country's extension of reciprocal rights to Filipinos, a certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement activities for the same item or product.

c. Contents of the Financial Proposal

The Financial Proposal shall contain, at the minimum, the following documents:

- (1) Financial Bid Form which includes Bid prices and the bill of quantities for procurement of goods, or scope of work for procurement of services, and the applicable price schedules(DPWH-G&S-19). The original copy of the Bid Form shall be typed or written in ink and shall be signed by the bidder or its duly authorized representative;
- (2) The recurring and the maintenance costs, if applicable;
- (3) Any other document related to the financial component of the Bid as stated in the BDS.

In the case of bidding for security services, the DPWH may require bidders to indicate in their financial proposal the itemized components of the compensation, social benefits and mandated taxes as provided for in the minimum cost distribution formula in accordance with GPPB Circular 02-2006 dated April 10, 2006 to facilitate the evaluation of bids.

4.4.6. Schedule for Bid Submission

Bids should be submitted on or before the specified time and date of the deadline for submission of bids, as stated in the IB, and within forty-five (45) calendar days from date of advertisement and/or first day of posting the IB. (IRR Section 25.4) Bids submitted after the specified deadline shall not be received or accepted by the BAC. (IRR Section 25.5)

4.4.7. Participants in Receipt and Opening of Eligibility Envelopes and Bids

The following parties are involved in this process:

- a. The BAC;
- b. The TWG;
- c. The BAC Secretariat /Procurement Service/Unit;
- d. The bidders; and
- e. The Observers.

4.4.8. Methodology: Opening of Technical and Financial Envelopes

- a. The BAC shall receive the Technical and Financial Components envelopes (one original and two photocopies) at the time, date and place specified in the Bidding Documents. Upon receipt of these envelopes, the BAC Secretariat must stamp the face of the outer envelopes as "RECEIVED," indicating the date and time of receipt, and have the stamp countersigned by an authorized representative. In case the bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the bids submitted and reschedule the opening of bids on the next working day or at the soonest possible

time through the issuance of a notice through Bid Bulletin to be posted in the PhilGEPS and DPWH websites.

Bids, including the eligibility requirements, submitted after the deadline shall not be accepted by the BAC. The BAC shall record in the minutes of bid submission and opening, the bidder's name, its representative and the time the late bid was submitted **(IRR Section 25.5)**.

To ensure transparency and accurate presentation of the bid submission, the BAC, through its Secretariat, shall notify, in writing, all bidders whose bids it has received. The notice shall be issued within seven (7) calendar days from the date of bid opening **(IRR Section 25.6)**.

The original copy of the Bid Form shall be typed or written in ink and shall be signed by the bidder or its duly authorized representative **(IRR Section 25.7)**.

Bid envelopes that are not properly sealed and marked, as required in the Bidding Documents, shall not be rejected, but the bidder or its duly authorized representative shall acknowledge such condition of the bid as submitted. The BAC or the procuring entity shall assume no responsibility for the misplacement of the contents of the unsealed or improperly marked bid, or for its premature opening. **(IRR Section 25.8)**

- b. The BAC shall open the Technical and Financial Component Envelopes on the date and time schedules in the BDs. The documents comprising the Technical Component shall be opened first to determine each bidder's compliance with the documents submitted for eligibility and for the technical requirements. The Financial Component shall remain unopened until the eligible bidders are determined.
- c. The BAC shall check the submitted eligibility and technical documents of each bidder against a checklist of required documents (DPWH-G&S-20) to determine each bidder's compliance, using a non-discretionary "pass/fail" criterion as stated in the IB. **(IRR Section 30.1)**.
- d. If the bidder submits the required documents as complete and sufficient, it shall be rated "passed" for that particular requirement. Bids that fail to include any requirements or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the eligibility and technical requirements as "passed". The BAC may also issue a Notice of Eligibility (DPWH-G&S-22) after the BAC has declared the prospective bidder as "eligible" or a Notice of Ineligibility for those who failed to meet the requirements or are found "ineligible". (DPWH-G&S-23)

For a document, to be deemed "complete" and "sufficient", it must be complete on its face, that is, it contains all the information required, and must comply with the requirements set out in the Bidding Documents. For example, a Mayor's/Business Permit should be current, and submission of an expired Mayor's/Business Permit is deemed a "non-submission". Another example of an insufficient submission is a Bid Security in an amount below the requirement.

- e. Based on the submitted requirements, the BAC shall declare prospective bidders as either "passed" or "failed".
- f. The BAC shall inquire from "failed" bidders whether or not they intend to file a request for reconsideration. If they signify their intention to do so, the BAC shall keep the

Technical and Financial Components envelopes containing the eligibility, technical and financial requirements and re-seal the same in the presence of all the participants. These shall be deposited in the Bid Box or any other secured place or location, ensuring that the latter documents remain sealed and unopened.

- g. The BAC shall return the Technical and Financial Component envelopes of a prospective bidder if it is declared "failed" and it does not signify its intention to file a request for reconsideration (DPWH-G&S-24) or expressly waives its right to file a motion for reconsideration (DPWH-G&S-25).
- h. Immediately after determining compliance with the requirements in the Technical Component, the BAC shall open the Financial Component of each bidder whose submitted technical requirements were rated "passed" on the same day. The BAC shall determine whether one or more of the requirements of the Financial Component is missing, incomplete or patently insufficient, and if the submitted total Bid price exceeds the ABC. If the Financial Bid is complete, the BAC shall rate it "passed" and shall proceed with the evaluation of the Bid. Only bids that are determined to contain all the requirements for both Technical and Financial components shall be rated "passed" and shall be considered for evaluation and comparison. (DPWH-G&S-20, 21) **(IRR Sections 30.2)**

Bids that exceed the ABC will automatically be disqualified. In the case of foreign currency denominated bids, allowed by law and rules, the same shall be converted to Philippine currency based on the exchange rate prevailing on the day of the Bid opening. The Bangko Sentral ng Pilipinas (BSP) reference rate as of the date of the Bid opening shall be used.

The BAC Secretariat shall prepare an Abstract of Bids as Read (DPWH-G&S-26) to determine the amount of financial bids as submitted before its detailed evaluation to be signed by the BAC, End-User representative and Observers. The Abstract of Bids as Read shall also be made available to the public upon written request.

- i. The BAC Secretariat shall record the proceedings using a recorder, or any device that may facilitate the recording. (DPWH-G&S-27) The minutes of the Bid Opening should be prepared within three (3) calendar days after the Bid Opening date, so that copies can immediately be sent to the BAC members, Observers, bidders and other interested parties. Copies of the minutes shall also be made available to the public upon written request and payment of a specified fee to recover cost of materials.

4.4.9. Methodology: Opening of Technical and Financial Envelopes through Electronic Bidding

- a. Upon receipt of manually-filed bids, the Bid Opener, before the Bid Opening, but immediately after the deadline for submission of bids, shall record and input into PhilGEPS E-bidding module the date and time each of the bid was manually received, including the name of the bidder's authorized representative.
- b. The BAC shall open the bids immediately after the deadline for submission and receipt of bids, and on the bid opening date.
- c. Before the decryption of electronic bids, the Bid Opener must first login to PhilGEPS and only then can BAC members input their respective USER IDs and PASSWORDS,

provided however, that PhilGEPS decryption will not take place unless all the members present and logging-in constitute quorum.

- d. The Bid Opener shall publicly open the first bid envelopes of bidders who submitted bids manually to determine each bidder's compliance with the documents required to be submitted for eligibility, that is, legal, technical and financial eligibility documents; and for the technical requirements. 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 bidder "passed" in relation to the eligibility and technical documents in the first envelope.
 - e. After all the manually submitted first envelopes of bidders were opened, and the results and findings were encoded in the PhilGEPS Preliminary Examination Report facility, the Bid Opener shall thereafter proceed to decrypt the electronic First Bid Envelopes submitted by the On-line Bidders to determine each bidder's compliance with the required eligibility and technical documents following the steps and procedures outlined in Section 11.4 hereof. Thereafter, the Bid Opener shall input the findings and results into the PhilGEPS Preliminary Examination Report facility.
 - f. Immediately after determining compliance with the requirements in the first envelope, the Bid Opener shall forthwith open the manually submitted second bid envelope of each eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day.
 - g. After all the manually submitted second envelopes of bidders were opened, and the results and findings were encoded in the PhilGEPS Preliminary Examination Report facility, the Bid Opener shall thereafter proceed to decrypt the electronic Second Bid Envelopes of each On-line Bidders whose electronic first bid envelope was rated "passed" to determine each bidder's compliance with the required financial documents following the steps and procedures outlined in Section 11.6 hereof.
 - h. 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, the BAC shall rate the bid concerned as "failed". The Bid Opener shall then input the findings and results into the PhilGEPS Preliminary Examination Report facility.
- 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.
- i. PhilGEPS shall automatically send an electronic mail to all bidders who failed in the preliminary examination of the first and/or second envelope.

4.4.10. Request for Reconsideration

Decisions of the BAC at any stage of the procurement process may be questioned by filing a request for reconsideration within the three (3) calendar days upon receipt of written notice or upon verbal notification. A prospective bidder that was declared failed or disqualified has three

(3) calendar days from receipt of the Notice of Disqualification, within which to file a written request for reconsideration before the BAC. If a failed bidder signifies his intent to file a request for reconsideration, the BAC shall keep the bid envelopes of the said failed bidder unopened and/or duly sealed until such time that the request for reconsideration has been resolved.

If the prospective bidder was present during Bid Opening and was duly notified (a verbal notification will suffice in this case) of its failure, it also has three (3) calendar days upon such notice within which to file a written request for reconsideration (DPWH-G&S-24). Seven (7) calendar days after it receives a letter requesting for reconsideration, the BAC should resolve such request. In the meantime, it will hold on to the Technical and Financial Component envelopes of the prospective bidder until the request for reconsideration is resolved. The bidder shall not be allowed to submit additional documents to correct whatever deficiency in the bid submitted. (IRR Section 55.1.)

4.4.11. Protest Mechanism

If its request for reconsideration is denied, the ineligible bidder may protest the decision in writing within seven (7) calendar days from receipt of the resolution of the BAC denying its request for reconsideration. A protest may be made by filing a verified position paper with the DPWH Head of Procuring Entity, accompanied by the payment of a non-refundable protest fee which shall be paid in cash in accordance with the following schedule:

Table 3. Schedule of Protest Fees

ABC RANGE	PROTEST FEE
50 million pesos and below	0.75% of the ABC
More than 50 million pesos to 100 million pesos	PhP 500,000.00
More than 100 million pesos to 500 million pesos	0.5% of the ABC
More than 1 billion pesos to 2 billion pesos	PhP 2,500,000.00
More than 1 billion pesos to 2 billion pesos	0.25% of the ABC
More than 2 billion pesos to 5 billion pesos	PhP 5,000,000.00
More than 5 billion pesos	0.1 % of the ABC

The protests shall be resolved strictly based on records of the BAC. The DPWH Head of Procuring Entity shall resolve a protest within seven (7) calendar days from receipt thereof. The decisions of the DPWH Head of Procuring Entity shall be final up to the limit of his contract approving authority. (IRR Section 56)

CONTENTS OF THE POSITION PAPER

The verified position paper shall contain the following information (IRR Section 55.4):

- a. The name of bidder;
- b. The office address of the bidder;
- c. The name of project/contract;
- d. The implementing office/end user unit;
- e. A brief statement of facts;
- f. The issue to be resolved; and
- g. Such other matters and information pertinent and relevant to the proper resolution of the protest.

The position paper is verified by an affidavit that the affiant has read and understood the contents thereof and that the allegations therein are true and correct of his personal knowledge or based on

authentic records. An unverified position paper shall be considered unsigned, produces no legal effect, and results to the outright dismissal of the protest.

In addition, the bidder shall likewise certify under oath that:

- a. he has not commenced any action or filed any claim involving the same issues in any court, tribunal or quasi-judicial agency and, to the best of his knowledge, no such other action or claim is pending therein;
- b. if there is such other pending action or claim, he is including a complete statement of the present status; and
- c. if he should thereafter learn that the same or similar action or claim has been filed or is pending, he shall report that fact within five (5) days to the DPWH Head of Procuring Entity where his protest is filed.

4.4.12. Disqualification

A Bidder who fails to meet the technical or financial requirements of the Bid or files a Motion for Reconsideration but fails to meet the reglamentary period specified under IRR Section 55.1. is automatically disqualified and the BAC Chairman issues the corresponding Notice of Disqualification (DPWH-G&S-28). When a Bidder is disqualified, it is barred from further participating in the procurement at hand.

4.4.13. Withdrawal of Bid

A bidder may, through a Letter of Withdrawal, withdraw its bid, before the deadline for the receipt of bids. A bidder may also express its intention not to participate in the bidding through a letter which should 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. It should be noted however that the act of habitually withdrawing from bidding or submitting a letter of non-participation for at least three (3) times within a year is a ground for the imposition of administrative penalties, except when done for a valid reason and shall be subject to the DPWH Three Strike Policy in accordance with DO 17 dated February 12, 2015.

The bidder that withdraws its Bid beyond the deadline for the submission of bids will forfeit its Bid Security, and may be subject to the imposition of any applicable administrative, civil and/or criminal sanction prescribed in R.A. 9184 and its IRR. A bidder may withdraw its bid for valid reasons under the following grounds:

- a. If physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible, as determined by the DPWH Head of Procuring Entity;
- b. The DPWH Head of Procuring Entity has determined the existence of conditions that make project implementation impractical and/or unnecessary, such as, but not limited to, fortuitous event/s, changes in laws and government policies;
- c. Funding for the project has been withheld or reduced by higher authorities through no fault of the DPWH; or

- d. Any circumstance analogous to the foregoing.

4.5. BID EVALUATION

4.5.1. Legal Reference

IRR Section 32 specifies the rules and guidelines relative to the detailed evaluation of bids.

4.5.2. Purpose of Bid Evaluation

The purpose of Bid Evaluation is to determine the Lowest Calculated Bid (LCB). (IRR Section 32.2) This is done by:

- a. Establishing the correct calculated prices of the bids, through a detailed evaluation of the financial component of the bids; and
- b. 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 LCB.

4.5.3. Schedule of Bid Evaluation

The entire evaluation process of bids for the procurement of goods must be completed in not more than seven (7) calendar days from the deadline for receipt of proposals. (IRR Section 32.4)

4.5.4. Participants in the Bid Evaluation Process

The following must participate in the Bid Evaluation process:

- a. The BAC;
- b. The TWG;
- c. The BAC Secretariat/ Procurement Service/Unit; and
- d. The Observers.

4.5.5. Methodology: Bid Evaluation¹²

- a. After the preliminary examination of bids, the BAC, with the assistance of the TWG, shall immediately conduct a detailed evaluation of all bids rated "passed," using a nondiscretionary pass/fail criteria, as stated in the IB and the ITB, which shall include a consideration of the following: (IRR Section 30.2)
 - (1) The Bid must be complete. Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the Bidding Documents 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) or a dash (—) for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be provided for (**IRR Section 32.2.1a**).
 - (2) Minor arithmetical corrections to consider computational errors, and omissions, to enable proper comparison of all eligible bids. It may also consider Bid modifications if expressly allowed in the Bidding Documents. Any adjustment shall be calculated in

¹² For FAPs, the rules on evaluation will depend on the standard bidding documents for the project

monetary terms to determine the calculated prices. (IRR Section 32.2.1.b) For evaluation purposes, in allowed instances, the Bid must be converted into Philippine currency based on the exchange rate prevailing on the day of the Bid opening. (IRR Section 61.1) The BSP reference rate as of the date of the Bid opening shall be used.

- (3) All bids shall be evaluated on an equal footing to ensure fair and competitive Bid Evaluation. For this purpose, all bidders shall be required to include 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. Moreover, applicable custom duties, as well as other costs of acquisition such as freight, insurance, and bank charges, must be incorporated in the bid.
 - (4) In case of discrepancies between: (a) Bid prices in figures and in words, the latter shall prevail; (b) total prices and unit prices, the latter shall prevail; (c) unit cost in the detailed estimate and unit cost in the bill of quantities, the latter shall prevail. (IRR Sections 32.2.3)
- b. Based on the detailed evaluation of bids, those that comply with the abovementioned 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 LCB. Total calculated Bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall be disqualified. (IRR Sections 32.2.4)
 - c. After all bids have been received, opened, examined, evaluated and ranked, the TWG with the assistance of the BAC Secretariat shall prepare the Abstract of Bids (DPWH-G&S-26), containing the details of the evaluation conducted, and attach thereto all the bids with their corresponding bid securities and the minutes or proceedings of the bidding. The Abstract of Bids shall contain the following:
 - (1) Name of the contract and its location, if applicable;
 - (2) Time, date and place of bid opening; and
 - (3) Names of bidders and their corresponding calculated bid prices arranged from lowest to highest, the bid security and the name of the issuing entity.

The entire evaluation process shall be completed within seven (7) calendar days.

When electronic bidding is available, after conducting the detailed evaluation of all bids using non-discretionary criterion, the Bid Opener shall input and record the results of the evaluation into the PhilGEPS Evaluation Summary Report facility. The PhilGEPS shall automatically rank the bidders in ascending order based on their total calculated bid prices to identify the LCB as evaluated and corrected for computational errors, and other bid modifications. Total calculated bid prices, as evaluated and corrected for computational errors, and other bid modifications, which exceed the ABC shall be disqualified. After all bids have been received, opened, examined, evaluated, and ranked, the system shall thereafter generate the Abstract of Bids in the form of PhilGEPS Evaluation Summary Report.

- d. The BAC shall manually prepare a Resolution whether approving or denying the Abstract of Bids. The bidders shall be issued a Notice of Bidding Results. (DPWH-G&S-30) When electronic bidding is available, after the BAC Resolution approving the Abstract of

Bids is uploaded in the PhilGEPS, an electronic message shall be automatically sent to all bidders who participated informing them that the Abstract of Bids is available for downloading.

Even if only one bidder submits its Technical and Financial Component envelopes, the bidding process continues. If the bidder is declared *õpassedõ* and its Financial Bid is found to be responsive to the bidding requirements, its Bid will be declared as a Single Calculated Bid (SCB) and considered for contract award. (IRR Section 36)

A single calculated and responsive bid shall be considered for award if it falls under any of the following circumstances:

- (1) If after advertisement, only one prospective bidder applies for eligibility check, in accordance with the provisions of this IRR, and it meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements;
- (2) If after advertisement, more than one prospective bidder applies for eligibility check, in accordance with the provisions of this IRR, but only one bidder meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements; or
- (3) If after the eligibility check, more than one bidder meets the eligibility requirements, but only one bidder submits a bid, and its bid is found to be responsive to the bidding requirements.

Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award. However, the BAC, through its Secretariat, may ask in writing the bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. (IRR Section 32.1)

4.5.6. Failure of Bidding

The BAC shall 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;
- d. The bidder with the Lowest Calculated Responsive Bid refuses without justifiable cause to accept the award of contract, and no award is made in accordance with IRR Section 40.

When failure of bidding has resulted because no single bidder has complied with the requirement of having a single contract whose value adjusted to current prices using the PSA consumer price index is at least fifty percent (50%) of the ABC of the contract to be bid; or (b) in the case of Expendable Supplies, the single contract must be at least twenty five percent (25%) of the ABC, the DPWH, in lieu of the above, may instead require the following:

- a. The prospective bidder should have completed at least two similar contracts and the aggregate contract amounts should be equivalent to at least the percentage of the ABC as required above; and
- b. The largest of these similar contracts must be equivalent to at least half of the percentage of the ABC as required above.

For this purpose, the similar contracts mentioned under a and b above must have been completed within the period specified in the Invitation to Bid. The DPWH can clarify in the Bidding Documents the similar projects that can be considered in the bidding.

In such a case, the BAC shall issue a Resolution declaring a failure of bidding (DPWH-G&S-31). The BAC then reviews the terms and conditions stated in the IB. If warranted, it changes any of the terms and conditions, including the quantities or specifications, provided that the ABC is left unchanged. It must, thereafter, conduct a re-bidding, in the process formulating a new IB and posting and publishing this as required. (IRR Section 35) All bidders that have initially responded to the IB in the first bidding shall be allowed to submit new bids.

If the original estimate is found to be inadequate on reassessment to meet the objectives of the project, it may be necessary to reduce the scope of the project.

Should a second failure of bidding occur and the DPWH finds that there is a need to evaluate the responsiveness of the ABC, and so decides to revise the ABC accordingly, the DPWH should conduct another public bidding with re-advertisement and/or posting.

Alternatively, the DPWH may enter into a negotiated procurement with a legally, technically, and financially capable supplier (IRR Sections 35.3 and 53). However, if the DPWH resorts to negotiated procurement, the terms, conditions, and specifications of the project as well as the ABC must be maintained.

If a bidder does not accept the arithmetical corrections done by the BAC on its bid, the BAC must disqualify the Bid and forfeit the Bid security of the bidder.

4.5.7. Application of Domestic Preference during Bid Evaluation

The DPWH shall give preference to materials and supplies produced, made and manufactured in the Philippines subject to the conditions herein below specified. The award shall be made to the lowest Domestic Bidder provided his bid is not more than fifteen percent (15%) in excess of the lowest Foreign Bid. (IRR Section 43.1.2) A Domestic Bidder can only claim preference if it secures from the DTI a certification that the articles forming part of its bid are substantially composed of articles, materials, or supplies grown, produced, or manufactured in the Philippines.

In applying domestic preference, the DPWH shall be guided by the provisions of IRR Section 43.2, to wit:

- a. The preference shall be applied when (a) 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 or the bid offered by a non-Philippine national shall be increased by fifteen percent (15%).

- c. In the event that (a) the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, then the procuring entity shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid or bid offered by a non-Philippine national, as the case may be.
- d. If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid or bid offered by a non-Philippine national within two (2) calendar days from receipt of written advice from the BAC, the procuring entity shall award to the bidder offering the Foreign Bid or the non-Philippine national, as the case may be, subject to post-qualification and submission of all the documentary requirements.

4.6. POST-QUALIFICATION

4.6.1. Legal Reference

IRR Section 34 specifies the rules and guidelines for the conduct of Post-Qualification.

4.6.2. Purpose of Post-Qualification

Post-qualification is the process of verifying, validating and ascertaining all the statements made and documents submitted by the bidder with the LCB/SCB, which includes ascertaining the said bidder's compliance with the legal, financial and technical requirements of the bid. If its eligibility documents had been validated and verified, and its compliance with the legal, financial, and technical requirements of the Bid had been ascertained, the bidder must be declared the bidder with the "Lowest Calculated Responsive Bid/Single Calculated and Responsive Bid" (LCRB/SCRB). (IRR Section 34.1)

Post-qualification involves the BAC verifying, validating and ascertaining that the bidder satisfies the following criteria: (IRR Section 34.3)

- a. **Legal Requirements.** The post-qualification process under this criterion involves the verification, validation and ascertaining of the supplier's claim that it is not included in any government "blacklist," as well as all the licenses, permits and other documents it submitted. The legal requirements refer to the Legal Documents submitted by the bidder as part of the eligibility requirements, *e.g.*, SEC registration, DTI business name registration, Mayor's permit, Tax Clearance etc. The bidder's status with regard to "blacklisting" may be verified by checking the Consolidated Blacklisting Report issued by the GPPB, or the DWPH "blacklist" and those of other government agencies.
- b. **Technical Requirements.** Post-qualification under this criterion means that the BAC would have to validate, verify, and ascertain the veracity of the documents submitted by a supplier to prove compliance of the goods and services offered with the requirements of the contract and Bidding Documents. This involves the following processes:
 - (1) Verification and validation of the bidder's stated competence and experience;
 - (2) Verification and/or inspection and testing of the goods/products, after-sales and/or maintenance capabilities, in applicable cases; as well as checking the following:
 - (a) The acceptance of the goods delivered or services performed by the bidder 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;

- (3). Ascertainment of the correctness and authenticity of the Bid Security as to type, amount, form and wording, and validity period as required in the Bidding Documents.

- c. Financial Requirements. Under this criterion, the BAC shall verify, validate and ascertain the Bid price proposal of the bidder and, whenever applicable, its computation of the NFCC, in the amount specified and over the period stipulated in the ITB. This is to ensure that the bidder can sustain the operating cash flow of the transaction.

Within five (5) calendar days from receipt by the bidder of the notice from the BAC that the bidder has the Lowest Calculated Bid, the bidder shall submit the following documentary requirements to the BAC:

- a. Latest income and business tax returns; and
- b. Other appropriate licenses and permits required by law and stated in the Bidding Documents.

Failure to submit the above requirements on time shall disqualify the bidder for award; a finding against the veracity of such submission shall be a ground for the forfeiture of the Bid security subject to IRR Section 69.

4.6.3. Timeline for the Conduct of Post-Qualification

The post-qualification process must be conducted and completed in not more than twelve (12) calendar days from the determination of the LCB/SCB. However, in the procurement of goods requiring elaborate testing (such as equipment sourced from abroad) and other exceptional cases, the DPWH Head of Procuring Entity may extend the post-qualification period, but in no case should the aggregate period exceed forty-five (45) calendar days. (IRR Section 34.8)

4.6.4. Participants in the Conduct of Post-Qualification

The following parties are involved in the conduct of post-qualification:

- a. The BAC;
- b. The TWG;
- c. The BAC Secretariat / Procurement Service/Unit; and
- d. The eligible supplier/manufacturer, ranked starting from bidder with the LCB/SCB.

4.6.5. Methodology: Conduct of Post-Qualification

The following steps are followed in the conduct of post-qualification:

- a. The BAC/TWG verifies, validates, and ascertains the genuineness, validity and accuracy of the legal, technical and financial documents submitted by the bidder with the LCB/SCB, using the non-discretionary criteria described above.

In verifying the information contained in such documents, the BAC/TWG may make inquiries with appropriate government agencies and examine the original documents kept in the bidder's place of business. The use of other means for verification and validation of such documents may be resorted to by the BAC/TWG, such as the Internet and other research methods that yield the same results.

When electronic bidding is available, within one (1) day after the approval of the Abstract of Bids, the bidder with the LCB/HRB should be notified through electronic mail that the bidder shall undergo post-qualification and submit the post-qualification requirements within three (3) calendar days as provided for under IRR Section 34.2.

- b. The BAC/TWG conducts a site inspection of the bidder's place of business and/or plant/factory, where applicable.
- c. The BAC/TWG tests samples for compliance with specifications and performance levels, where applicable.
- d. The BAC/TWG inquires about the bidder's performance in relation with other contracts/transactions as indicated in its eligibility statement (statement of on-going, completed or awarded contracts).
- e. After the TWG conducts the post-qualification, it prepares a Post-qualification Report (DPWH G&S-34) to be submitted to the BAC. The Report shall contain, among others, the activities undertaken with regard to the post-qualification process, feedback from inquiries conducted, and the results of any tests conducted by the TWG or an accredited government testing center, where applicable.
- f. The BAC reviews the Post-qualification Report submitted by the TWG.
- g. The BAC determines whether the bidder with the LCB/SCB passes all the criteria for post-qualification.
- h. If the LCB/SCB passes the post-qualification, the BAC declares it as the LCRB/SCRB.
- i. After the BAC has determined the LCRB/SCRB, the Secretariat, with the assistance of the TWG, if necessary, prepares the BAC Resolution declaring the LCRB/SCRB and the corresponding Notice to the said bidder informing it of its post-qualification.

4.6.6. Post-Disqualification of Bidders

If the bidder with the LCB/SCB fails to pass post qualification, the BAC shall immediately notify the said bidder in writing of its post-disqualification and the grounds for it. The post-disqualified bidder shall have three (3) calendar days from receipt of the said notification to request from the BAC, if it so wishes, a reconsideration of its decision. The BAC shall evaluate

the request for reconsideration, if any, using the same non-discretionary criteria, and shall issue its final determination of the said request within seven (7) calendar days from receipt thereof. (IRR Section 55.1) Similar to the cases of bidders deemed to be ineligible and whose bids are rated "failed," the bidder with the LCB/SCB who fails to pass post-qualification may likewise file a protest with the payment of the corresponding fee in case the BAC denies its request for reconsideration.

In case of post-disqualification of the LCB, the BAC shall be given a fresh period to conduct the post-qualification of the next LCB. Taking into consideration the bid validity period, the BAC shall request for the extension of bid validity period and the bid security validity period in accordance with IRR Section 28.2.

When electronic bidding is available, the BAC or its Bid Opener shall record and encode the post-qualification results of manually submitted documents in the PhilGEPS. For electronic documents submitted online, the BAC or its Bid Opener shall decrypt the documents and the results recorded automatically. After recording the post-qualification summary and uploading the BAC resolution declaring the bidder with the LCRB/HRRB in the PhilGEPS, an electronic message shall be automatically sent to all bidders who participated informing them that the Notice of LCRB/HRRB is available for downloading.

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 LCB/SCB. If the second bidder passes the post-qualification, and provided that the request for reconsideration of the first bidder has been denied, the BAC shall declare the second bidder as the bidder with the LCRB/SCRB. The DPWH Head of Procuring Entity shall then award the contract to it. (IRR Section 34.6)

If the second bidder, however, fails the post-qualification, the procedure for post-qualification shall be repeated for the bidder with the next LCB/SCB, and so on until the LCRB/SCRB, is determined for award. (IRR Section 34.7)

The post-qualification process shall be completed in not more than seven (7) calendar days from the determination of the LCB/HRB. In exceptional cases, the post-qualification period may be extended by the Head of the Procuring Entity, but in no case shall the aggregate period exceed thirty (30) calendar days.

If no bidder passes post-qualification, the BAC shall issue a Resolution declaring a failure of bidding (DPWH-G&S-31). The BAC then reviews the terms and conditions stated in the IB. If warranted, it changes any of the terms and conditions, including the quantities or specifications, provided that the ABC is left unchanged. It must, thereafter, conduct a re-bidding, in the process formulating a new IB and posting and publishing this as required. (IRR Section 35) All bidders that have initially responded to the IB in the first bidding shall be allowed to submit new bids.

If the original estimate is found to be inadequate on reassessment to meet the objectives of the project, it may be necessary to reduce the scope of the project. Should a second failure of bidding occur and the DPWH finds that there is a need to evaluate the responsiveness of the ABC, and so decides to revise the ABC accordingly, the DPWH should conduct another public bidding with re-advertisement and/or posting.

Alternatively, the DPWH may enter into a negotiated procurement with a legally, technically, and financially capable supplier (IRR Sections 35.3 and 53). However, if the DPWH resorts to

negotiated procurement, the terms, conditions, and specifications of the project as well as the ABC must be maintained.

4.6.7. Right of DPWH to Reject Bids, Declare a Failure of Bidding, or not Award the Contract

The DPWH may exercise the right to reject any and all bids, to declare a failure of bidding, or not to award the contract in any of the following situations (IRR Section 41.1):

- a. If there is prima facie evidence of collusion between appropriate public officers or employees of the DPWH, or between the BAC and any of the bidders, or 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 BAC is found to have failed in following the prescribed bidding procedures, for which the applicable sanctions shall be applied to the erring officers, as provided in IRR Section 65; or
- c. For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the government as follows:
 - (1) 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 DPWH Head of Procuring Entity;
 - (2) If the project is no longer necessary as determined by the Head of Procuring Entity; and
 - (3) If the source of funds for the project has been withheld or reduced through no fault of the DPWH.

The following are some instances where the BAC is deemed to have failed to follow prescribed procedures:

- a. Prescribing an insufficient number of days in the advertisement and/or posting of the IB;
- b. Exceeding the required periods for eligibility screening, Bid evaluation, post-qualification for each lowest calculated bidder or for awarding the contract without justifiable cause;
- c. Conducting the Pre-Bid Conference or issuing the Bidding Documents in less than the required number of days before deadline for the submission and opening of bids;
- d. Requiring the bidder to submit additional documents which is tantamount to improving his Bidding Documents; and
- e. Allowing a bidder to become eligible or pass the post-qualification with incomplete documents.

4.7. CONTRACT AWARD

4.7.1. Legal Reference

IRR Section 37 specifies the rules and guidelines for awarding the contract.

4.7.2. Rule on Contract Award

The contract shall be awarded to the bidder with the **LOWEST CALCULATED RESPONSIVE BID** or the **SINGLE CALCULATED RESPONSIVE BID** after the post qualification process has been completed at its submitted Bid price or its calculated Bid price, whichever is lower. **(IRR Section 37.1)**

The BAC shall issue a Resolution recommending to the DPWH Head of Procuring Entity award of the contract to the bidder with the LCRB/SCRB at its submitted Bid price or its calculated Bid price, whichever is lower (DPWH-G&S-32). Within three (3) calendar days from the issuance of the resolution recommending award of the contract, the BAC shall notify all other bidders, in writing, of its recommendation.

Prior to the expiration of the period of Bid validity, the DPWH should notify the successful bidder in writing that its Bid has been accepted, through a Notice of Award (DPWH-G&S-33) received personally or sent by registered mail or electronically. It is important that, in case the Notice of Award is not received personally, its receipt must be confirmed in writing within two (2) days by the successful bidder and submitted personally or sent by registered mail or electronically to the DPWH (this particular instruction must be included in the ITB so that the bidder may be guided accordingly).

To facilitate the approval of the award, the BAC shall submit the following supporting documents to the DPWH Head of Procuring Entity:

- a. Resolution of the BAC recommending award;
- b. Abstract of Bids;
- c. Duly approved program of work or delivery schedule, and Cost Estimates;
- d. Certificate of Funds Availability; and
- e. Other pertinent documents required by existing laws, rules, and/or the DPWH.

Within a period not exceeding fifteen (15) calendar days from the determination by the BAC of the Lowest Calculated Responsive Bid, and the recommendation to award the contract, the HOPE or his duly authorized representative shall approve or disapprove the said recommendation.

In case of approval, the DPWH Head of Procuring Entity shall immediately issue the Notice of Award to the bidder with the Lowest Calculated Responsive Bid. In the event of disapproval, which shall be based only on valid, reasonable and justifiable grounds as provided under IRR Section 41, the DPWH Head of Procuring Entity shall notify the BAC in writing, which shall in turn notify the bidder. The BAC may conduct a post-qualification of the bidder with the next lowest calculated bid provided that the bid security is still valid.

When electronic bidding is available, upon approval by the HOPE of the BAC recommendation to award the contract to the LCRB/HRRB, the Notice of Award (NOA) shall be created by the Bid Notice Creator in the PhilGEPS upon instruction of the HOPE, provided however, that the NOA shall only be created and issued to the LCRB/HRRB if no request for reconsideration or protest is received by, or inputted in PhilGEPS. Upon issuance of the NOA to the LCRB/HRRB,

an electronic message shall be automatically sent to all bidders who participated informing them of the results of the bidding process.

A request for reconsideration may be filed by the bidder with the HOPE within three (3) calendar days from receipt of the notice of disapproval. The HOPE shall resolve with finality the request for reconsideration within seven (7) calendar days from the filing thereof and furnish the bidder a copy of the resolution immediately from its promulgation. In no case shall the request for reconsideration stay or delay the bidding process. However, the request for reconsideration must first be resolved before any award is made.

Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

- a. Submission of the following documents within the prescribed period: 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 Lowest Calculated Responsive Bid or Highest Rated Responsive Bid, as the case may be;
- b. Posting of performance security in accordance with IRR Section 39;
- c. Signing of the contract as provided in IRR Section 37.2; and
- d. Approval by higher authority, if required, as provided in IRR Section 37.3.

Contract award shall be made within the Bid validity period provided in IRR Section 28.

The BAC, through the Secretariat, shall post, within three (3) calendar days from its issuance, the Notice of Award in the PhilGEPS, the DPWH website, and any conspicuous place in the premises of the DPWH.

4.7.3. Timeline for Contract Award

The DPWH Head of Procuring Entity should approve or disapprove the recommendation of award within fifteen (15) calendar days from the date of determination and declaration by the BAC of the LCRB/SCRB. (IRR Section 37.2)

The Notice of Award shall be given to the bidder with the LCRB/SCRB immediately after approval of the recommendation. A copy of the Notice shall be posted in the websites of the PhilGEPS and DPWH within three (3) calendar days after its issuance.(IRR Section 37.1.6) Losing bidders are notified through the issuance in writing of the notice of bidding results within three (3) days after the issuance of the Notice of Award. The Procuring Entity shall enter into contract with the winning bidder within the ten (10) day period from receipt of the Notice of Award provided that all documentary requirements are complied with. (IRR Section 37.2.2.)

4.7.4. Participants in the Award of the Contract

The following must participate in the activities related to the awarding of the Contract:

- a. The DPWH Head of Procuring Entity;
- b. The BAC;
- c. The BAC Secretariat/Procurement Service/Unit;
- d. The bidder who submitted the LCRB/SCRB; and

- e. The Observers.

4.7.5. Methodology: Contract Award

The following steps are followed in the awarding of a contract:

- a. The BAC Secretariat consolidates all the documents and/or records with regard to the procurement at hand, and attaches the same to the BAC Resolution.
- b. The BAC Secretariat drafts the BAC Resolution recommending award (DPWH-G&S-32).
- c. The BAC approves and signs the Resolution Recommending Award, and transmits the same to the DPWH Head of Procuring Entity.
- d. The DPWH Head of Procuring Entity or his/her duly authorized representative, acts on the recommendation for award within fifteen (15) calendar days from the date of determination and declaration by the BAC of the LCRB/SCRB.
- e. In case of approval of the recommendation, the DPWH Head of Procuring Entity, through the Procurement Service/Unit, issues the Notice of Award (DPWH-G&S-33) to the bidder with the LCRB/SCRB, while the BAC accordingly notifies the losing bidders. In case of a disapproval of the recommendation of award, the DPWH Head of Procuring Entity shall state the reason(s) for disapproval and instruct the BAC on the subsequent steps to be adopted.
- f. The bidder with the LCRB/SCRB accepts the Notice of Award.

If the bidder refuses to accept the award within the Bid validity period, the BAC shall forfeit the Bid security of the bidder and shall initiate the blacklisting proceedings in accordance with the Uniform Guidelines for Blacklisting (GPPB Resolution No. 09-2004). It then initiates and completes the post-qualification of the bidder with the second lowest calculated bid. If found qualified, the said bidder shall be awarded the contract. This procedure is repeated until the LCRB/SCRB is determined. Should all eligible bidders fail post-qualification, the BAC must declare the bidding a failure.

Refusal to accept an award, without just cause or for the purpose of forcing the DPWH to award the contract to another bidder, if proven, is meted with a penalty of imprisonment of not less than six (6) years and one (1) day by not more than fifteen (15) years. (IRR Section 65.3.d) Additional penalties of suspension for one (1) year from participation in government procurement for the first offense, and suspension for two (2) years for the second offense shall also be imposed on the bidder. (IRR Section 69.1)

4.8. CONTRACT SIGNING AND APPROVAL

4.8.1. Legal Reference

IRR Section 37 specifies the rules regarding contract documentation, signing and approval.

4.8.2. Contract Documents

The winning bidder shall post the required Performance Security and enter into contract with the DPWH within ten (10) calendar days from receipt by the winning bidder of the Notice of Award. The DPWH shall enter into contract with the winning bidder within the same ten (10) day period provided that all the documentary requirements are complied with. The following documents shall form part of the contract:

- a. Contract Agreement/Purchase Order as prepared by the End User Unit;
- b. Conditions of the Contract (General and Specific);
- c. Technical Specifications of Goods or Scope of Work for services;
- d. Invitation to Bid;
- e. Bidding Documents;
- f. Addenda and/or Supplemental/Bid Bulletins, if any;
- g. Bid form including all the documents/statements contained in the winning two bidding envelopes, as annexes;
- h. Eligibility requirements, documents and/or statements;
- i. Performance Security;
- j. Notice of Award of Contract and winning bidder's "Conforme" thereto; and
- k. Other contract documents that may be required by existing laws and/or the DPWH.

A Purchase Order may be used and considered sufficient for small value procurement or one time delivery but for goods procured with multiple delivery dates or of higher value or for services a Contract Agreement may be used.

The Chief of the Accounting Division/Section may sign the contract as an instrumental witness.

The DPWH signatory is encouraged to sign within the same day as the signing of the bidder as there are penalties against delaying, without justifiable cause, the award of the contract. (IRR Section 65.1) Moreover, it would be best for the winning bidder and the DPWH Head of Procuring Entity, his duly authorized representative, or its appropriate signing authority, to sign/execute the contract together ó provided that all contract documents and requirements are complete ó so that both may personally appear before a Notary Public.

4.8.3. Timeline for Contract Approval

When, after contract signing, further approval of a higher authority is required, the approving authority for the contract, or his duly authorized representative, shall be given a maximum of twenty (20) calendar days from receipt thereof, together with all documentary requirements to perfect the said contract, to approve or disapprove it.

Only contracts that are duly signed by the appropriate signatory, but require further approval, are covered by this rule, because an unsigned contract is a mere piece of paper and cannot be the basis of a government liability. If no action on the contract is taken by the HOPE or the appropriate approving authority within the specified period of twenty (20) days, the contract shall be deemed approved. However, where further approval by the Office of the President is required, the contract shall not be deemed approved unless and until the Office of the President gives actual approval to the contract concerned. **(IRR Section 38.3)**

4.8.4. Schedule for Issuance of Notice to Proceed (NTP)

A Notice to Proceed (NTP) is a written letter issued by the DPWH to the winning supplier to start the delivery of goods or undertake the service in accordance with the provisions of the contract. (DPWH-G&S-34).

The Notice to Proceed (NTP) must be issued 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 approving authority. **(IRR Section 37.4.1)**

4.8.5. Contract Effectivity

Unless otherwise specified in the contract, a contract becomes effective only at the time and date of the receipt by the winning bidder of the Notice to Proceed (NTP). These provisions must be stated clearly in the contract itself. **(IRR Section 37.4.1)**

The head of the end user unit shall create a Technical Inspection and Acceptance Committee (TIAC) from its staff or from staff of other units who have technical knowledge of the contract.

4.8.6. Participants in Contract Signing and Approval and Issuance of NTP

The following parties are involved in the signing and approval of the contract, and in the issuance of the NTP:

- a. The BAC Secretariat/Procurement Service/Unit;
- b. The DPWH Head of Procuring Entity;
- c. The winning bidder; and
- d. End-user;

4.8.7. Methodology: Contract Signing and Approval

- a. The Goods and Services Division of the Procurement Service or the End User Units at the Regional Office/District Engineering Office shall transmit the contract documents to the DPWH Head of Procuring Entity or appropriate signing authority for signature, together with the following documents:

- (1) Duly approved delivery schedule and cost estimates or the PPMP;
- (2) Abstract of Bids;
- (3) Resolution of the BAC recommending award;
- (4) Approval of award by the appropriate approving authority; and
- (5) Other pertinent documents that may be required by existing laws and/or the DPWH.

After signing, if the contract needs the approval of a higher authority, the Procurement Service/Unit transmits the contract and related documents to the approving authority or his authorized representative for approval.

- b. The approving authority or his authorized representative acts on the contract within twenty-five (25) calendar days from receipt thereof.
- c. For procurements done by the Central Office, the Goods and Services Division of the Procurement Service shall issue the NTP. In the case of procurements done by the Regional Office/DEO, the End User Unit shall issue the NTP.
- d. The Procurement Service/Unit shall consolidate all the documentary requirements and transmits copies of these to the Commission on Audit (COA) in accordance with COA Circular 2009-001 dated February 12, 2009. The Procurement Service/Units shall also transmit copies of the contract and its attachments to the End User Unit.

- e. The DPWH Procurement Service/Unit, through the BAC Secretariat, shall post a copy of the Notice to Proceed and the approved contract in the PhilGEPS and the DPWH website, within fifteen (15) calendar days from the issuance of the Notice to Proceed. (Section 37.4.2)

When electronic bidding is available, after the contract signing and submission of the Performance Bond, the Bid Notice Creator shall update the "proceed date" and the "contract start and end dates" and upload a copy of the Notice to Proceed and approved Contract in the PhilGEPS.

4.8.8. Performance Security

a. Legal Reference

Section 39 states the provisions for the posting of the performance security by the winning bidder.

b. Definition of Performance Security

A Performance Security is a guarantee that the winning bidder shall faithfully perform its obligations under the contract prepared in accordance with the Bidding Documents (IRR Section 39.1). The Performance Security shall also guarantee the recoupment of any advance payment to the supplier as authorized in IRR "Annex D". The Performance Security must be posted in favor of the Procuring Entity, and shall be forfeited in the latter's favor if it is established that the winning bidder is in default in any of its obligations under the contract (IRR Section 39.3)

The Performance Security shall be posted by the bidder with the LCRB/SCRB before the signing of the contract by both parties (IRR Section 39.1).

c. Period for Posting Performance Security by the Bidder with the LCRB/SCRB

Within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the DPWH, and in all cases upon the signing of the contract, the successful bidder should furnish the DPWH with the performance security in accordance with the Conditions of Contract, and in the Form prescribed in the Bidding Documents. (IRR Section 37.2.1) The performance security forms part of the contract. (Section 37.2.3)

d. Forms of Performance Security and the Corresponding Amounts Required

The performance security shall be in an amount not less than a percentage of the contract price in accordance with the following schedule:

Table 4. Forms and Amounts of Performance Security

FORM OF PERFORMANCE SECURITY	MINIMUM AMOUNT
a. Cash, cashier's/manager's check, issued by a universal or commercial bank; or	5% of contract price
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;	5% of contract price

or	
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; or	30% of contract price

The DPWH shall indicate in the Bidding Documents at least two (2) acceptable forms of performance security taken from two (2) categories above that bidders may opt to use and the respective amounts. The winning bidder must choose which among the preferred forms it shall submit. (Please refer to DPWH-G&S-35, 36, 37 for sample forms of performance securities such as Letter of Credit, Bank Guarantee and Surety Bond).

If the contract value is reduced because part of the goods or services under the contract had already been delivered or completed, and accepted by the government, the DPWH shall allow a proportional reduction in the original performance security. However, this proportional reduction in the value of the performance security is allowed only when the contract allows for partial deliveries or performance. Moreover, the reductions must be more than ten percent (10%), and the aggregate of such reductions must not be more than fifty percent (50%) of the original performance security. (IRR Section 39.7)

e. Schedule for Release of Performance Security

Subject to the conditions of the contract, the DPWH may release the performance security to the winning supplier after the issuance of the Certificate of Acceptance of the goods, provided that there are no claims filed against the contract awardee or the surety company. However, it must ensure that the performance security is replaced by a warranty covering the defects liability period in accordance with IRR Section 62.

f. Participants in the Posting of Performance Security

The bidder with the LCRB/SCRB, the DPWH and the issuer of the security, e.g., the banking/financial institution or the insurance company, are all involved in the posting of the performance security.

g. Methodology: Posting of Performance Security

The following steps are followed in the posting of the performance security:

- (1) The bidder with the LCRB/SCRB posts a performance security. In so doing, it must comply with the following conditions:
 - (a) The performance security must be executed in the form prescribed by the DPWH in the ITB; and
 - (b) The performance security must at least be co-terminus with the period of completion of the contract.
- (2) The Procurement Service/Unit accepts the performance security and indicates such posting and acceptance by attaching the appropriate form to the contract.

If the bidder with the LCRB/SCRB refuses to, or is unable, through its own fault, to post the performance security and sign the contract within the prescribed period:

- (1) Its Bid security is forfeited;

- (2) It is disqualified from further participating in the bidding at hand;
- (3) Upon conviction, the relevant officers or individuals will suffer the penalty of imprisonment of not less than six (6) and one (1) day and not more than fifteen (15) years; and
- (4) Upon determination of administrative liability, it will suffer the administrative penalties of suspension for one (1) year from participation in government procurement for the first offense, and suspension for two (2) years for the second offense. This is without prejudice to the blacklisting proceedings undertaken in accordance with the Uniform Guidelines for Blacklisting (GPPB Resolution 09-2004).

For its part, the BAC must initiate and complete the post-qualification of the bidder with the second LCB/SCB. This procedure must be repeated until the LCRB/SCRB is determined for award. If no bidder passes post-qualification, the BAC declares the bidding a failure and conducts a re-bidding with re-posting and re-advertisement. Should there be another failure of bidding after the conduct of the re-bidding, the DPWH may enter into a negotiated procurement. (IRR Section 40.2)

If the bidder that fails to post the performance security and sign the contract happens to be one with the SCRB, the BAC must declare the bidding a failure. It then conducts a re-bidding with re-posting and re-advertisement. Should there be another failure of bidding after the conduct of the re-bidding, the DPWH may enter into a negotiated procurement. (IRR Section 40.3)

The BAC shall initiate the process of blacklisting. The Uniform Guidelines for Blacklisting of manufacturers, suppliers, distributors, and suppliers shall be used.

If the failure of the bidder with the LCRB/SCRB to sign the contract within the prescribed period is not due to its fault, the sanctions mentioned above shall not be imposed. (IRR Section 40.1)

B. TWO-STAGE COMPETITIVE BIDDING AND SPECIALIZED PROCUREMENT

4.9. TWO-STAGE COMPETITIVE BIDDING

4.9.1. Purpose of Two Stage Competitive Bidding

The Two-Stage Competitive Bidding is one where the bidding process is divided in two (2) stages. The first stage involves the issuance by the DPWH of Bidding Documents with technical specifications that are not yet well defined and merely in the form of performance criteria, and the submission by the bidders of their respective Letters of Intent, eligibility requirements, if needed, and initial Technical Proposals without price. This allows the DPWH to receive inputs from the eligible bidders whose Technical Proposals meet the minimum performance standards (a meeting/discussion may be held with these bidders), for purposes of drawing up the final revised technical specifications/requirements of the contract. The second stage involves the release of the well-defined technical specifications by the DPWH, followed by the conduct of the regular procedure for public bidding with all the bidders identified during the first stage, who shall then be required to submit their respective revised Technical Proposals including their Financial Proposals. (IRR Section 30.3)

The Two-Stage Competitive Bidding Procedure may be employed for the procurement of goods when:

- a. Due to the nature of the project requirements (e.g. complex information and communications technology), the required technical specifications/requirements of the contract cannot be precisely defined in advance of bidding, or it may be undesirable or impractical to prepare complete technical specifications in advance.

Procuring entities may consider it undesirable or impractical to compare complete technical specifications in advance under any of the following circumstances:

- (1) In the case of turnkey contracts;
- (2) Contracts for large complex facilities;
- (3) Complex information and communication technology; or
- (4) Works of a special nature.

- b. The problem of technically unequal bids is likely to occur.

The purpose of the bidding procedure is to come up with well-defined, standardized technical specifications, with inputs from all stakeholders, including the bidders themselves.

4.9.2. Timeline for the Conduct of Two-Stage Competitive Bidding

The timeline for the conduct of a Two-Stage Competitive Bidding will depend on several variables:

- a. The Project Timelines as defined by the Procurement Service/Unit or End-User Unit;
- b. The technical complexity of the Project; and
- c. The time required for drawing up the final technical specifications.

These variables, however, affect only the first stage of the bidding, as well as the drawing up of the final technical specifications. Thus, while the timelines for the first stage may not be definite, the second stage shall follow the timelines prescribed for the regular competitive bidding procedure. In setting the timelines, the DPWH should ensure that the time periods involved are reasonable and that there is no undue delay of the entire procurement procedure and project implementation.

4.9.3. Participants in the Two-Stage Competitive Bidding Process

The following are involved in the Two-Stage Competitive Bidding process:

- a. The Procurement Service/Unit or End-User Unit;
- b. The TWG;
- c. The BAC;
- d. The BAC Secretariat; and
- e. The Observers.

4.9.4. Methodology: Conduct of Two-Stage Competitive Bidding Process

The general process for a two-stage bidding is as follows:

- a. In the first stage, bidders are first invited to submit technical offers (plus other Bid requirements) without prices, on the basis of a conceptual design or performance specifications which lay down the minimum operating and performance requirements.
- b. Each of the unpriced technical bids shall then be discussed between the bidder concerned and the DPWH and its consultants, if any, for the purpose of providing for technical and commercial clarifications and adjustments, and in order to agree on an acceptable technical standard for all bids.
- c. At the second stage, the Bidding Documents will then be amended, but in revising the said Bidding Documents, the DPWH would have to respect the confidentiality of the bidders' technical proposals used in the first stage, consistent with requirements of transparency and intellectual property rights. After the discussions, the bidders shall be given an opportunity to revise or adjust their proposals to conform to the standards agreed upon. The bidders shall also be invited to submit price proposals and these shall be evaluated.

The following specific steps are followed in the conduct of the Two-Stage Bidding process:

- a. The TWG, with the assistance of the Procurement Service/Unit or End-User Unit, prepares the Bidding Documents in accordance with the usual procedures. However, the technical specifications shall only be in the form of performance criteria, i.e. the technical specifications shall contain functional descriptions of the goods, or expected output for services, without specifying the details thereof.
- b. In drawing up the final technical specifications, the TWG and BAC should ensure that the Procurement Service/Unit/End-User Unit is properly consulted, and has agreed to the said specifications.
- c. If necessary, the BAC calls a Pre-Procurement Conference, following the procedures set forth in competitive Bidding.
- d. The BAC issues the Bidding Documents which contain, in addition to the items prescribed for competitive bidding, a request for the prospective bidders to submit the following:
 - (1) Letter of Intent;
 - (2) Eligibility requirements, if needed; and
 - (3) Initial Technical Proposals only (no price tenders).
- e. The BAC, with the assistance of the TWG, conducts the Eligibility Check, as conducted in a Single-Stage Competitive Bidding procedure, and proceeds with the determination of the eligible and ineligible bidders.
- d. The TWG evaluates the technical merits of the proposals received from eligible bidders vis-à-vis the required performance standards, and determines the proposals that meet the minimum standards.
- e. The TWG and BAC meet/discuss with the eligible bidders whose Technical Proposals meet the minimum required standards stipulated in the Bidding Documents. The purpose

of this meeting is to draw up the final revised technical specifications/requirements of the contract.

- f. Once the final revised technical specifications are completed and duly approved by the BAC, copies of the same shall be provided to all eligible bidders that met the minimum technical standards. The latter are then required to submit their revised Technical Proposals, including their Financial Proposals in two (2) separate sealed envelopes, at a specified deadline, after which time no more bids shall be received.
- g. The BAC proceeds with the Bid evaluation, post-qualification, award of contract and contract signing in accordance with the procedure and timelines prescribed for competitive bidding.

If no prospective bidder submits a Letter of Intent, the BAC shall issue a Resolution declaring the bidding a failure. In such a case, the BAC shall issue a Resolution declaring a failure of bidding. The BAC then reviews the terms and conditions stated in the Invitation to Bid. If warranted, it changes any of the terms and conditions, including the quantities or specifications, provided that the ABC is left unchanged. It must, thereafter, conduct a re-bidding, in the process formulating a new Invitation to Bid and posting and publishing this as required. (IRR Section 35) All bidders that have initially responded to the Invitation to Bid in the first bidding shall be allowed to submit new bids.

The approved budget for the contract shall be the upper limit or ceiling for acceptable Bid prices. If a Bid price, as evaluated and calculated in accordance with the IRR, is higher than the approved budget for the contract under bidding, the bidder submitting the same shall be automatically disqualified. There shall be no lower limit or floor on the amount of the award.

If the original estimate is found to be inadequate on reassessment to meet the objectives of the project, it may be necessary to reduce the scope of the project (or adjust the ABC should there be a second failure of bidding).

Should a second failure of bidding occur and the DPWH finds that there is a need to evaluate the responsiveness of the ABC, and so decides to revise the ABC accordingly, the DPWH should conduct another public bidding with re-advertisement and/or posting. Alternatively, the DPWH may enter into a negotiated procurement with a legally, technically, and financially capable supplier. (IRR Sections 35.5 and 53) However, if the DPWH resorts to negotiated procurement, the terms, conditions, and specifications of the project as well as the ABC must be maintained.

4.10. SPECIALIZED PROCUREMENTS PROCEDURES FOR GOODS AND SERVICES

4.10.1. Ordering Agreements (OA)¹³

Under GPPB Resolution Nos. 06-2005, 03-2011 and 01-2012, ordering agreements may be resorted to in situations where the DPWH intends to procure necessary and desirable goods that by its nature, use, or characteristic, the quantity and/or exact time of need cannot be accurately pre-determined; and, in case of expendable or non-expendable goods, it is inadvisable for the DPWH to carry the same in stock or commit to purchase a certain quantity within a given period. Ordering Agreement may be used for expendable or non-expendable goods and services, for

¹³ GPPB Resolution Nos. 06-2005, 03-2011, 01-2012

hotel accommodation, air travel, and repair and maintenance and shall not cover procurement of consulting services, and infrastructure projects.

a. General Conditions for the Use of Ordering Agreements

An Ordering Agreement (OA) may be used only upon compliance with the following requirements:

- (1) The Head of the Procuring Entity determines that adopting an Ordering Agreement will be more advantageous for the DPWH having considered the following:
 - (a) End-User Unit's certification that the goods in the Order Agreement List are necessary and desirable for the operations of the DPWH, supported by the following documents:
 - i. Feasibility study, needs analysis, or historical data, establishing the need for the acquisition of the goods in the Order Agreement List; and
 - ii. Market study establishing the ABC for each of the goods;
- (2) Result of cost-benefit analysis supports the appropriateness of using Ordering Agreement by establishing benefits, such as, but not limited to the following:
 - i. Stockholding or warehousing of goods and the costs and risks accompanying it will be significantly reduced or avoided;
 - ii. Additional cost will be lessened as the possibility of delay in the acquisition of the goods is minimized;
 - iii. The commitment by the supplier to immediately deliver at a short notice will translate to a more efficient means of supplying goods;
 - iv. DPWH will benefit from the fixed price for the duration of the Ordering Agreement;
 - v. Ordering at the time of actual need will result in the optimum usage of the ABC; or
 - vi. The benefits and advantages of lean and just-in-time procurements are achieved.
 - vii. The Order Agreement List is prepared in the most practical, efficient, and economical manner that will encourage competition among interested bidders in the relevant industry.
 - viii. The procurement shall be conducted following the procedures for competitive bidding.

b. Procurement Planning for Ordering Agreements

The Procuring Entity shall prepare the Annual Procurement Plan (APP) and the Project Management Procurement Plan (PPMP) and goods that are to be procured through Ordering Agreements. The DPWH, in preparing its Annual Procurement Plan (APP) shall include, for purposes of entering into an Ordering Agreement, an Order Agreement List, which shall remain unchanged, neither to be increased or decreased after advertisement and during its life span. The APP shall indicate the types of items considered for inclusion in the Order Agreement List. In determining the items to be listed, the DPWH shall carefully examine and identify its needs and the probable time, period, event, or occasion the ordering may take place using, whenever applicable, assessment of Total Cost of Ownership, Life Cycle Costing, and Value for Money analysis.

The Ordering Agreement shall contain (a) the Order Agreement List; (b) the terms and clauses applying to Delivery Order Contracts between the parties for its duration; and (c) methods for issuing and delivering/performing future orders under the Ordering Agreement.

The Order Agreement List shall indicate the following information:

- (1) Type and nature of each item;
- (2) Technical specifications or Scope of Work;
- (3) Estimated quantity of items or services;
- (4) Estimated contract price per item or service;
- (5) Total ABC including budgetary allotments per type of product or service; and
- (6) Other appropriate information as may be necessary.

The estimated contract price per item or service shall be determined and prepared after careful consideration of variables and factors that may affect future market prices using historical data, market study, feasibility study, and/or net present value of money. Prices indicated in the Ordering Agreement corresponding to the subject goods in the Order Agreement List shall be fixed for the duration of the agreement, regardless of increase or decrease in the prevailing market price at the time of actual purchase through the issuance of the Delivery Order Contract.

The estimated quantity of items or services shall be determined based on the expected number to be required by the DPWH should the need arise. The estimated quantity shall be considered as the maximum quantity allowed to be purchased by the DPWH, which the supplier or service provider is bound to deliver or perform pursuant to the Delivery Order Contract.

Upon option of the DPWH, bidders may be allowed to Bid on a per item/lot/package basis as provided in the Order Agreement List. For this purpose, the DPWH, through its BAC, shall prepare, when necessary, separate Technical Specifications/Scope of Work for every line item to be Bid out and indicate, among others, an approved budget for each item, the estimated quantity it may procure when needed, and the requested delivery/performance lead time from execution of Delivery Order Contract or from any date determined by the DPWH.

c. Participants in Procurement through Ordering Agreements

The following are involved in procurement through Ordering Agreements:

- (1) The Procurement Service/Unit or End-User Unit;
- (2) The TWG;
- (3) The BAC;
- (4) The BAC Secretariat; and
- (5) The Head of Procuring Entity.

d. Methodology: Procurement and Contract Implementation through Ordering Agreements

The general process for procurement through Ordering Agreements is as follows:

- (1) Based on the approved APP, the Procurement Service/Unit in coordination with the End-User Units shall identify items to be procured through Ordering Agreements and may package these on a per item/lot/package basis as provided in the Order Agreement List;
- (2) The Procurement Service/Unit in coordination with the End-User Units shall prepare, when necessary, separate Technical Specifications/Scope of Work for every line item to be Bid out and indicate, among others, an approved budget for each item, the estimated quantity it may procure when needed, and the requested delivery/performance lead time from execution of Delivery Order Contract or from any date determined by the DPWH;
- (3) The BAC and the Procurement Service/Unit in coordination with the End-User Units shall conduct the procurement using the single stage, two envelope competitive bidding procedures discussed in Section 4.1. above.
- (4) The Procurement Service/Unit shall prepare the Ordering Agreement and issue the corresponding Notice of Award (NOA) to the winning supplier/service provider. Within a period ten (10) calendar days from receipt by the winning bidder of the Notice of Award, the winning bidder or its duly authorized representative shall formally enter into an Ordering Agreement with the DPWH for an amount of One Peso to be paid by the DPWH as a consideration for the option granted to the DPWH to buy the items in the Order Agreement List when the need arises. The Ordering Agreements shall not state or imply any agreement by the DPWH to place future contracts or make orders with the supplier/service provider. Ordering Agreements shall include the following:
 - (a) Order Agreement List;
 - (b) A fixed contract price per item/service specified in the Order Agreement List;
 - (c) Delivery/service terms and conditions;
 - (d) Terms of payment;
- (5) The Ordering Agreement shall specify that the actual contract shall be reckoned from the execution and issuance of the Delivery Order Contract and include a statement that upon the execution and issuance of the Delivery Order Contract, all rules and guidelines governing implementation of procurement contracts under RA 9184 and its IRR shall be applicable. No modification of the Ordering Agreement during its lifetime shall be allowed. Ordering Agreements, including the Order Agreement List, shall be valid only for the period stated in the Bidding Documents which, in no case shall exceed one (1) year from the time the Ordering Agreement was entered into and executed by the parties, and shall not be extended beyond its lifetime.
- (6) The supplier/service provider under the Ordering Agreement shall post a performance security prior to the signing of the agreement based on the total contract price of the awarded items under the Ordering Agreement. The form and amount of performance security shall be as indicated under IRR Section 39.
- (7) When the DPWH has determined the necessity for one or more of the items covered in the Ordering Agreement and the need to actually order these, it shall require the

delivery of the item identified in the Order Agreement List in such quantity or scope and at the fixed price for which it was awarded by executing a Delivery Order Contract in favor of the supplier/service provider to obligate the latter to deliver or perform according to the terms and conditions stated in the Ordering Agreement.

- (8) The DPWH may execute as many Delivery Order Contracts for the same line item as may be needed within the validity of the Ordering Agreement; provided that subsequent Delivery Order Contracts shall have the same unit price as originally stated in the Ordering Agreement and shall not exceed the estimated quantity in the Order Agreement List.

There is no limit on the number of Delivery Order Contracts that may be executed or issued. However, the aggregate amount of all executed or issued Delivery Order Contracts shall not exceed the total contract price specified in the Ordering Agreement. No other costs are authorized unless otherwise specified in the Ordering Agreement. The DPWH may execute or issue Delivery Order Contracts requiring delivery to multiple destinations or performance at multiple locations.

- (9) For purposes of participation in other public bidding activities, the aggregate of the Delivery Order Contracts for a particular item satisfactorily completed by the supplier/service provider shall be considered as one (1) contract with the cumulative amount thereof as the total contract amount. In such case, the date appearing on the certificate of acceptance issued by the DPWH for the last delivery will be considered as the date of completion of the contract.
- (10) After receipt by the supplier/service provider of the Delivery Order Contract from the DPWH, it shall deliver/perform the items within the period specified in the Ordering Agreement, unless a different time is provided in the Delivery Order Contract; in which case, the period stated in the latter shall prevail.
- (11) Extension of delivery/performance time shall be upon written request of the supplier/service provider and upon approval by the DPWH after consideration of reasonable and justifiable causes. Failure to deliver/perform within the agreed period, including any time extension, will make the supplier/service provider liable to the DPWH for liquidated damages at least equal to one-tenth of one percent (.001) of the cost of the unperformed portion of the total amount of the awarded items under the Ordering Agreement for every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the total amount of the awarded items under the Ordering Agreement, the DPWH shall rescind the same, without prejudice to other courses of action and remedies open to it.
- (12) The Warranty provision for goods under IRR Section 62 shall be observed under the Ordering Agreement, and shall be posted for each Delivery Order Contract.
- (13) Without prejudice to the provisions of applicable laws, rules, and guidelines, the Ordering Agreement shall automatically terminate under the following conditions:
- (a) When the total estimated quantity specified in the Ordering Agreement has been exhausted; or
 - (b) When the specified duration of the Ordering Agreement has expired.

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

4.10.2. Water, Electricity, Telecommunications and Internet Service Providers

a. Water and Electricity Services

Water and electricity service providers are granted exclusive franchises to operate within a specific territory. Hence, procurement of these services shall be done through direct contracting under IRR Section 50 discussed later in alternative methods of procurement. This provision does not apply to the purchase of bottled water or to the procurement by any agency of the government, whether national or local, in its operations as water or electricity concessionaires.

b. Telecommunications (Landline and Cellular Phones)

For existing lines, contractual arrangements previously entered into with telecommunications companies will be respected. At the end of each year, however, the procuring entity must assess the quality of service provided by its telecommunication service provide. For instance, it must compare the cost charged by its existing telephone or cellular phone service provider and the range of services is offers against other service providers in the area. If results of said assessment or benefit cost analysis continue to favor the existing service provider, then the procuring entity may simply renew its services. If it does not, then the procuring entity shall Bid such services. Repeat Order may be resorted to by the procuring entity if additional lines are needed during the year. The provisions on Repeat Order under IRR Section 51that it may be availed of only within six (6) months from the effectivity period stated in the Notice to Proceed arising from the original contract may be dispensed with.

For new lines, if the procuring entity does not have an existing telephone service contractor or, after the conduct of a cost benefit analysis is not satisfied with the performance of its previous service contractor, the following procurement methods are prescribed:

- (1) If there is more than one service contractor operating within the area, competitive bidding;
- (2) If there is only one service contractor operating in the area, direct contracting.

c. Internet Service Providers (ISP)

For existing internet service providers (ISP), contractual arrangements previously entered into with ISPs will be respected. At the end of each year, the procuring entity must assess the quality of the service provided by its ISP. For instance compare the cost charged by said ISP and the range of services it offers as against other service providers in the area. It may also consider new technologies that may prove less costly. If the results of said assessment or cost benefit analysis continue to favor the existing ISP, then the procuring entity may renew its services. If it does not, then the procuring entity shall Bid the said services in accordance with Section 4.3.2.2. (a) and (b) above.

For new ISPs, if the procuring entity does not presently engage an ISP, or after conduct of a cost benefit analysis is not satisfied with the performance of its existing ISP, then the procuring entity shall procure the services in accordance with Section 4.3.2.2. (a) and (b) above.

4.10.3. Security and Janitorial Services

Procurement of general support services including security and janitorial services falls under the definition of goods and is covered by the guidelines under GPPB Resolution Nos. 24-2007 and 03-2011 dated 28 January 2011. It is recognized that the proper and efficient procurement of security and janitorial services should be based not solely cost, but should also take into account a range of other factors, such as, but not limited to, length of contract, standards of internal governance, adequacy of resources, levels of training, and adherence to labor and other social legislation.

For this purpose, the guidelines are issues to meet the following objectives:

- a. To prescribe an objective set of parameters in the evaluation of technical proposals for security and janitorial services;
- b. To provide conditions on the use of multi-year contracts for security and janitorial services.

Procuring entities are encouraged to evaluate the technical proposal of bidders using the additional set of parameters prescribed in Appendix A¹⁴. Considering that procuring entities have different needs and requirements, the minimum standard for each parameter shall be determined by the procuring entity. Additional technical parameters and minimum standard for each parameter must be expressly stated under the Technical Specifications of the standard bidding documents (Annex IVA-7).

To determine compliance with these parameters, procuring entity may require additional documents or materials as part of the bidder's technical proposal. These additional documents or materials must be expressly stated in the Bid Data Sheet.

The procuring entity shall check compliance with the technical parameters using non-discretionary "pass/fail" criteria.

Procuring entities may enter into multi-year contracts, but not to exceed three(3) years, in the procurement of security and janitorial services, subject to the following conditions:

- a. The Invitation to Bid must expressly state the following:
 - (1) Duration of the contract to be bid, which should not exceed three(3) years;
 - (2) The Approved Budget for the Contract (ABC) for the first year only.
- b. All Bid prices for the duration of three (3) years shall be fixed and shall not be adjusted during contract implementation, except for the following:
 - (1) Increase in minimum daily wage pursuant to law or new wage order issued after date of bidding,

¹⁴ GPPB Resolution 24-2007 dated September 28, 2007.

- (2) Increase in taxes; and
- (3) If during the term of the contract the procuring entity sees the need for an increase or decrease in the number of security guards or janitorial attendants, the resulting cost of said increase or decrease, provided that the ABC for the relevant year is not exceeded.

The procuring entity shall ensure that the foregoing allowable price adjustments are specified under the Special Conditions of Contract of the SBDs.

- c. The Financial Proposal shall contain a breakdown of all costs, including cost of supplies and equipment, necessary for the execution of the contract.
- d. Procuring entities shall expressly provide, under Technical Specifications, that the service provider/contractor shall maintain a satisfactory level of performance throughout the term of the contract based on a prescribed set of performance criteria.

The performance criteria to be applied shall include, among others, the following: (i) quality of service delivered; (ii) time management; (iii) management and suitability of personnel; (iv) contract administration and management; and (v) provision of regular progress reports.

- e. Before end of each year, procuring entities shall conduct an assessment or evaluation of the performance of the service provider/contractor based on the set of performance criteria prescribed under the Technical Specifications.
- f. Based on its assessment, the procuring entity may pre-terminate the contract for failure by the service provider/contractor to perform its obligations following the procedure prescribed under the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board under Resolution No.018-2004 dated 22December 2004.

4.10.4. Computers, Communications, Information and Other Equipment

Department Order No. 10 dated January 26, 2015 provides guidelines for the procurement, turn-over, disposal and inventory of information and communications technology (ICT) resources. ICT resources refer to application systems, auxiliary equipment, computer hardware, computer programs, data base management systems, information technology (IT) services, IT architecture, software packages and IT consumables. The guidelines for the acquisition of IT goods and services cover all acquisitions regardless of funding source and whether such acquisition and accountability is made on a purchase, rental or lease/purchase basis except for consumable computer supplies and/or replacement of defective peripherals/parts such as diskettes, compact discs, flash drive, hard disks, LAN card, RJ45/RJ11, CD ROM, floppy drive, keyboards, monitor, mouse, printer ink, cartridges, printer head, tabulating stock forms, etc.

Contracts for purchase/lease of computers, communication and information technology equipment, are subject to the same public bidding and procurement procedures as prescribed in R.A. 9184, its IRR.

4.3.5. Construction Materials and Small Hand Equipment under Pakyaw Contracts

Construction materials, small hand tools and equipment that shall be used for infrastructure projects done by administration or through the Pakyaw system shall be subject to public bidding or the corresponding alternative methods of procurement depending on the threshold amount of the items/contracts to be procured.

SECTION 5

PROCEDURES FOR THE PROCUREMENT OF GOODS AND SERVICES THROUGH ALTERNATIVE METHODS

5.1 RULE ON THE USE OF ALTERNATIVE METHODS OF PROCUREMENT

Generally, procuring entities shall adopt competitive bidding as the general mode of procurement and shall see to it that the procurement program allows sufficient lead time for competitive bidding. However, the law allows the use of alternative methods of procurement in highly exceptional instances, provided:

- a. There is prior approval of the DPWH Head of Procuring Entity on the use of alternative methods of procurement, as recommended by the BAC and indicated in the approved APP; and

- b. The conditions required by law for the use of alternative methods are present.

In resorting to any of the alternative methods of procurement, the DPWH must ensure that the method chosen promotes economy and efficiency, and that the most advantageous price and contract for the government is obtained. In cases where the original method of procurement specified in the APP is public bidding, but the reasons and justifications provided meet the grounds and conditions specified under the respective alternative methods of procurement, the APP may be amended through a BAC Resolution justifying and recommending the change in the mode of procurement and the use of the alternative method as approved by the HOPE. The Procuring Entity may refer to draft resolution for this purpose. (DPWH-G&S-39) Such changes must be reflected in the APP and submitted to GPPB.

For the procurement of goods by the DPWH, the following alternative methods of procurement may be resorted to:

- a. Limited Source Bidding
- b. Direct Contracting
- c. Repeat Order
- d. Shopping
- e. Negotiated Procurement
 - (1) Agency-to-Agency:
 - (2) Printing Services:
 - (3) Highly Technical Consultants
 - (4) Small Value Procurement
 - (5) Lease of Real Property

The BAC may also include a general recommendation in the consolidated APP for the Procuring Entity to resort to Shopping as an alternative method of procurement in case of an occurrence of a contingency so that the approval of the APP by the Head of the Procuring Entity covers an approval of such recommendation provided that the limits indicated for contingencies are not exceeded.

5.2. SPECIAL PROVISIONS FOR ALTERNATIVE METHODS

The following are provisions for the use of alternative methods of procurement that the procuring entity needs to observe (**IRR Annex”H”**):

5.2.1. Posting of Notices

For the following alternative methods of procurement, advertisement and posting as prescribed in IRR Section 21.2.1 may be dispensed with, provided that the BAC, through its Secretariat, shall post the invitation or request for submission of price quotations in the DPWH or PhilGEPS websites or at any conspicuous place reserved for this purpose in the premises of the Procuring Entity for a period of three (3) calendar days (IRR Section 54.2):

- a. Limited Source Bidding (IRR Section 49);
- b. Shopping for ordinary office supplies and equipment not available in the DBM-PS

- (IRR Sections 52.1 (b));
- c. Two failed biddings (Sections 53.1);
- d. Small value procurement (Section 53.9);
- e. NGO Participation (Section 53.11)

In all instances of alternative methods of procurement, the BAC, through the Secretariat, shall post, for information purposes, the notice of award, purchase order, or contract in the PhilGEPS website, the DPWH website and at any conspicuous place reserved for this purpose in the premises of the Procuring Entity (IRR Section 54.3).

5.2.2. Bid Security

The Procuring Entity may dispense with the requirement of bid securities except for Limited Source Bidding.

5.2.3. Performance and Warranty Securities

Performance and Warranty Securities are required for the following alternative modalities as prescribed in IRR Sections 39 and 62:

Table 5. Performance and Warranty Securities for Alternative Modalities

Modality	Performance Security	Warranty Security
Limited Source Bidding	*	For highly specialized goods
Direct Contracting		*
Repeat Order		*
Two Failed Biddings	*	*
Emergency Cases	Procuring Entity may require PS depending on the nature of the procurement project.	Procuring Entity may require WS security depending on the nature of the procurement project.
Take-over Contracts	*	*
Small Value Procurement	Procuring Entity may require PS depending on the nature of the procurement project.	Procuring Entity may require WS security depending on the nature of the procurement project.

5.2.4 PhilGEPS Registration

Manufacturers, suppliers, distributors, contractors, and/or consultants are mandated to register with PhilGEPS and provide a PhilGEPS Registration Number in the following alternative methods of procurement as a condition for award of the contract:

- a. Direct Contracting (Section 50)
- b. Shopping for Ordinary Office Supplies and Equipment not available in DBM-PS (Section 52.1 (b))
- c. Two Failed Biddings (Section 53.1)

- d. Take Over of Contracts (for shortlisting of new bidders) (Section 53.3)
- e. Small Value Procurement (Section 53.9)
- f. Lease of Real Property and Venue (Section 53.10)
- g. NGO Participation (Section 53.11)

5.2.5. Observers

Under Limited Source Bidding and Negotiated Procurement under the Two Failed Biddings modality, observers shall be invited in all stages of the procurement process. For other modalities, observers may be invited by the Procuring Entity.

5.3. LIMITED SOURCE BIDDING

5.3.1. Legal Reference

IRR Section 49 defines the processes and considerations in the use of Limited Source Bidding.

5.3.2. Definition of Limited Source Bidding

LIMITED SOURCE BIDDING, otherwise known as **SELECTIVE BIDDING**, is a method of procurement of goods that involves the issuance of a direct invitation to Bid by the DPWH to a set of pre-selected suppliers with known experience and proven capability on the requirements of the particular contract. (IRR Section 49)

5.3.3. Conditions for Procurement through Limited Source Bidding

Limited Source Bidding may be employed by DPWH under any of the following conditions:

- a. Procurement of highly specialized types of goods and consulting services where only a few suppliers are known to be available, such that resorting to the public bidding method will not likely result in any additional suppliers participating in the bidding; or
- b. Procurement of major plant components where it is deemed advantageous to limit the bidding to known qualified bidders in order to maintain uniform quality and performance of the plant as a whole.

5.3.4. Participants in Procurement through Limited Source Bidding

The following are involved in the conduct of limited source bidding for the procurement of goods:

- a. The DPWH Head of Procuring Entity;
- b. The BAC;
- c. The TWG;
- d. The BAC Secretariat/ Procurement Service/Unit;
- e. The invited suppliers; and
- f. The Observers.

5.3.5. Methodology: Procurement through Limited Source Bidding

The following steps are followed in conducting limited source bidding:

- a. The method of procurement to be used shall be as indicated in the approved APP. If the original mode of procurement recommended in the APP was Public Bidding but cannot be ultimately pursued, the BAC, through a resolution, shall justify and recommend the change in the mode of procurement to be approved by the DPWH Head of Procuring Entity (DPWH-G&S-39).
- b. The End User Unit, with the assistance of the TWG and the BAC Secretariat, prepares the Bidding Documents, including the IB (indicating therein the method of procurement to be used) and the technical specifications, in accordance with the procedures laid down in the IRR, this Manual and the SBDs.
- c. If a Pre-Procurement Conference is required or deemed necessary, the BAC holds the said conference. If a Pre-Procurement Conference is held, the participants should confirm the existence of the conditions required by law for procurement through Limited Source Bidding.
- d. The BAC, through the Secretariat, posts for information purposes the IB in:
 - (1) The PhilGEPS;
 - (2) The DPWH website; and
 - (3) Any conspicuous place in the premises of the DPWH;

for a period of seven (7) calendar days prior to the opening of the bids and upon receipt of said acknowledgment letter from GPPB.

- e. The BAC Secretariat sends the IB to the pre-selected suppliers. The IB is sent to ALL suppliers in the list.

For all bidders, the procuring entity shall require the submission of a Certificate of PhilGEPS Registration in accordance with IRR sections 8.2.2.

- f. The BAC proceeds with the Pre-Bid Conference (if deemed warranted under the circumstances), eligibility check, Bid evaluation, post-qualification and succeeding activities up to contract award, signing and approval, following the procedures for Competitive Bidding.

Observers shall be invited in all stages of the procurement process.

- g. The BAC Secretariat, shall post, for information purposes, the notice of award, purchase order, or contract in the PhilGEPS website, the DPWH website and at any conspicuous place reserved for this purpose.
- h. Bid, performance and warranty securities are required for this method of procurement and should be posted in accordance with procedures for competitive bidding.

5.4. DIRECT CONTRACTING

5.4.1. Legal Reference

IRR Section 50 defines the processes and considerations in the use of Direct Contracting.

5.4.2. Definition of Direct Contracting

DIRECT CONTRACTING or SINGLE SOURCE PROCUREMENT is a method of procurement of goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale. The offer may be accepted immediately or after some negotiations. **(IRR Section 50)**

5.4.3. Conditions for Procurement through Direct Contracting

Direct Contracting may be resorted to under any of the following conditions:

- a. Procurement of items of proprietary nature which can be obtained only from the proprietary source, i.e., when patents, trade secrets and copyrights prohibit others from manufacturing the same item.

This is applicable when the goods or services being procured are covered by a patent, trade secret or copyright duly acquired under the law. Under the Intellectual Property Code of the Philippines (R.A. No. 8293), the registered owner of a patent, a copyright or any other form of intellectual property has exclusive rights over the product, design or process covered by such patent, copyright or registration. Such exclusive right includes the right to use, manufacture, sell, or otherwise to derive economic benefit from the item, design or process.

Example: chemicals to convert non-potable (particularly flood water) to potable water.

- b. When the procurement of critical plant components from a specific manufacturer, supplier or distributor is a condition precedent to hold a supplier to guarantee its project performance in accordance with the provisions of its contract.

This is applicable when there is a contract for an infrastructure project consisting of the construction/repair/renovation of a plant, and critical components of such plant are prescribed by the supplier for it to guarantee its contract performance. For example, in the construction of a power generation plant, the supplier may require the use of certain components manufactured by a specific manufacturer, whose products have been found to meet certain standards and are compatible with the technology used by the supplier. In this instance, Direct Contracting may be resorted to in the procurement of such critical plant components. However, the BAC must require technical proof that such critical plant components are the ONLY products compatible with the plant.

- c. Those sold by an exclusive dealer or manufacturer that does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the Government. The supplier/ manufacturer must prove through proper documentation that it is the sole source of the said the goods, equipment, or services required.

This condition anticipates a situation where the goods are sold by an exclusive dealer or distributor, or directly sold by the manufacturer. In this instance, it is highly unlikely that sub-dealers can sell the same at lower prices. Further, the DPWH has not identified a suitable substitute for the product that can be procured at terms more advantageous to the government.

5.4.4. Justification for Direct Contracting

To justify the need to procure through the Direct Contracting method, the BAC should conduct a survey of the industry and determine the supply source. This survey should confirm the exclusivity of the source of goods or services to be procured. In all cases where Direct Contracting is contemplated, the survey must be conducted prior to the commencement of the procurement process. Moreover, the DPWH must justify the necessity for an item that may only be procured through Direct Contracting, and it must be able to prove that there is no suitable substitute in the market that can be obtained at more advantageous terms.

5.4.5. Participants in Procurement through Direct Contracting

The following are involved in the conduct of direct contracting:

- a. The DPWH Head of Procuring Entity;
- b. The BAC;
- c. The TWG;
- d. The BAC Secretariat/ Procurement Service/Unit; and
- e. The supplier/manufacturer.

5.4.6. Methodology: Procurement through Direct Contracting

The following steps are undertaken in conducting Direct Contracting:

- a. The method of procurement to be used shall be as indicated in the approved APP. If the original mode of procurement recommended in the APP was Public Bidding but cannot be ultimately pursued, the BAC, through a resolution shall justify and recommend the change in the mode of procurement to be approved by the DPWH Head of Procuring Entity (DPWH-G&S-39).
- b. The End User Unit shall prepare the technical specifications and draft contract for the goods to be procured through Direct Contracting in accordance with the procedures laid down in this Manual.
- c. It shall request the supplier to submit a price quotation or pro-forma invoice with the condition of sale based on the technical specifications together with the required documents such as the exclusive distributorship agreement duly authenticated by the Philippine Embassy where the manufacturer/items originated. The offer may be accepted immediately or after some negotiations.

The selected manufacturer, supplier, distributor shall register with PhilGEPS and shall submit the PhilGEPS Registration Number as one of the requirements.

- d. Upon submission of all documentary requirements by the supplier, the BAC Secretariat shall prepare a resolution recommending award by the BAC. The BAC shall recommend to the HOPE the award of contract, for approval or disapproval within a reasonable period from the date of receipt of the recommendation of the BAC, taking into consideration efficiency, economy and the need of the procuring entity. In case of approval, the HOPE shall immediately issue the Notice of Award to the Supplier. In the event the HOPE shall disapprove the recommendation, such disapproval shall be based only on valid, reasonable, and justifiable grounds to be expressed in writing, addressed to the BAC.

- e. The Supplier shall immediately enter into contract with the procuring entity upon receipt of the Notice of Award. Upon transmission of the signed contract, the HOPE or his duly authorized representative shall immediately sign the contract.
- f. The BAC shall issue the Notice to Proceed together with a copy of the approved contract to the Supplier within three (3) calendar days from the date of approval of the contract by the appropriate government approving authority.
- g. The BAC Secretariat shall post the Notice of Award, Contract, and Notice to Proceed for information purposes, in the PhilGEPS and DPWH websites, and at any conspicuous place reserved for this purpose within ten (10) days from their issuance.
- h. The supplier shall post the required warranty security within the period prescribed and the Procurement Service/Unit shall prepare and issue the Purchase Order.

5.5. REPEAT ORDER

5.5.1 Legal Reference

IRR Section 51 discusses the procedures and considerations in the use of Direct Contracting.

5.5.2 Definition of Repeat Order

REPEAT ORDER, is a method of procurement of goods from the previous winning bidder, whenever there is a need to replenish Goods procured under a contract previously awarded through Competitive Bidding. The procurement should be covered by the contingency provided for in the APP.

Repeat Orders from the previous winning bidder may be resorted to by the DPWH only in cases where the procured item is clearly superior to the other bids. This superiority must exist, not only in the price quoted but also in equipment reliability, availability of spare parts, after-sales service and delivery period, among others. The Bid should not have been so closely contested, such that if bidding would be conducted again, the previous winning bidder would still have a high probability of winning.

5.5.3 Conditions for Procurement through Repeat Order

Repeat Order may be resorted to if the following conditions are satisfied:

- a. The original contract must have been procured through competitive bidding.
- b. Contract prices of the repeat order must be the same as or lower than those in the original contract, provided that such prices are still the most advantageous to the government after price verification;
- c. The repeat order will not result in splitting of contracts, requisitions or purchase orders, as provided for in IRR Section 54.1;

Splitting of contracts is the act of dividing or breaking up government contracts into smaller quantities and amounts. It also is the act of dividing contract implementation into artificial phases or sub-contracts. Both actions are for the purpose of evading or circumventing the requirements of law especially the necessity of public bidding and the requirements for the alternative methods of procurement. (IRR Section 54.1)

If the DPWH is found to have resorted to this mechanism to subvert the law, those responsible for this act shall suffer the penalty of imprisonment of not less than six (6) years and one (1) day, but not more than fifteen (15) years. This penalty is without prejudice to the imposition of other sanctions provided for in RA 3019 and other penal laws. (IRR Section 65.1.d)

- d. Except in cases duly approved by the GPPB, the repeat order shall be availed of only within six (6) months from the Notice to Proceed arising from the original contract, provided that there has been a partial delivery, inspection and acceptance of the goods; and
- e. The repeat order should not exceed twenty-five percent (25%) of the quantity of each item in the original contract, and must be part of the contingency provided for in the APP. In order not to exceed the 25% threshold, the goods under the original contract must be:
 - (1) quantifiable;
 - (2) divisible; and
 - (3) consisting of at least four (4) units per item

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

5.5.4 Participants in Procurement through Repeat Order

The following are involved in procuring through the Repeat Order method:

- a. The DPWH Head of Procuring Entity;
- b. The BAC;
- c. The TWG;
- d. The BAC Secretariat;
- e. The End-User Unit or Procurement Service/Unit; and
- f. The supplier who won in the previous public bidding.

5.5.5 Methodology: Procurement through Repeat Order

In order to procure through the Repeat Order method, the following steps shall to be followed:

- a. The method of procurement to be used shall be as indicated in the approved APP.
- b. The Procurement Service/Unit or End-User Unit requests for the procurement of additional units of goods previously procured.
- c. The End-User Unit conducts a canvass of the prevailing market price of the goods to be procured to verify whether the price of the item to be procured is still the same or lower

than the price of the goods in the original contract and still most advantageous to the government.

- d. The Procurement Service/Unit shall confirm the price with the supplier that won the previous public bidding and submits this to the BAC for its recommending approval.
- e. The BAC recommends the award of a Repeat Order contract through a Resolution to be approved by the DPWH Head of Procuring Entity.
- f. The DPWH Head of Procuring Entity approves the recommendation and the amended APP.
- g. The BAC, through the Secretariat, confirms the Repeat Order with the previous supplier, and proceeds with the preparation of the Supplemental Contract or Purchase Order, using the Technical Specifications in the Bidding Documents used in the previous Bidding.
- h. The HOPE proceeds with contract signing, and contract implementation.
- i. The BAC, through the Secretariat, posts for information purposes the award in:
 - (1) The PhilGEPS;
 - (2) The DPWH website; and
 - (3) Any conspicuous place in the premises of the DPWH.
- j. Warranty security shall be posted for this type of procurement.

5.6. SHOPPING

5.6.1. Legal Reference

IRR Section 52 discusses the procedures and considerations in the use of Shopping.

5.6.2. Definition of Shopping

SHOPPING is a method of procurement of goods whereby the DPWH simply requests for the submission of price quotations for readily available off-the-shelf Goods or ordinary/regular equipment to be procured directly from suppliers of known qualifications. Inherent in this definition are the following requisites:

- a. The goods to be procured are readily available off-the-shelf items or ordinary/regular equipment; and
- b. The suppliers from whom the goods are procured are of known qualifications.

With respect to the procurement of ordinary/regular supplies/equipment not available in the DBM PS, the **suppliers** from whom goods are procured **should be in good standing**, and have not committed any breach of contract (*e.g.*, short deliveries, unreasonable delays in delivery of goods, delivery of defective goods, or similar acts) in previous transactions with the DPWH or other government entities. It is the responsibility of the DPWH, through the Procurement Service/Unit to monitor contract implementation as well as constantly coordinate with the GPPB-TSO for updates on blacklisted suppliers.

5.6.3. Conditions for Procurement through Shopping

In accordance with GPPB Resolution No.012-2006, dated 14 June 2006, the procurement of ordinary and regular office supplies through shopping shall be subject to the following rules:

- a. When there is an unforeseen contingency requiring immediate purchase provided the amount of goods to be procured does not exceed One Hundred Thousand Pesos (P100,000.00).
- b. Procurement of ordinary or regular supplies and equipment not available in the DBM-PS provided the amount of goods to be procured should not exceed Five Hundred Thousand Pesos (P500,000.00).

Ordinary or regular office supplies shall include those supplies, commodities or materials which are necessary in the transaction of its official businesses; and consumed in the day-to-day operations. However, office supplies shall not include services such as repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services.

It must be ensured that the procurement does not result in splitting of contracts, as provided in IRR Section 54.1 and subject to the procedural guidelines for Shopping and Small-Value Procurement under GPPB Resolution No. 09-2009 dated 23 November 2009 which aims to provide control measures that will safeguard these provisions from abuse. The contract ceiling for procurement through Shopping is subject to periodic review by the GPPB, and may be increased or decreased to reflect changes in economic conditions or for other justifiable reasons. (IRR Section 52)

5.6.4. Participants in Procurement through Shopping

The following are involved in the conduct of procurement through the Shopping method:

- a. The DPWH Head of Procuring Entity;
- b. The BAC;
- c. The BAC Secretariat/ Procurement Service/Unit;
- d. The end-user; and
- e. The supplier(s).

5.6.5 Planning for Contingency Purchases

IRR Section 7.2 requires all procurement to be in accordance with the APP, and all procuring entities are not allowed to procure anything unless it is included in the APP. The requirement extends to those immediate purchases of readily available off-the-shelf goods and to contingencies. These purchases include those charged against cash advances, or the so-called "over-the-counter" purchases. Contingencies must therefore be provided for in the APP based on historical data. (IRR Section 7.3) This can be done by allocating such purchases as a percentage of the total procurement budget as reflected in the DPWH's APP.

To enable it to plan its purchases more efficiently and consequently approximate realistic levels for the amount that it would need for its contingency purchases or its small purchases of ordinary/regular office supplies/equipment, the DPWH must conduct a regular study of its "over-the-Counter Purchases". Based on this study, the DPWH would be able to identify recurring

expenses that could more reasonably be included in the APP, and thus determine a more realistic allocation for contingencies.

5.6.6. Methodology: Procurement through Shopping

The following steps need to be followed in procuring through the Shopping method:

- a. The method of procurement to be used must always be as indicated in the approved APP. In other words, there has to be an allocation for items or contingencies wherein procurement through Shopping has been identified. Otherwise, the APP would have to be amended or updated in accordance with IRR Section 7. If the original mode of procurement recommended in the APP was Public Bidding but cannot be ultimately pursued, the BAC, through a resolution shall justify and recommend the change in the mode of procurement to be approved by the DPWH Head of Procuring Entity (DPWH-G&S-39).
- b. For information purposes, the BAC, through the BAC Secretariat shall post the notice of procurement through shopping for a period of seven (7) days in the following:
 - (1) The PhilGEPS;
 - (2) The DPWH website; and
 - (3) Any conspicuous place in the premises of the DPWH.

However, in the following instances, this posting requirement shall not be applicable:

- (1) When there is an unforeseen contingency requiring immediate purchase under IRR Section 52.1(a); or
 - (2) RFQs with ABCs equal to Fifty Thousand Pesos (Php 50,000.00) and below.
- c. The BAC, through the BAC Secretariat, issues Requests for Quotation (RFQ) to at least three (3) suppliers in good standing and of known qualifications. (DPWH-G&S-42)

The RFQ must also prescribe the manner by which price quotations shall be submitted (i.e., by sealed or open quotation, and the deadline for their submission). In all instances, however, information relating to the examination, evaluation, and comparison of price quotations shall be kept confidential and should not be disclosed to any other party except to those officially concerned until award of contract.

The deadline for submission may be extended twice if none or less than the required number of price quotations is received. Extensions of deadline shall be posted in accord with item b. of these procedures.

In the case of an immediate purchase brought about by an unforeseen contingency, the RFQ may be sent to only one (1) supplier. Upon completion of the transaction, the End-User Unit submits a Procurement Request (PR) (DPWH-G&S-40) to the Procurement Service/Unit indicating therein the urgency of the requirement.

- d. The suppliers submit the Price Quotations along with the PhilGEPS Registration Certificate, Mayor's Permit, Tax Clearance, Brochures and other requirements set forth in the RFQ. The BAC shall validate whether it is entering into a Contract with a technically, legally and financially capable supplier by requiring the submission of relevant documents discussed in the RFQ.

- e. The BAC, with the assistance of the TWG and the BAC Secretariat shall open the quotations and conduct evaluation of submitted documents in accordance with the procedures set forth under Section 4.5.5. of this Manual. At least three (3) price quotations must be obtained and all the items to be procured shall have a corresponding price in the quotation to be considered for evaluation. The BAC shall prepare a Bid Evaluation Sheet (DPWH-G&S-43) and an Abstract of Quotations (DPWH-G&S-44) setting forth the names of those who responded to the RFQ, their corresponding price quotations, and the lowest quotation submitted.
- f. Award shall be made by the BAC to the supplier with the lowest calculated quotation which complies with the specifications and other terms and conditions stated in the RFQ.
- g. The BAC Secretariat shall prepare the Resolution recommending award to the supplier who submitted the lowest calculated quotation for approval by the Head of Procuring Entity. (DPWH-G&S-45) Upon approval of the resolution, the Notice of Award shall be issued to the winning supplier. (DPWH-G&S-46)
- h. The BAC Secretariat, shall post, for information purposes, the notice of award, purchase order, or contract in the PhilGEPS website, the DPWH website and at any conspicuous place reserved for this purpose except for those with ABCs equal to Fifty Thousand Pesos (Php 50,000.00) and below.

Considering the small value of procurement through Shopping, the DPWH Head of Procuring Entity is encouraged to delegate the function of approving such requests to lower level officials, provided the aggregate amount of such procurement transactions still falls within the amount allowed for contingencies in the APP. If the aggregate amount of these transactions exceeds the amount provided for in the APP, it could indicate either of two things:

- a. The APP does not reflect a realistic percentage of contingent procurements, requiring a more thorough study of past procurement data; or
- b. There is a tendency to purchase indiscriminately, possibly to avoid competitive bidding.

In either case, the DPWH Head of Procuring Entity should step in and ensure that proper measures are carried out to correct the situation.

In accordance with GPPB Resolution 5-2006 dated January 20, 2006, suppliers are exempted from the posting of performance and warranty securities.

5.7. Negotiated Procurement

5.7.1. Legal Reference

IRR Section 53 discusses the procedures and considerations in the use of Negotiated Procurement.

5.7.2. Definition of Negotiated Procurement

NEGOTIATED PROCUREMENT is a method of procurement of Goods whereby the Procuring Entity directly negotiates a contract with a technically, legally and financially capable supplier.

The DPWH shall update and maintain its current Registry of Suppliers to be used as data base for negotiated procurement. In the case of emergency procurement, the suppliers from whom goods are procured should be in good standing, and have not committed any breach of contract (e.g., short deliveries, unreasonable delays in delivery of goods, delivery of defective goods, or similar acts) in previous transactions with the DPWH or other government entities. It is the responsibility of the DPWH, through the Procurement Service/Unit, to monitor contract implementation as well as constantly coordinate with the GPPB-TSO for updates on blacklisted suppliers.

The DPWH may resort to Negotiated Procurement for goods and services under the following cases:

- a. Failure of Two Previous Biddings
- b. Imminent Danger to Life or Property under Emergency Cases
- c. Take-Over of Contract
- d. Agency-to-Agency Arrangements
- e. Printing Services
- f. Small Value Procurement
- g. Lease of Real Property

These cases will be discussed in Sections 5.7.6 to 5.7.12.

5.7.3. Conditions for Procurement through Negotiated Procurement

For the procurement of goods, negotiated procurement is employed only in any of the following cases:

- a. Where there has been failure of public bidding or limited source bidding (IRR Section 49) for the second time provided in IRR Section 53;
- b. In emergency cases where there is imminent danger to life or property during a state of calamity, or when time is of the essence arising from actual or man-made calamities or other causes where immediate action is necessary to prevent damage to or loss of life or property, or to restore vital public services, infrastructure facilities and other public utilities;
- c. If the DPWH is purchasing goods from another agency of the government, such as the DBM PS; or if it lacks the proficiency or capability to undertake a particular procurement, as determined by the DPWH Head of Procuring Entity, and requests another government agency to undertake such procurement activity or hires consultants or procuring agents to assist it directly and/or train its staff in the management of the procurement function and general conditions prescribed by GPPB under Resolution No. 18-2007 dated 31 May 2007.

Agency-to-Agency Agreements may only be resorted to if the following conditions are complied with:

- (1) Conduct of a Cost-benefit Analysis by the DPWH indicating that entering into an Agency-to-Agency Agreement with the Servicing Agency is more efficient and economical for the government;

- (2) Total amount of all goods, undertaken or to be undertaken through Agency-to-Agency Agreements shall not exceed twenty-five percent (25%) of the DPWH's total procurement budget for goods, as reflected in its approved APP;
- (3) Servicing Agency has the mandate to deliver the goods and services required by the DPWH; and
- (4) Servicing Agency owns or has access to the necessary tools and equipment required for the project.

Servicing Agency shall refer to the agency which delivers the goods. Pursuant to the relevant provisions of the General Appropriations Act, procuring entities have the option to engage the services of private printers for their printing and publication expenditures, subject to public bidding in accordance with RA 9184 and pertinent accounting and auditing rules and regulations.

- d. Take-over of contracts, which have been rescinded or terminated for causes provided for in the contract and existing laws, where immediate action is necessary to prevent damage to or loss of life or property, or to restore vital public services, infrastructure facilities and other public utilities; or
- e. Where the procurement does not fall under Shopping in IRR Section 52 and the amount involved does not exceed the thresholds prescribed in IRR Annex 8Hö.
- f. Lease of privately owned real property and venue for official use, subject to the revised implementing guidelines for lease of privately-owned real estate and venue under GPPB Resolution No.08-2009, dated 03 November 2009.

5.7.4. Participants in Negotiated Procurement

The following are involved in purchasing goods through negotiated procurement:

- a. The DPWH Head of Procuring Entity;
- b. The BAC;
- c. The TWG;
- d. The BAC Secretariat;
- e. The End-User Unit or Procurement Service/Unit; and
- . The accredited or registered suppliers.

5.7.5. Methodology: Negotiated Procurement

The following steps are undertaken in purchasing goods through the negotiated procurement method:

- a. The method of procurement to be used shall be as indicated in the approved APP. If the original mode of procurement recommended in the APP was Public Bidding but cannot be ultimately pursued, the BAC, through a resolution shall justify and recommend the change in the mode of procurement to be approved by the DPWH Head of Procuring Entity.

- b. The BAC convenes the appropriate officials for the Pre-Procurement Conference, if deemed necessary.
- c. The BAC, through the Secretariat, posts for information purposes the procurement opportunity, for a maximum period of seven (7) calendar days, in:
 - (1) The PhilGEPS;
 - (2) The DPWH website; and
 - (3) Any conspicuous place in the premises of the DPWH.

This is applicable for Negotiated Procurement under Sections 53.1 (two-failed biddings) and 53.9 (small value procurement). For all other types of negotiated procurement, posting is not necessary.

5.7.6. Failure of Two Previous Biddings

If the procurement is being negotiated because of two previous failures of public bidding or limited source bidding, the BAC, through the BAC Secretariat, shall draw up a list of at least three (3) suppliers in good standing who will be invited to submit bids. The BAC shall negotiate with the bidder who submitted the lowest calculated bid. If the offer of the bidder who submitted the lowest calculated bid, is not responsive to the original specifications and ABC, negotiation shall be made in ascending order starting from the lowest offer. The bidder whose Bid is found to be responsive to the original specifications and ABC shall be considered for award. The procedures for the conduct of public bidding from Bid evaluation to contract award should be observed. However, the minimum period for each bidding procedure may be reduced. In all cases, the award of contract shall be posted at the PhilGEPS and DPWH websites, and in conspicuous place within the premises of the DPWH.

5.7.7. Imminent Danger to Life or Property under Emergency Cases

If the procurement is being negotiated in emergency cases where there is imminent danger to life or property, the BAC, through the BAC Secretariat, may negotiate with a previous supplier of good standing with the DPWH, or a supplier of good standing situated within the vicinity where the calamity or emergency occurred. The procedures for the conduct of public bidding from Bid evaluation to contract award should be observed. However, the minimum period for each bidding procedure may be reduced. The award of contract shall be posted at the PhilGEPS and DPWH websites, and in conspicuous place within the premises of the DPWH.

The use of negotiated procurement in case of emergencies and for disaster response is triggered by the declaration of a National State of Calamity by the President or the declaration of a Municipal State of Calamity by the Sanggunian. The decision to use the simplified procedures is made jointly by the HOPE based on the magnitude of the disaster assessed by the National Disaster Risk Reduction Management Council (NDRRMC); a post disaster needs assessment (PDNA); and other and other available resources for recovery programs.

A Post Disaster Needs Assessment (PDNA) shall be conducted by the IO/RO/DEO within the affected areas to assess relief needs. The collected information shall be validated with the local government unit where a final list of goods/services to be procured shall be agreed upon. The Annual Procurement Plan shall be revised

accordingly and approved by the HOPE. The Annual Procurement Plan shall identify the items to be procured (goods and services).

Upon the approval of the Program of Works and the revision and approval of the APP, the End User Unit shall submit the same to the Procurement Service/Unit and the Bids and Awards Committee (BAC) for review and validation.

Procurement procedures shall follow regular negotiated procurement procedures.

The Procuring Entity may require a warranty security depending on the nature of the procurement project.

5.7.8. Take-Over of Contract

In case of take over contracts, the BAC through the BAC Secretariat negotiates starting with the second lowest calculated bidder for the project under consideration at the bidder's original Bid price.

If negotiation fails, then negotiation shall be done with the third lowest calculated at his original price. If the negotiation fails again, the process is repeated until all the bidders from the previous bidding have been considered.

If the negotiation fails and there is no bidder left from the previous bidding or the original awardee is a Single Calculated Responsive bidder, the BAC may either invite at least three (3) eligible suppliers to submit their bids, or resort to any other alternative method of procurement.

In case of successful negotiation, the HOPE, upon recommendation of the BAC, shall issue the NOA of Award and the contract to the Lowest Calculated Responsive Bidder who meets the technical requirements for the project, in accordance with Section IV(I) of the Guidelines for Alternative Methods of Procurement under RA 9184-IRR.

The Procuring Entity shall require the posting of performance and warranty securities for this type of negotiated contract.

5.7.9. Agency-to-Agency Arrangements

It is the general policy of government to purchase its requirements from the private sector. However, it acknowledges that, in some exceptional cases, procurement from another agency of the government is more efficient and economical for the government, subject to the following conditions:

- a. The procuring entity shall justify that entering into an Agency-to-Agency Agreement with the Servicing Agency is more efficient and economical to the government;
- b. Servicing Agency has the mandate to deliver the goods and services required to be procured or to undertake the infrastructure project or consultancy required by the Procuring Agency;
- c. Servicing Agency has the absorptive capacity to undertake the project;

- d. Servicing Agency owns or has access to the necessary tools and equipment required for the project;
- e. Sub-contracting is not allowed. However, the servicing agency may implement the infrastructure project in-house, by job-order, or through the *pakyaw* contracting system; and

The Procuring Entity shall observe the following procedure for Agency-to-Agency Agreements:

- a. The end-user unit shall justify to the BAC that the resort to Agency-to-Agency is more efficient and economical to the government.
- b. It shall likewise secure a certificate from the relevant officer of the Servicing Agency that the latter complies with all the foregoing conditions.
- c. Based on the assessment and recommendation of the end-user unit, the BAC shall issue a resolution recommending the use of Agency-to-Agency Agreement to the HOPE.
- d. Upon approval of the BAC Resolution, the HOPE shall enter into a Memorandum of Agreement (MOA) with the Servicing Agency.

(1)

5.7.10. Printing Services

- (1) The DPWH shall determine whether a printing expenditure is for an Accountable Form or for a Sensitive High Quality/Volume document.
- (2) The DPWH shall prepare the technical specifications for the Accountable Forms or Sensitive High Quality/Volume printing requirement, which shall include, among others, the prescribed security features, output quantity, and target completion time.
- (3) It shall then conduct a market analysis to determine the Approved Budget for the Contract (ABC) taking into consideration the prevailing standard cost for its printing requirements.
- (4) The DPWH may seek the assistance of the Presidential Communications Operations Office (PCOO) in determining whether no Registered Government Printer (RGP) is capable of undertaking the printing service.
- (5) Upon determination by the PCOO that no RGP can undertake the printing service due to time constraints and equipment limitations, the DPWH may engage the services of private printers.
- (6) Thereafter, the DPWH shall send a Request for Quotation (RFQ) to the RGPs. The quotations received will be evaluated by the DPWH to determine which among the RGPs is most capable in performing the printing service in the most advantageous terms for the DPWH.

- (7) In case the offer submitted by an RGP exceeds the ABC set by the DPWH, it may request the PCOO to determine (i) whether the offer of the RGP is excessive; and (ii) set the appropriate rate for such transaction.
- (8) The DPWH shall then engage the services of the appropriate RGP through an Agency- to-Agency Agreement pursuant to IRR Section 53.5.
- (9) The appropriate RGP engaged by the DPWH shall directly undertake the printing services for the contracts entered into, and cannot engage, subcontract, or assign any private printer to undertake the performance of the printing service

5.7.11. Small Value Procurement

Small value procurement refers to the procurement of good where the procurement does not fall under Shopping in IRR Section 52 and the amount involved does not exceed the thresholds prescribed in IRR Annex 5Hö.

- (1) The Procurement Service/Unit shall prepare the Request for Quotation (RFQ) (DPWH-G&S-42) indicating the specification, quantity, ABC, and other terms and conditions of the item to be procured. The RFQ must also prescribe the manner by which price quotations shall be submitted i.e., by sealed or open quotation, and the deadline for their submission. In all instances, however, information relating to the examination, evaluation, and comparison of price quotations shall be kept confidential and should not be disclosed to any other party except to those officially concerned until award of contract.;
- (2) The RFQ shall be sent to at least three (3) suppliers of known qualifications;
- (3) The RFQ shall be posted for a period of seven (7) calendar days in the PhilGEPS and DPWH websites, and at any conspicuous place reserved for this purpose in the premises of the DPWH. However, this posting requirement shall not be applicable for RFQs with ABCs equal to Fifty Thousand Pesos (Php 50,000.00) and below.
- (4) After the deadline for submission of price quotations, an Abstract of Quotations (DPWH-G&S-44) shall be prepared by the BAC Secretariat setting forth the names of those who responded to the RFQ, their corresponding price quotations, and the lowest quotation submitted. The deadline for submission may be extended if none or less than the required number of price quotations are received subject to the GPPB Guidelines on Small Value Procurements. Only one RFQ needs to be received.
- (5) Award of contract shall be made to the lowest quotation which complies with the specifications and other terms and conditions stated in the RFQ;
- (6) For information purposes, all awards shall be posted in the PhilGEPS and DPWH websites, and at any conspicuous place reserved for this purpose in the premises of the DPWH except for those with ABCs equal to Fifty Thousand Pesos (Php 50,000.00) and below.
- (7) The DPWH must validate whether it is entering into a contract with a technically, legally and financially capable supplier by requiring the submission of relevant documents or through other means.

5.7.12. Lease of Real Property and Venue

The lease of real property and venue refer to the lease of real property and venue for official use subject to guidelines to be issued by the GPPB.

In the case of Lease of Real Property and Venue, the end user unit shall conduct a Cost-Benefit Analysis to assess the feasibility of leasing a real estate or venue as against purchasing. The recommendation of the end user unit to lease a real estate or venue shall also indicate the proposed location/s, the justifications therefor, and the result of the market analysis of the prevailing rates of lease contracts within the vicinity of the selected location/s. The Approved Budget for the Contract (ABC) shall be set using the mid-point of the range obtained from the results of the market analysis on the prevailing lease rates for real estates or venue within the vicinity of the selected location complying with the criteria and technical specifications of the end user unit. In no case shall the rental rates, including additional expenses, such as association dues in the case of lease of real estate, exceed the ABC. The Annual Procurement Plan of the DPWH shall reflect the proposed lease of real estate or venue specifying the approved mode of procurement, the ABC, and the general description of the lease. Selection of the Lessor may be delegated to the appropriate bureau, committee, or support unit duly authorized by the Bids and Awards Committee. Eligibility documents need not be submitted by prospective Lessors. The DPWH must nevertheless validate whether the Lessor to be awarded the contract is technically, legally and financially capable through other means. All lease contracts with ABCs costing more than Fifty Thousand Pesos (Php 50,000.00) shall be posted in the PhilGEPS.

(1) Specific Guidelines: Lease of Real Estate

- (a) The draft contract and the technical specifications for the lease shall be prepared taking into consideration the rating factors under Appendix A of GPPB Resolution 08-2009 dated November 3, 2009.
- (b) Thereafter, at least three (3) prospective Lessors shall be invited to submit sealed price quotations.
- (c) On a specified date, submitted price quotations shall be opened to determine the Lowest Calculated Bid (LCB/SCB). The real estate being offered by the Lessor with the LCB/SCB shall be rated in accordance with the technical specifications prepared pursuant to Appendix A of GPPB Resolution 08-2009 dated November 3, 2009, and the reasonableness of its price quotation shall be determined in accordance with the methodology prescribed in Appendix B of GPPB Resolution 08-2009 dated November 3, 2009.
- (d) If the LCB/SCB is determined to be responsive and reasonable, said Bid shall be declared as the Lowest Calculated Responsive Bid (LCRB/SCRB). If not, then the second LCB/SCB shall be evaluated and its reasonableness determined pursuant to the technical specifications prepared in Appendix A of GPPB Resolution 08-2009 dated November 3, 2009. This procedure shall be repeated for the next LCB/SCB until the LCRB/SCRB is determined.
- (e) Lease contract shall be awarded to the LCRB/SCRB. If no LCRB/SCRB has been determined, then another round of three (3) prospective Lessors shall be invited to submit sealed price quotations until an LCRB/SCRB has been determined and awarded the contract.

- (f) Lease contracts shall be applicable only for a period of one year. For renewal of contracts, the BAC shall apply the same procedures discussed above but shall include the following costs: transfer, construction and installation of new structures, strategic location and other relevant considerations in the computation of the ABC to prove that it is still more economical and advantageous to renew the lease contract.

(2) Specific Guidelines: Lease of Venue

- (a) Technical specifications shall be prepared taking into consideration the rating factors under Appendix C of GPPB Resolution 08-2009.
- (b) Once technical specifications have been finalized, at least three (3) price quotations shall be obtained within the vicinity of the selected location.
- (c) The venue being offered by the Lessor with the LCB/SCB shall then be rated in accordance with the technical specifications prepared pursuant to Appendix C of GPPB Resolution 08-2009 dated November 3, 2009. Compliance rating with technical specifications may be conducted through ocular inspection, interviews, or other forms of due diligence.
- (d) If the LCB/SCB is determined to be responsive, said Bid shall be declared as the LCRB/SCRB. If not, then the second LCB/SCB shall be evaluated and its responsiveness determined pursuant to Appendix C of GPPB Resolution 08-2009 dated November 3, 2009. This procedure shall be repeated for the next LCB/SCB until the LCRB/SCRB is determined.

5.7.13. NGO Participation

When an appropriation law or ordinance earmarks an amount to be specifically contracted out to Non-Governmental Organizations (NGOs), the procuring entity may enter into a Memorandum of Agreement with an NGO, subject to the guidelines issued by the GPPB for the purpose. (IRR Section 53.11)

5.7.14. Community Participation

Where, in the interest of project sustainability or to achieve certain specific social objectives, it is desirable in selected projects, or its components, to call for participation of local communities in the delivery of goods, including non-consulting services, and simple infrastructure projects, subject to the Community Participation in Procurement Manual issued by the GPPB. (IRR Section 53.12.)

5.7.15. United Nations Agencies, International Organizations or International Financing Institutions

Procurement from specialized agencies of the United Nations, International Organizations or International Financing Institutions, of any of the following: (a) small quantities of off-the-shelf goods, primarily in the fields of education and health; (b)

specialized products where the number of suppliers is limited, such as but not limited to vaccines or drugs; (c) goods and works involving advanced technologies, techniques and innovations not locally available as certified by the HOPE, when it is most advantageous to the government.(IRR Section 53.13.)

5.7.16. Scientific, Scholarly or Artistic Work

Where goods and services can be contracted only to a particular supplier, consultant or contractor and no reasonable alternative or substitute exists, as determined by the procuring entity, for any of the following reasons:

- a. The requirement is for a work of art, or a scientific and/or scholarly research or journal; or
- b. The construction or installation of an infrastructure facility where the material, equipment, or technology under a proprietary right can only be obtained from the same supplier/contractor. (IRR Section 53.14.)

SECTION 6

CONTRACT IMPLEMENTATION PROCEDURES FOR GOODS AND SERVICES

6.1. LEGAL REFERENCE

IRR Section 42 and Annex öDö provide the rules on contract implementation and termination for goods, supplies and materials.

6.2. COVERAGE OF CONTRACT IMPLEMENTATION

Contract implementation covers the following milestones:

- a. Effectivity of the contract;
- b. Supplier's performance of its contractual obligations;

- c. DPWH's performance of its contractual obligations, as specified in the contract;
- d. Final acceptance or project sign-off;
- e. All other related activities; and
- f. Payment by the DPWH.

The Procurement Service/Unit or End-User Unit should determine the period of contract implementation during the procurement planning stage, and include it in the PPMP. In determining the contract implementation period, it must ensure that the supplier is given ample time to undertake any preparatory activity/ies necessary for it to comply with the conditions of the contract.

6.3. WARRANTY

IRR Section 62.1 specifies the rules regarding warranty for goods.

6.3.1. Purpose of a Warranty

A Warranty is required in the procurement of goods to ensure that the supplier, manufacturer or distributor, as the case may be, will correct any manufacturing defect.

6.3.2. Warranty Requirement for Goods

For the procurement of goods, a warranty shall be required from the contract awardee for a minimum period of three (3) months, in the case of supplies, and one (1) year, in the case of equipment, as provided for in the contract documents, or where applicable. The manufacturer's warranty shall also be acceptable in the absence of specific provisions in the contract document.

The obligation for the warranty shall be covered by 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 total contract price. The special bank guarantee must be contract specific, that is, it shall be executed for the special purpose of covering the warranty for the subject procurement contract. If the warranty period is longer than the minimum period of three (3) months for supplies and one (1) year for equipment, the period beyond the minimum period need not be covered by retention money or special bank guarantee. After the lapse of the minimum period, the DPWH must release the retention money or special bank guarantee.

The warranty shall only be released after the lapse of the warranty period, provided that the goods supplied are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

6.3.3. Defective Goods

Goods are considered defective when they are unfit for the use for which it is intended, or its fitness for such use is diminished to such an extent that, had the vendee been aware thereof, he would not have acquired it or would have given a lower price for it. (Civil Code of the Philippines Article 1561). A defect can either be:

- a. A patent defect, which is one that is apparent to the buyer on normal observation. It is an apparent or obvious defect. For example, a ballpen that does not write is patently defective.
- b. A latent defect, which is one that is not apparent to the buyer by reasonable observation. A latent defect is hidden or one that is not immediately determinable. For example, a ballpen that writes .75 kilometers instead of the expected 1.5 kilometers, has a latent defect.

Both latent and patent defects are covered by the warranty expressly required in R.A. 9184 and its IRR. This means that the DPWH may proceed against the warranty whenever any of these defects are determined to be present in the goods procured, and the same are determined within the period covered by the warranty. However, wear and tear due to normal usage of the goods are excluded from the coverage of the warranty.

The DPWH should promptly notify the supplier in writing of any claims arising under the warranty. Upon receipt of such notice, the supplier should, within the period specified in the contract and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the DPWH. If the supplier, having been notified, fails to remedy the defects within the period specified in the contract, the DPWH may then proceed to call upon the warranty security, without prejudice to any other rights which it may have against the supplier under the contract and under the applicable law.

6.3.4. Instances where Partial Release or Reduction of the Required Warranty may be Done by the DPWH

A partial release or reduction of the warranty may be allowed in the case of partial deliveries. In this case, the warranty periods will vary among the various lots. The warranty for goods delivered ahead will lapse earlier than the succeeding deliveries. The retention money or a portion of the special bank guarantee covering the warranty for goods received or delivered ahead may thus be released. The effect is that there will be partial releases of the retention money or special bank guarantee to coincide with the lapse of the warranty period for each delivered lot.

However, the warranty must be in the form of retention fee equivalent to ten percent (10%) of every progress payment. For example, in the case of a procurement transaction allowing for partial deliveries and progress payment for each delivery, the amount of the warranty for the first partial delivery may be released after the lapse of the warranty period for such first delivery. The remaining goods that are still under warranty will be covered by a warranty fee equivalent to ten percent (10%) of each progress payment.

6.4. AMENDMENT TO ORDER

An Amendment to Order refers to any necessary adjustment within the general scope of the contract in any one or more of the following aspects in order to fully meet the requirements of the project:

- a. Drawings, design or specifications of the goods, provided that:
 - (1) The goods to be furnished are to be specifically manufactured for the government in accordance therewith;

- (2) The change is an improvement of the goods and advantageous to the government;
 - (3) It is done at no extra cost; and
 - (4) It is not prejudicial to the losing Bidders in the sense that such change/s could not have been foreseen during the conduct of the bidding and would have significantly affected the other bidders' bids;
- b. The method of shipment or packing;
 - c. The place of delivery;
 - d. The place of performance of the services;
 - e. Additional items needed and necessary for the protection of the goods procured, which were not included in the original contract; or
 - f. Any other change affecting the specifications or scope of work of the goods and/or services to be procured.

Such amendment may or may not result in an increase or a decrease in contract price, and/or an extension or reduction of the delivery period. However, the amendment should not have the result of changing the subject matter of the contract or the specifications of the goods or services, in any material aspect and to such an extent that, if introduced during the bidding stage, may have had a significant effect on other bidders' bids, because this situation would actually require another bidding activity, except if the original procurement was done through an alternative methods.

6.4.1. Conditions for the Issuance of an Amendment to Order

Amendments to Order may be issued at any time during contract implementation, provided that such adjustment is required to fully meet the requirements of the project. Any of the following circumstances may serve as basis for such amendment/s:

- a. Emergency cases, fortuitous events or unforeseen contingencies arising during project/contract implementation, and such contingencies have an impact on the procurement at hand, such as:
 - (1) Changes in the conditions affecting the project, e.g., a change in the place of delivery;
 - (2) Time is of the essence in the implementation of the project, and any changes require immediate implementation; and
 - (3) Additional requirements have been identified as necessary for the protection of the goods procured, such as changes in the packaging of the goods, or additional items have become necessary to ensure that the goods are sufficiently protected from the elements;
- b. When the contract does not reflect the real intention of the parties due to mistake or accident, and the amendment is necessary to reflect the parties' intention; and

- c. Other analogous circumstances that could affect the conditions of the procurement at hand.

6.4.2. Adjustments in Contract Price and/or Delivery Schedules

If an amendment to order increases or decreases the cost of, or the time required for executing any part of the work under the original contract, an equitable adjustment in contract price and/or delivery schedule should be mutually agreed upon between the parties concerned, and the contract should be modified in writing. It is required, however, that any increase in contract price must not exceed ten percent (10%) of the original contract price. Otherwise, the procurement should be subject to bidding, unless the original procurement was done using any of the alternative methods.

Moreover, in the adjustment of the price, the supplier and the DPWH must ensure that the principle of ñno loss, no gainñ is applied, such that neither party gains or loses anything from the resulting price adjustment.

6.4.3. Rules Governing Price Adjustments due to Amendment to Order

If the amendment to order consists of additional items, the price adjustment shall be based on the unit prices in the original contract for items of goods similar to those in the original contract. If the contract does not contain any rate applicable to the additional items, then suitable prices shall be mutually agreed upon between the parties, based on prevailing market prices.

Any request for payment by the supplier for additional items must be accompanied by a statement with the approved supporting forms, giving a detailed accounting and record of the amount for which it claims payment.

If the amendment to order consists of a change in drawings, design or specifications of the goods, method of shipment or packing, or place of delivery, the price adjustment shall be equivalent to the corresponding value of the change, based on prevailing market prices.

6.4.4. Participants in the Issuance of an Amendment to Order

The following parties are involved in the issuance of an Amendment to Order:

- a. The End-User Unit;
- b. The supplier/manufacturer/distributor;
- c. The Procurement Service/Unit; and
- d. The DPWH Head of Procuring Entity.

6.4.5. Methodology: Issuance of Amendment to Order

The following steps are undertaken in the issuance of an Amendment to Order:

- a. The End-User Unit determines the existence of condition/s that require an amendment to order.
- b. The End-User Unit discusses with the supplier/manufacturer/ distributor regarding the adjustments in contract price and/or delivery schedule, if necessary.
- c. The End-User Unit drafts the contract amendment containing the agreements reached

with the supplier/manufacturer/ distributor.

- d. The End-User Unit secures a CAF for the procurement, to be attached to the contract amendment when this is submitted to the DPWH Head of Procuring Entity for approval.
- e. The contract amendment is submitted to the DPWH Head of Procuring Entity, for approval, with the approval process following the same timelines prescribed this Manual for contract approval.
- f. Upon approval by the DPWH Head of Procuring Entity, the End-User Unit notifies the supplier/manufacturer/ distributor to proceed with the work/delivery of items in accordance with the amendment. It shall also notify the procurement unit/office of such approval, and furnish the latter with a copy of the amended contract.
- g. The Procurement Service/Unit posts the Amendment to Order in the PhilGEPS and DPWH website.
- h. The supplier/manufacturer/distributor proceeds with the work/ delivery of items in accordance with the amended contract.

Under no circumstance shall a supplier proceed to commence work under any Amendment to Order unless the same has been approved by the DPWH Head of Procuring Entity.

As an exception to the rule, the DPWH Head of Procuring Entity may authorize the immediate start of work under any Amendment to Order in the event of emergencies to avoid detriment to public service, or damage to life and/or property, or when time is of the essence. His authorization, however, is valid only up to the point where the cumulative increase in the contract cost does not exceed five percent (5%) of the original contract cost. For an Amendment to Order involving a cumulative amount exceeding five percent (5%) of the original contract price, no work thereon shall be commenced unless the same has been approved by the DPWH Head of Procuring Entity. However, the said cumulative amount should not exceed ten percent (10%) of the original contract price.

Payment for any work or delivery done in accordance with an Amendment to Order shall not be made unless the approval of the DPWH Head of Procuring Entity has been secured.

6.5. SUSPENSION OF DELIVERY

IRR Annex D No. 2 specifies the conditions for the suspension of delivery of goods.

6.5.1 Grounds for Suspension of Delivery or Contract Implementation

The DPWH may suspend the delivery or contract implementation, wholly or partly, by written order for a certain period of time, as it deems necessary due to force majeure or any fortuitous event as defined in the contract.

6.5.2. Adjustments in Contract Price and/or Delivery Schedule

Appropriate adjustments shall be made in the delivery or contract schedule, or contract price, or both, and the contract shall be modified accordingly. (IRR Annex D) When warranted, price adjustments may be made in accordance with the guidelines previously discussed in the immediately preceding section on Amendment to Order.

6.5.3. Resumption of Delivery by Supplier/ Manufacturer/ Distributor

Work must be resumed or delivery made either upon the lifting or the expiration of the suspension order. However, if the DPWH terminates the contract covered by such order, resumption of work cannot be done.

The DPWH must either lift the suspension order or terminate the contract before the expiration of the suspension period. If the period of the order is allowed to expire, the supplier/manufacturer/ distributor shall automatically have the right to resume work, which may not be the intention of the end-user unit at that time.

6.5.4. Participants in the Issuance of a Suspension Order

The following parties are involved in the issuance of a Suspension Order:

- a. The End-User Unit;
- b. The supplier/manufacturer/distributor; and
- c. The DPWH Head of Procuring Entity.

6.5.5. Methodology: Issuance of Suspension Order

The following steps are necessary for the issuance of a suspension order:

- a. The End-User Unit determines the existence of a force majeure or fortuitous event that will be the basis for the issuance of a suspension order.
- b. Based upon the findings and recommendation of End-User, the DPWH Head of Procuring Entity issues a written order suspending the order or work, wholly or partly, for a certain period of time.
- c. The supplier/manufacturer/distributor shall take all reasonable steps to minimize the costs allocable to the order or work covered by the order during the suspension.
- d. The End-User Unit discusses with the supplier/manufacturer/ distributor any need for adjustments in the delivery or contract schedule and/or contract price, including any need to modify contract.
- e. The End-User Unit drafts the contract amendment containing the agreements reached with the supplier/manufacturer/ distributor.
- f. The contract amendment is submitted to the DPWH Head of Procuring Entity for approval.
- g. Prior to the expiration of the suspension order, the End-User Unit determines whether or not the grounds for suspension are still existent. If such grounds continue to exist, or if it is no longer practicable to complete the delivery or continue with the work, it shall cancel the delivery of the items subject of the suspension order, or terminate the work subject of the order, by written notice. If, however, the grounds for suspension no longer exist, and completion of delivery or continuation of the work may already be done, the End-User Unit, with the approval of the DPWH Head of Procuring Entity, shall lift the suspension

order by written notice, thereby instructing the supplier/manufacturer/distributor to proceed with the delivery or work in accordance with the amended contract.

6.6. DELAYS IN DELIVERY AND LIQUIDATED DAMAGES

IRR Section 68, Annex D.3 and the Civil Code of the Philippines Art. 2226 provide the rules on liquidated damages and contract time extension.

6.6.1. Rule on the Applicable Period for the Delivery of Goods or Performance of Services

The supplier/manufacturer/distributor must deliver the goods or perform the services procured within the period prescribed by the DPWH, as specified in the Contract.

If delays are likely to be incurred, the supplier/manufacturer/ distributor must notify the DPWH in writing. It must state therein the cause/s and duration of the expected delay. The DPWH may grant time extensions, at its discretion, if based on meritorious grounds, with or without liquidated damages.

In all cases, the request for extension should be submitted before the lapse of the original delivery date. The maximum allowable extension shall not be longer than the initial delivery period as stated in the original contract.

6.6.2. Liquidated Damages

Liquidated damages are damages agreed upon by the parties to a contract, to be paid in case of breach thereof. (Civil Code of the Philippines Art. 2226)

6.6.3. Grounds for the Imposition of Liquidated Damages

When the supplier fails to satisfactorily deliver the goods or services under the contract within the specified delivery schedule or project implementation schedule, inclusive of duly granted time extensions, if any, the supplier shall be liable for damages for the delay and shall pay the DPWH liquidated damages, not by way of penalty, for every day of delay until such goods or services are finally delivered or performed and accepted by the DPWH. The DPWH need not prove that it has incurred actual damages to be entitled to liquidated damages.

6.6.4. Amount of Liquidated Damages to be Imposed upon the Supplier

The supplier must pay the DPWH liquidated damages an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods or services scheduled for delivery or performance for every day of delay. The liquidated damages will be imposed until such goods or services are finally delivered or performed and accepted by the DPWH.

In no case shall the sum of liquidated damages reach ten percent (10%) of the contract amount. If it does, the contract shall automatically be rescinded by the DPWH, without prejudice to other courses of action and remedies open to it. The DPWH may also take over the contract or award the same to a qualified supplier through negotiation. In addition to the liquidated damages, the erring supplier's performance security shall also be forfeited.

6.6.5. Methodology: Imposition of Liquidated Damages

The following steps need to be followed in the imposition of liquidated damages:

- a. The supplier/manufacturer/distributor submits a written request to the End-User Unit for an extension of the delivery or performance period, citing the reason/s for such delay.
- b. The End-User Unit either approves or disapproves the request for extension.
- c. If the extension is granted, the liquidated damages may or may not be imposed and the supplier/manufacturer/distributor is informed of this in writing. The supplier/manufacturer/distributor is then asked to extend the validity of the performance bond, to conform to the extended period.

If, however, the request for extension is denied, the End-User Unit informs in writing the supplier/manufacturer/distributor of such denial, and ensures that the said notice or communication is received by the latter within a reasonable time from receipt of the request for extension. In this case, the DPWH imposes the liquidated damages in accordance with the provisions of the contract and the procedures outlined below.

- d. If the supplier/manufacturer/distributor incurs delay and it does not request for an extension:
 - (1) The End-User Unit informs, within a reasonable time from the first day of delay, the supplier/manufacturer/ distributor that the DPWH shall impose the liquidated damages agreed upon by the parties.
 - (2) Upon delivery, the End-User Unit through the Technical Inspection and Acceptance Committee records the delay in the inspection documents, noting the amount of the liquidated damages imposable on the supplier.
 - (3) Upon payment, the amount of liquidated damages due is deducted from the total amount payable to the supplier, and the same shall be reflected in the DVs. Or, if the contract provides that the liquidated damages is to be collected from securities or warranties posted by the supplier, the End-User Unit informs the official authorized to call on the securities or warranties about the delay and the corresponding liquidated damages imposable.

6.7. OTHER RULES AND GUIDELINES

IRR Section 42.1 and Annex D specify other rules and guidelines on contract implementation.

6.7.1. Incidental Services

Incidental Services are those services ancillary to the supply of the goods, such as transportation and insurance, installation, commissioning, provision of technical assistance, training, and other such obligations of the supplier specified in the Contract and the Bidding Documents. In particular, these services may refer to any of the following:

- a. Performance or supervision of on-site assembly and/or start-up of the supplied goods;
- b. Furnishing of tools required for assembly and/or maintenance of the supplied goods;

- c. Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- d. Performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under the Contract;
- e. Training of the DPWH's personnel, at the supplier's plant and/or on-site, on assembly, start-up, operation, maintenance, and/or repair of the supplied goods; and
- f. Any other related services necessary for completion of the project and indicated in the contract.

The Incidental Services must be clearly specified in the contract, and identified as separate components from the goods to be supplied or services to be rendered, so that prices indicated on the price schedule shall be entered separately, in accordance with the ITB. The cost thereof should also be indicated in the contract.

6.7.2. Spare Parts

Spare parts refer to extra components, equipment, tools, instruments or parts of machinery or apparatus that replace the ones that are damaged or worn out.

The supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:

- a. Such spare parts as the DPWH may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract;
- b. Such spare parts that the DPWH may be able to purchase from other suppliers/manufacturers but are compatible with the goods procured; and
- c. In the event of termination of production of the spare parts:
 - (1) Advance notification to the DPWH of the pending termination, and sufficient time to permit the DPWH to procure needed requirements; and
 - (2) Following such termination, furnishing at no cost to the DPWH the blueprints, drawings, and specifications of the spare parts, if requested.

The supplier may likewise be required to issue a Certification that spare parts, particularly those that are product-specific, shall continue to be manufactured by them within a period of time, e.g., five (5) years, after the bidding date.

The above information shall be included in the Technical Bid.

The DPWH may include the delivery of a limited supply of fast-moving and/or hard-to-find spare parts in the technical specifications when procuring heavy equipment or machinery. This is to ensure the continued use or operation of the equipment.

6.7.3. Purchaser's Responsibilities and Liabilities

Whenever the supply of goods and related services requires that the supplier/manufacturer/distributor obtain permits, approvals, and import and other licenses from local public authorities, the DPWH may, upon request by the supplier/manufacturer/distributor, assist the latter in complying with such requirements in a timely and expeditious manner. However, the supplier/manufacturer/distributor shall bear the costs of such permits and/or licenses. On the other hand, the DPWH shall pay all costs involved in the performance of its responsibilities, in accordance with the contract.

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 DPWH 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.

6.8. PRICES

6.8.1. Contract Price

The contract price must not vary from the price quoted by the supplier in its bid. This is based on the rule that the contract, as awarded, should not differ in any material aspect from the terms stipulated in the Bidding Documents, considering that these terms were the basis for the comparison of bids. Otherwise, the purpose of the bidding process would have been defeated.

6.8.2. Denomination of Contract Price

For goods and services that will be supplied from within the Philippines, the price in the contract shall be denominated and payable in Philippine currency, and this shall be stated in the Bidding Documents. For goods and services that will be supplied from outside the Philippines, such as in the case of goods with a high import content, i.e. more than fifty percent (50%) of the contract cost, the DPWH may disaggregate the cost components into foreign and local costs, and may denominate and pay contract prices in foreign and Philippine currencies, as stipulated in the Bidding Documents. For this purpose, the ITB may provide that the prices for goods and services supplied from outside the Philippines may be quoted either in Philippine Pesos, United States Dollars or other currencies as agreed upon with the winning bidder.

Unless otherwise provided, payment of the contract price shall be made in Philippine Pesos, except when the DPWH agrees that obligations shall be settled in any other currency at the time of payment, subject to conditions provided for under GPPB Resolution No. 020-2005: Guidelines on Procurements Involving Foreign-Denominated Bids, Contract Prices and Payment Using Letters of Credit. In instances where the DPWH is allowed to receive bids denominated in foreign currency, the same shall be converted to Philippine currency based on the exchange rate officially prescribed for similar transactions as established by the BSP on the date of the Bid opening. However, this conversion rate shall only be for purposes of Bid evaluation. The contract must state the foreign currency denominated amount and the peso equivalent on the date of Bid opening.

Pursuant to Section 61 of Republic Act No. 9184 and its IRR, for the given scope of work in procurement contracts as awarded, all Bid prices shall be considered as fixed prices and, therefore, not subject to price escalation during contract implementation, except under extraordinary circumstances. Thus, to ensure that this policy is carried out, it is required, as a matter of general rule and procedure, that all contracts are to be denominated and paid in Philippine currency.

6.8.3. Price Escalation during Contract Implementation

Price escalation is generally not allowed. For the given scope of work in the contract as awarded, the price must be considered as a fixed price, except under extraordinary circumstances as determined by the National Economic and Development Authority (NEDA) in accordance with the Civil Code of the Philippines, upon recommendation of the DPWH, and upon prior approval of the GPPB. Any request for price escalation under extraordinary circumstances should be submitted and endorsed by the DPWH to the NEDA. The burden of proving the occurrence of extraordinary circumstances that will allow for price escalation shall rest with the DPWH. NEDA shall only respond to such request after receiving the proof and the necessary documentation.

“Extraordinary circumstances” shall refer to events defined in the Civil Code of the Philippines, consistent with the guidelines issued by the GPPB. In particular, the Guidelines for Contract Price Escalation approved by the GPPB in Resolution No.07-2004, dated July 22, 2004, and GPPB resolution No. 03-2011 dated 28 January 2011 provides that the term “extraordinary circumstances” shall refer to the following Articles of the Civil Code of the Philippines:

- a. Article 1174, as it pertains to Ordinary Fortuitous Events or those events which ordinarily happen and could be reasonably foreseen but are inevitable, such as, but not limited to the following: (a) typhoons; (b) thunderstorms; (c) flooding of lowly areas; and (d) vehicular accidents; provided that the following are present:
 - (1) The cause of the extraordinary circumstances must be independent of the will of the parties;
 - (2) The event must be either unforeseeable or unavoidable;
 - (3) The event must be such as to render it difficult but not impossible for the supplier to fulfill his obligation in a normal manner or within the contemplation of the parties;
 - (4) The supplier must be free from any participation in or aggravation of the injury to the DPWH; and
 - (5) The allowance for price escalation, should an ordinary fortuitous event occur, is stipulated by the parties or the nature of the obligation requires the assumption of risk.
- b. Article 1250, as it pertains to Extraordinary Inflation or Deflation, which may refer to the unusual decrease or increase in the purchasing power of the Philippine currency, in accordance with the two (2) standard deviation rule computed under the Guidelines for Contract Price Escalation, and such decrease or increase could not have been reasonably foreseen or was manifestly beyond the contemplation of the parties at the time of the establishment of the obligation.
- c. Article 1680, as it enumerated Extraordinary Fortuitous Events or those events which do not usually happen, such as, but not limited to the following: (a) fire; (b) war; (c) pestilence; (d) unusual flood; (e) locusts; and (f) earthquake; provided that the circumstances before, during and after the event shall be taken into consideration.

6.8.4. Procedure for Requesting for Approval of Claims for Price Escalation

In the review and approval of a request for price escalation, the DPWH should comply with the following conditions detailed in the Guidelines for Contract Price Escalation and as prescribed under GPPB Circular No.03-2008 dated 20 August 2008, before the same can be acted upon:

- a. Endorsement. The DPWH Head of Procuring Entity shall endorse the request for price escalation to the NEDA, through its Director-General, accompanied by several documentary requirements.
- b. Two-Stage Review Process. The review process shall commence only after the NEDA has acknowledged the completeness of the request. A request for price escalation shall only be granted if it satisfies both the First Stage (Legal Parameters) and Second Stage (Technical Parameters) reviews of the NEDA.
- c. Amount of Price Escalation to be Granted. The amount of escalation to be granted in the case of goods should only be the remaining amount over and above the thresholds as computed under the Second Stage review process.
- d. Period and Frequency of Requests for Price Escalation. Requests for price escalation shall only be made for cost items already incurred by the supplier. No request for price escalation shall be made for prospective application. Further, price escalation shall only be granted to those items included in a specific request. Provided further, that requests for price escalation shall be made not shorter than six (6) months reckoned from the start of the contract implementation, and not shorter than six (6)-month period thereafter. For contracts wherein the duration is shorter than six (6) months, the request for contract price escalation shall be made after the completion of the contract.
- e. Misrepresentation. Any misrepresentation made by the DPWH or the supplier in any stage of the processing of a particular request for price escalation shall cause the automatic denial/disapproval of said claim.
- f. Recommendation/Approval. The NEDA shall, upon completion of its review pursuant to the Guidelines for Contract Price Escalation, submit its recommendation to the GPPB for appropriate action. The GPPB shall then approve/act upon the request for price escalation during one of its meetings, to be attended by the DPWH Head of Procuring Entity.

6.9. PAYMENT

6.9.1. Method of Payment for Contracts for the Procurement of Goods

The method and conditions of payment must be specified in the contract. However, the following guidelines may be considered by the DPWH in preparing the contract provisions regarding payment:

- a. As a general rule, no advance payment, or any payment made prior to the delivery and acceptance of goods, shall be made to any supplier/manufacturer/distributor, subject to the following exceptions:
 - (1) When there is prior approval by the President; or

- (2) When the procurement is made from another government agency.
- b. Partial payment of the contract price will only be allowed if the contract provides/allows for partial or staggered delivery of goods procured, and such partial payment must correspond to the value of the goods delivered and accepted;
 - c. Payment must only be made after the appropriate inspection and acceptance procedures, as mandated by existing government rules and regulations, have been complied with by the DPWH; and
 - d. Payment must be made in accordance with prevailing accounting and auditing rules and regulations.

The DPWH may cause the issuance of a letter of credit in favor of a local or foreign suppliers; provided, that, no payment on the letter of credit shall be made until delivery and acceptance of the goods as certified to by the DPWH in accordance with the delivery schedule provided for in the contract; provided further, that, the cost for the opening of letter of credit shall be for the account of the local or foreign supplier and to be so stated in the Bidding Documents in accordance with Memorandum Order No. 213 dated May 8, 2006. (IRR Section 42.5)

Payment on a quantum meruit basis may be made in favor of the supplier/manufacturer/distributor in case of contract termination for any cause other than engaging in corrupt, fraudulent, collusive or coercive practices, in competing for or in executing the contract.

“Quantum meruit” means “as much as he deserves.” It is an equitable doctrine, based on the concept that no one who benefits by the labor and materials of another should be unjustly enriched thereby; under these circumstances, the law implies a promise to pay a reasonable amount for the labor and materials furnished. (Black’s Law Dictionary, Fifth Edition)

6.9.2. Conditions for Advance Payment to a Private Supplier/Manufacturer/Distributor

In accordance with P.D. No. 1445, advance payment may be made only after prior approval of the President, and it should not exceed fifteen percent (15%) of the contract amount, unless otherwise directed by the President. Prior approval by the President is not necessary in the following cases:

- a. In contracts entered into by the DPWH for the following services where requirement of down payment is a standard industry practice: (i) hotel and restaurant services; (ii) use of conference/seminar and exhibit areas; and (iii) lease of office space; and
- b. For procurement of goods required to address contingencies arising from natural or man-made calamities in areas where a “State of Calamity” has been declared by appropriate authorities.

In the case of item (a) above, a single advance payment not exceeding fifty percent (50%) of the contract amount is allowed. In the case of item (b) above, an advance payment not exceeding fifteen percent (15%) of the contract amount is allowed, in accordance with the provision of IRR Annex “D” and GPPB Resolution No. 04-2010 dated 25 June 2010 unless otherwise directed by the President.

All progress payments should first be charged against the advance payment until the latter has been fully exhausted, unless otherwise approved by the President. (Memorandum Order No. 172, dated 19 May 2005.

6.9.3. Schedule for Payments

Payments must be made promptly by the DPWH, but in no case later than forty-five (45) days after the supplier's request/s for payment shall be made in writing, accompanied by an invoice describing, as appropriate, the goods delivered and/or services performed, by documents submitted pursuant to the contract, and upon fulfillment of other obligations stipulated in the contract, as well as upon inspection and acceptance of the goods by the appropriate Technical Acceptance and Inspection Committee. In addition, the DPWH shall ensure that all accounting and auditing requirements are met prior to payment.

6.10. INCENTIVE BONUS

No incentive bonus, in whatever form or for whatever purpose, must be allowed. (IRR Section 42.4)

6.11. TAXES AND DUTIES

A foreign supplier must be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed up to the delivery of the goods to the Project Site as specified in the contract.

A local supplier must also be entirely responsible for all taxes, duties, license fees, and other related expenses, incurred until delivery of the contracted goods to the DPWH.

6.12. SUB-CONTRACTS

Generally, a supplier may be allowed to subcontract a portion of the contract or project. However, the supplier should not be allowed to subcontract a material or significant portion of the contract or project, which portion must not exceed twenty percent (20%) of the total project cost. The Bidding Documents must specify what are considered as significant/material component/s of the project.

All subcontracting arrangements must be disclosed at the time of bidding, and sub-suppliers must be identified in the Bid submitted by the supplier.

Any subcontracting arrangements made during project implementation and not disclosed at the time of the bidding shall not be allowed. The subcontracting arrangement shall not relieve the supplier of any liability or obligation under the contract. Moreover, sub-suppliers are obliged to comply with the provisions of the contract and shall be jointly and severally liable with the principal supplier, in case of breach thereof, in so far as the portion of the contract subcontracted to it is concerned.

Sub-suppliers are also bound by the same nationality requirement that applies to the principal suppliers.

6.13. STANDARDS TO BE APPLIED IN DETERMINING THE QUALITY OF THE GOODS SUPPLIED

The goods supplied under the contract must conform to the standards mentioned in the technical specifications, which must preferably be Philippine standards, or standards specified by the Bureau of Product Standards of the DTI. If there is no Philippine standard applicable, the goods must conform to the authoritative standards appropriate to the goods' country of origin. Such standards must be the latest issued by the concerned institution.

6.14. MANNER OF PACKAGING TO BE FOLLOWED BY THE SUPPLIER

The supplier must provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract and in accordance with existing industry standards. The packaging must be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights must take into consideration, where appropriate, the distance and remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

The packaging, marking, and documentation within and outside the packages must comply strictly with such special requirements as must be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the DPWH. Moreover, the outer packaging must contain a "Packing List" which must reflect the actual contents of the package.

6.15. EXTENT OF INSURANCE COVERAGE FOR GOODS

The goods procured must be fully insured by the supplier in a freely convertible currency against loss or damage incidental to their manufacture or acquisition, transportation, storage, and delivery in the manner specified in the Contract.

6.16. TRANSPORTATION

6.16.1. Responsibility for the Transportation, Insurance and Duties of Goods Procured

The contract must contain provisions on who will bear the cost of transportation and insurance (as well as customs duties in case of importation). For this purpose, the specific Incoterm must be used and identified in the contract. The Incoterm also defines the point at which the risk of loss or damage to the goods passes from the seller to the buyer. The DPWH shall identify which terms are most responsive to the requirements of the project.

If the Supplier is required under the Contract to deliver the goods cost, insurance and freight (CIF), carriage and insurance paid (CIP) or delivery duty paid (DDP), it shall arrange and pay for the transport of the goods to the port of destination or such other named place of destination in the Philippines, as shall be specified in the contract. It will also have to pay for the cost that will be incurred in the transport of these goods, as included in the contract price.

If the supplier is required under the contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, it will arrange and pay for the transport of the goods to such place of destination. It must also pay for insurance and storage, and related costs. These costs must be included in the Contract Price.

The DPWH is encouraged to enlist the assistance of an accredited customs broker or forwarder in all importation.

6.16.2. Rule on Transportation and Insurance in Foreign-Assisted Projects

Bidding Documents should permit suppliers to arrange transportation and insurance from any eligible source. Bidding Documents should state the types and terms of insurance to be provided by the bidder. The indemnity payable under transportation insurance should be at least one hundred ten percent (110%) of the contract amount in the currency of the contract or in a freely convertible currency to enable prompt replacement of lost or damaged goods.

If the DPWH wishes to reserve transportation and insurance for the import of goods to national companies or other designated sources, bidders should be asked to quote free carrier (FCA) (named place) or carrier paid to (CPT) (named place of destination) prices in addition to the CIP (place of destination) price. Selection of the lowest evaluated Bid should be on the basis of the CIP (place of destination) price, but the DPWH may sign the contract on FCA or CPT terms and make its own arrangement for transportation and/or insurance. Under such circumstances, the contract should be limited to the FCA or CPT cost. If the DPWH does not wish to obtain insurance coverage in the market, evidence should be provided to the IFI that resources are readily available for prompt payment in a freely convertible currency of the indemnities required to replace lost or damaged goods.

6.17. INSPECTION AND TESTING OF GOODS PROCURED

The DPWH has the right to inspect and/or to test the goods to confirm their conformity to the contract specifications at no extra cost. The Bidding Documents and the contract must specify what inspections and tests are required by the DPWH, and where these are to be conducted. The DPWH must notify the supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

The appropriate Technical Inspection and Acceptance Committee of the DPWH must commence the inspection and acceptance process within twenty-four (24) hours from delivery of the goods, and shall complete the same as soon as practicable.

Pertinent COA regulations on technical inspection and acceptance procedures shall be considered in the conduct of such inspection and acceptance by the DPWH's authorized inspectors.

The inspections and tests may be conducted on the premises of the supplier or its sub-supplier(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the supplier or its sub-supplier(s), all reasonable facilities and assistance, including access to drawings and production data, must be provided by the supplier to the inspectors at no charge to the DPWH.

The DPWH must bear its own costs and expenses incurred in connection with its attendance at inspections, including, but not limited to, all traveling and board and lodging expenses.

The DPWH may require the supplier to carry out any test and/or inspection not required by the contract but deemed necessary to verify that the characteristics and performance of the goods comply with the technical specifications, codes and standards under the contract. However, the reasonable costs and expenses incurred by the supplier in carrying out such test and/or inspection will be added to the contract price. Furthermore, if such test and/or inspection impede the progress of manufacturing and/or the supplier's performance of its other obligations under the contract, due allowance will be made in respect of the delivery dates and completion dates and

the other obligations so affected. These tests shall be conducted by a government testing laboratory, or, where there is none for the particular item being procured, in any testing laboratory accredited by the DTI. The supplier must provide the DPWH with a report of the results of any such test and/or inspection. These results will be conclusive of the quality of the items and not subject to further dispute between the parties.

The DPWH 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 should either rectify or replace such rejected goods or parts thereof or make alterations necessary to meet the specifications at no cost to the DPWH, and shall repeat the test and/or inspection, at no cost to the DPWH, upon giving a notice pursuant to the contract.

The supplier should agree in the contract that neither the execution of a test and/or inspection of the goods or any part, nor the attendance by the DPWH or its representative, shall release the supplier from any warranties or other obligations under the contract.

6.18. INTELLECTUAL PROPERTY RIGHTS

The DPWH should not be liable for any infringement of intellectual property rights arising from the use of the goods procured. In case there are third-party claims of such infringement of patent, trademark, or industrial design rights, the supplier must hold the DPWH free and harmless against such claims. These terms should be expressed in the contract.

6.19. EXTENT OF SUPPLIER'S LIABILITY FOR DAMAGES

Except in cases of criminal negligence or willful misconduct, and in the case of infringement of intellectual property rights, and unless otherwise specified in the contract, the supplier is generally not liable to the DPWH, whether in contract, tort or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion does not apply to any obligation of the supplier to pay liquidated damages to the DPWH. This is without prejudice to any other liability, penalty or appropriate sanction that may be imposed upon the supplier under R.A. 9184 and other applicable laws.

6.20. CONTRACT TERMINATION

6.20.1. Grounds for Termination due to Default

Any of the following conditions shall constitute as a ground for termination of the contract for default:

- a. There being no force majeure, the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the DPWH 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 or services, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after the receipt of the notice from the DPWH stating that the circumstance of force majeure is deemed to have ceased;

- c. The supplier fails to perform any other obligation(s) under the contract; or
- d. The supplier, in the judgment of the DPWH, has engaged in corrupt, fraudulent, collusive or coercive practices in competing for or in executing the contract.

Termination of a contract for default is without prejudice to other remedies available to the DPWH for breach of contract, such as payment of liquidated and other damages, if there are grounds for the latter.

If the contract is not wholly terminated, the supplier shall continue to deliver the remaining goods or to perform the remaining services contracted.

6.20.2. Procurement in Case of Contract Termination due to Default

If the DPWH terminates the contract in whole or in part, due to default, it may procure from third parties, through the appropriate alternative method of procurement, goods or services similar to those undelivered. The supplier that defaulted will be liable to the DPWH for any excess costs for such similar goods or services.

6.20.3. Termination for Insolvency

Remedy of the DPWH When a Supplier is Unable to Perform his Obligations due to Bankruptcy or Insolvency:

The DPWH may at any time terminate the contract by giving written notice to the supplier, 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 DPWH and/or the supplier.

6.20.4. Termination for Convenience

The DPWH, by written notice sent to the supplier, may terminate the contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the DPWH's convenience, the extent to which performance of the supplier under the contract is terminated, and the date upon which such termination becomes effective.

a. Grounds for Terminating a Contract for Convenience

Any of the following circumstances may constitute sufficient grounds to terminate a contract for convenience:

- (1) If physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible, as determined by the DPWH Head of Procuring Entity;

- (2) The DPWH Head of Procuring Entity has determined the existence of conditions that make project implementation impractical and/or unnecessary, such as, but not limited to, fortuitous event/s, changes in laws and government policies;
- (3) Funding for the project has been withheld or reduced by higher authorities through no fault of the DPWH; or
- (4) Any circumstance analogous to the foregoing.

Also see the Guidelines on Termination of Contracts approved by the GPPB in Resolution No. 018-2004, dated December 22, 2004 and Annex-A of GPPB Resolution No. 03-2011 dated 28 January 2011.

b. Effect of Termination for Convenience on Pending Deliveries

The goods that are complete and ready for shipment within thirty (30) days after the supplier's receipt of notice of termination shall be accepted by the DPWH at the contract terms and prices. For the remaining goods, the DPWH may elect:

- (1) To have any portion completed and delivered at the contract terms and prices; and/or
- (2) To cancel the remainder and pay to the supplier an agreed amount for partially completed goods and services and for materials and parts previously procured by the supplier.

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 DPWH which cannot be sold in the open market, it shall be allowed to recover partially from the contract, on a quantum meruit basis. The fact of loss must be established before recovery may be made.

6.20.5. Procedures for Contract Termination

The following steps are undertaken in the termination of contracts:

- a. Upon receipt of a written report of acts or causes which may constitute grounds for contract termination, or upon its own initiative, the End-User Unit shall verify the existence of such grounds and cause the execution of a Verified Report.
- b. The DPWH Head of Procuring Entity shall issue a written notice to terminate the contract upon recommendation of the End-User Unit. The written notice shall include the following information: grounds for termination, extent of termination, action to be taken by the Supplier and special instructions to the DPWH.
- c. Upon receipt of the Notice of Termination, the Supplier shall submit to the DPWH Head of Procuring Entity a verified position paper stating why the contract should not be terminated.
- d. The DPWH Head of Procuring Entity shall decide whether or not to terminate the contract upon receipt of the verified position paper. It may create a Contract Termination Review Committee (CTRC) to assist in the discharge of its functions. All decisions recommended by the CTRC shall be subject to the approval of the DPWH Head of Procuring Entity. The DPWH Head of Procuring Entity shall serve a written notice to the Supplier of its decision.

- e. If the DPWH terminates the contract due to default, insolvency, or for cause, it may enter into a negotiated procurement pursuant to GPPB Resolution 18-2004 Section III.C
- f. In case of termination for convenience in contracts for goods, the goods that have been performed or are ready for delivery within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the DPWH at the contract terms and prices. For goods not yet performed or ready for delivery, it may elect: to have any portion delivered or performed and paid at the contract terms and prices; and/or to cancel the remainder and pay to the Supplier an agreed amount for partially completed or performed goods and for materials and parts previously procured by the Supplier.

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 DPWH which cannot be sold in open market, it shall be allowed to recover partially from the 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 DPWH before recovery may be made.

- g. In case of contract termination by the Supplier, it must serve a written notice to DPWH of its intention to terminate the contract. The Contract is deemed terminated if it is not resumed after the receipt of such notice by the DPWH.

Also see the Guidelines on Termination of Contracts approved by the GPPB in Resolution No. 018-2004, dated December 22, 2004 and GPPB Resolution 03-2011 dated 28 January 2011.

6.21. ASSIGNMENT

As a general rule, the supplier may not assign the contract, or any of its rights or obligations arising from the contract, to a third party, except with the DPWH's prior written consent.

Assignment of contractual obligations or the contract itself may generally not be done because this will enable a non-bidder to become a party to the contract. This arrangement will make a mockery of the public bidding process, so that one who was not declared eligible to Bid and did not participate in the bidding process will end up as the contract awardee, although indirectly.

Moreover, assignors will only add to the number of parties that the DPWH has to deal with, thereby complicating contract implementation. This could also be a problem if litigation becomes necessary to enforce the contract.

6.22. SETTLEMENT OF DISPUTES

If any dispute or difference of any kind whatsoever shall arise between the DPWH 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.

If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the DPWH 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.

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.

In the case of a dispute between the DPWH Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 (öR.A. 9285ö), otherwise known as the öAlternative Dispute Resolution Act of 2004.ö

Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the DPWH Procuring Entity shall pay the Supplier any monies due the Supplier.

6.23. BLACKLISTING

The blacklisting of suppliers must conform to the GPPB Guidelines issued for this purpose. As such, reference should be made to the Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Suppliers and Consultants, approved by the GPPB in Resolution 09-2004.

In the case of grounds for enforcement of Bid securing declaration under GPPB Resolution 03-2012, the DPWH shall issue the blacklisting order upon determination of the grounds for enforcement of the Bid Securing Declaration. Only in cases where the notice of award is not in conformity with the Bidding Documents may the blacklisted bidder file a motion for reconsideration with the DPWH Head of Procuring Entity within three (3) calendar days from receipt of the blacklisting order. The blacklisted bidder shall only be delisted upon the expiration of the period of penalty and payment of the fine.(DPWH-G&S-47, 48)

SECTION 7

GENERAL PROCUREMENT ACTIVITIES AND TIMELINES FOR GOODS AND SERVICES

GENERAL PROCUREMENT ACTIVITIES AND TIMELINES FOR GOODS AND SERVICES

The Procuring Entity shall adhere to the schedule of procurement activities for Goods shown in Table 1, seeing to it that the activities are kept within the latest allowable times indicated (IRR Annex C). The PMO/EU/IU/End User Units as well as the BAC, Procurement Service/Units and the TWG shall likewise comply with the relevant provisions on prescribed timelines for procurement related activities under the DPWH Document Tracking System (DoTS) for goods and services (DO 119 series of 2015).

LATEST ALLOWABLE TIME			
Stage	Activities	Deadline	Duration
1	Advertisement/Posting of Invitation to		7 cd

	Bid/Request for Expression of Interest		
2	Eligibility Check		Refer to Stage 5
3	Issuance and availability of Bidding Documents	From 1 st day of Stage 1 until Stage 5	
4	Pre-Bid Conference	12 cd before Stage 5	1 cd
	Request for clarification	10 cd before Stage 5	
	Supplemental/Bid Bulletin	7 cd before Stage 5	
5	Submission and Receipt of Bids	45 cd from last day of Stage 1	1 cd (includes opening of bids and eligibility check)
	Submission of additional requirements	3 cd after Stage 5	
6	Bid evaluation		7 cd
7	Post-qualification		30 cd
8	Approval of resolution/Issuance of Notice of Award		7 cd
9	Contract preparation and signing		10 cd
10	Approval of contract by higher authority		15 cd
11	Issuance of Notice to Proceed		3 cd
Total of Latest Allowable Time			124 cd

EARLIEST POSSIBLE TIME			
Stage	Activities	Deadline	Duration
1	Advertisement/Posting of Invitation to Bid/Request for Expression of Interest		7 cd
2	Eligibility Check		Refer to Stage 5
3	Issuance and availability of Bidding Documents	From 1 st day of Stage 1 until Stage 5	
4	Pre-Bid Conference	12 cd before Stage 5	1 cd
	Request for clarification	10 cd before Stage 5	
	Supplemental/Bid Bulletin	7 cd before Stage 5	
5	Submission and receipt of Bids		1 cd (includes opening of bids and eligibility check)
	Submission of additional requirements	3 cd after Stage 5	
6	Bid evaluation		1 cd
7	Post-qualification		1 cd
8	Approval of resolution/Issuance of Notice of Award		2 cd (1 cd for BAC resolution and 1 cd for NOA)
9	Contract preparation and signing		2 cd (1 cd for contract preparation)

			and 1 cd for signing)
10	Approval of contract by higher authority		1 cd
11	Issuance of Notice to Proceed		1 cd
Total of Earliest Possible Time			28 cd

SECTION 8

ADDENDA AND REVISIONS TO THE PROCUREMENT MANUAL

8.1 Addenda and Revisions

This last section of the Manual Volume IV is reserved for future revisions or changes in procedures, forms, policies or new circulars, amendments to the implementing rules and regulation of RA 9184, GPPB resolutions, Department Orders issued after the approval and release of this original Manual. The corresponding revision shall be made in this last section to guide the users accordingly. The Procurement Service shall be responsible for updating the contents of the Manual, whenever new issuances or resolutions are issued by the relevant government agencies. It shall maintain a data base of these issuances and guidelines in the DPWH website. Users are advised to refer to the last section of the guidelines from time to time and as needed.

The prescribed format for each revision is as follows:

Section xxx: (Indicate the appropriate section of the manual where the revision is to be made)
 Sub-Section, Paragraph Number: (Indicate the appropriate sub-section and paragraph where the revision is to be made)

Page Number: (Indicate the appropriate page where the revision is to be made)

Applicable Amendment/Issuance: (Indicate the applicable issuance/ ruling supporting the revision)

(e.g. GPPB Circular 20-2017 dated May 5, 2017 or DPWH Department Order 123 series of 2017)

Use the following format to show revisions: Where possible use italicized font to show the change/revision.

Original Provision	Revised Provision



**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

PROCUREMENT MANUAL

**VOLUME IV – GOODS AND SERVICES
ANNEX IVA: DPWH STANDARD BIDDING
DOCUMENTS FOR GOODS AND
SERVICES**

25 May 2016

Preface

These Standard Bidding Documents (SBDs) for the procurement of Goods and Services through Competitive Bidding have been prepared for use by the Central, Regional and District Engineering Offices of the Department of Public Works and Highways. The Bidding Documents shall clearly and adequately define, among others: (a) the objectives, scope, and expected outputs and/or results of the proposed contract; (b) the eligibility requirements of bidders, such as track record to be determined by the Head of the Procuring Entity; (c) the expected contract duration, the estimated quantity in the case of procurement of goods, delivery schedule and/or time frame; and (d) the obligations, duties, and/or functions of the winning bidder.

For every goods and services contract to be procured, the DPWH Procuring Entity concerned shall prepare the contract-specific Bidding Documents (BDs) in accordance with the following guidelines:

- a. The BDs for the contract to be procured shall adopt the entire content of the SBDs unchanged.
- b. Information and data specific to the contract - such as Contract ID and Name, Approved Budget for the Contract (ABC), etc. - shall, however, be filled in or inserted in the appropriate portions of the SBDs, particularly in the following:
 - (1) Cover Sheet
 - (2) Invitation to Bid (IB)
 - (3) Eligibility Data Sheet (EDS)
 - (4) Bid Data Sheet (BDS)
 - (4) Special Conditions of Contract (SCC)
 - (5) Specifications
 - (6) Drawings
 - (7) Bill of Quantities (BOQ)
 - (8) Bidding Forms
- c. The final contract-specific BDs, therefore, shall not contain any blank spaces or options. Neither shall the BDs contain any footnotes.

The DPWH shall post the SBDs at its website www.dpwh.gov.ph for the general reference of the public. It shall also post at the website the complete BDs for every contract to be procured starting on the first day of advertisement of the IB. Any prospective bidder or other interested party may, thus, view or download the BDs from the website.

The DPWH Procuring Entity shall also make hard copies of the contract-specific BDs available to prospective bidders upon payment of a non-refundable fee.

The following definitions are made to clarify the different terms used in this document and in the other parts of the DPWH Procurement Manual:

- a. **“Standard Bidding Documents” or “SBDs”**- refer to these pro-forma bidding documents to be used by the DPWH as template in the procurement of its goods and services contracts, with the contract-specific information still to be inserted or filled in.
- b. **“Bidding Documents” or “BDs”**- refer to the bidding documents for a specific goods and services contract being procured by the DPWH. These contract-specific BDs follow the content of the SBDs, but with the particular information for the contract at hand already inserted therein (i.e., the information in item b of the second paragraph of this Preface).
- c. **“Philippine Bidding Documents” or PBDs** - refer to the generic bidding documents of the Government of the Philippines (GOP), prepared by the Government Procurement Policy Board (GPPB) in accordance with the provisions of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, for use by all agencies of the Government. The PBDs have been harmonized by the GOP with the procurement guidelines of the Asian Development Bank (ADB), the Japan International Cooperation Agency (JICA), and the World Bank (WB), for use in Government infrastructure contracts, both locally-funded and foreign-assisted, procured through national competitive bidding. The PBDs have been customized to the DPWH for its goods and services contracts to produce the SBDs.

Note: This is the Cover Sheet for the Contract-Specific Bidding Documents.

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

PROCURING ENTITY: _____

BIDDING DOCUMENTS

FOR

CONTRACT NAME: _____

CONTRACT LOCATION: _____

Date of Opening of Bids: _____

Start Date for Issuance
of Bidding Documents: _____

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ANNEX IVA-1

Section I. Invitation to Bid

Notes on the Invitation to Bid

The Invitation to Bid (IB) provides information that enables interested Bidders to decide whether to participate in the procurement at hand. The Invitation to Bid shall be:

- a. Advertised at least once in a newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of the advertisement, provided that this requirement for advertisement shall not apply to contracts with an ABC of Ten Million Pesos (P 10 Million) or below each;
- b. Posted continuously on the DPWH website www.dpwh.gov.ph, the Government Electronic Procurement System (PhilGEPS) website www.philgeps.gov.ph, and the website prescribed by the concerned foreign government/foreign or international financing institution (IFI), if applicable, for seven (7) calendar days starting on the date of advertisement of the IB; and
- c. Posted at any conspicuous place reserved for this purpose in the premises of the DPWH Procuring Entity concerned, as certified by the head of the Bids and Awards Committee (BAC) Secretariat for seven (7) calendar days starting on the date of advertisement of the IB.

The IB shall indicate the following:

- a. Contract name, location, and project background including a brief description of the goods and services to be procured.
- b. The name, identification and number of packages, lots, or items specific to the bidding, as well as the basis of evaluation of the packages, lots, or items, where applicable.
- c. Approved Budget for the Contract (ABC) for the package, lot, or item to be bid.
- d. Source of funding.
- e. Contract duration/delivery date.
- f. Statement that the bidding is conducted in accordance with RA 9184 and its Implementing Rules and Regulations (IRR).
- g. General statements of the criteria to be used for the eligibility check, examination and evaluation of bids, post-qualification, and award.

- h. Date, time, deadline, and place for the issuance/downloading of Bidding Documents, Pre-Bid Conference, submission, receipt and opening of eligibility and bids requirements.
- i. The place, date, time, and website where the Bidding Documents may be secured or downloaded and where required, the price of the Bidding Documents.
- j. Reservation Clause, to accept/reject any/all bids or annual the bidding process.
- k. Name, address, telephone number, fax number, email and website addresses of the DPWH Procuring Entity and its designated contact person.
- l. A statement that electronic bidding is available for the procurement opportunity, if applicable
- m. Other necessary information as determined by the Procuring Entity.

The IB should be incorporated into the contract-specific Bidding Documents (BDs). The information contained in the IB must be consistent with the other parts of the BDs, including the Instructions to Bidders (ITB) and the Bid Data Sheet (BDS).

For foreign-assisted projects, the Invitation to Bid to be used is provided in Annex IV-A9 Foreign-Assisted Projects.

STANDARD FORMAT

Department of Public Works and Highways Letterhead *Address*

INVITATION TO BID FOR *[Insert Name of Contract]*

The Department of Public Works and Highways *[Insert Whether Central/Regional/District Office]*, through its Bids and Awards Committee (BAC) for Goods, invites suppliers to submit bids for the following Contract:

Contract Name: _____

Contract Location: _____

Brief Description of Goods to be Procured: _____

Approved Budget for the Contract (ABC): PhP _____

Source of Funds: _____

Delivery Date of Goods/Contract Duration of Service: *[Insert required delivery date/expected contract duration]*

The BAC is conducting the public bidding for this Contract in accordance with RA 9184 and its Implementing Rules and Regulations.

Bidders should have completed, within from the date of submission and receipt of bids, a contract similar to the Project. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section IV. Instructions to Bidders.

To be eligible to bid for this Contract, a supplier must meet the following major requirements:

- (a) Registration certificate from SEC, Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives;
- (b) Mayor's/Business 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;
- (c) Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR;
- (d) Filipino citizen or 60% Filipino-owned partnership/corporation;
- (e) Completion of a similar contract costing at least 50% of the ABC within *[insert relevant period]*; and
- (f) Net Financial Contracting Capacity (NFCC) at least equal to the ABC or in lieu of the NFCC computation, a committed line of credit (CLC) specific to the contract to be bid from a universal or commercial bank.

The DPWH will use non-discretionary pass/fail criteria in the eligibility check, preliminary examination of bids, evaluation of bids, post-qualification, and award.

The schedule of key procurement activities for this Contract is shown below:

Activity	Time	Place
1. Issuance/Downloading of Bidding Documents	<u>Insert Date and Duration of Availability</u>	Hard copies at BAC Secretariat, <u>Address</u> . Downloading from DPWH website <u>www.dpwh.gov.ph</u> , PhilGEPs website <u>www.philgeps.gov.ph</u> , and website of concerned foreign financing institution
2. Pre-Bid Conference	<u>Insert Time and Date</u>	<u>Insert Address</u>
3. Receipt by the BAC of Bids	Deadline: <u>Insert Time and Date</u>	BAC, <u>Insert Address</u>
4. Opening of Bids	<u>Insert Time and Date</u>	BAC, <u>Insert Address</u>

Bidders shall pay the BAC a non-refundable fee of in the amount of [Insert Amount] for the Bidding Documents, upon securing hard copies of the Documents. Bidders that downloaded the Documents from the DPWH website shall pay the fee upon submission of their bids. All Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in Instruction to Bidders.

The Department of Public Works and Highways [Insert Whether Central/Regional/District Office] reserves the right to accept or reject any bid and to annul the bidding process any time before the Contract award, without incurring any liability to the affected bidders.

Any requests for additional information concerning this bidding shall be directed to the following:

BAC Chairman: _____	BAC Secretariat Head: _____
Address: _____	Address: _____
Telephone No. _____	Telephone No. _____
Email address: _____	Email address: _____

Approved by:

Dates of Publication: _____
Newspaper: _____

Name and Signature of BAC Chairman
BAC Chairman

ANNEX IVA-2

Section II. Instruction to Bidders

This Section of the **Bidding Documents (BDs)** provides the information necessary for Bidders to prepare responsive Bids in accordance with the requirements of the DPWH Procuring Entity. It also provides information on the Bid submission, opening, and evaluation, post-qualification, and award of contract.

The provisions of this Section are to be used unchanged. **Annex IVA-3: Bid Data Sheet (BDS)** consists of provisions that supplement, amend, or specify in detail information or requirements included in this Section, and that are specific to each particular contract to be procured.

Matters governing the performance of the Supplier, payments under the Contract, or matters affecting the risks, rights, and obligations of the parties under the Contract are not normally included in this Section, but rather under **Annex IVA-4: General Conditions of Contract (GCC)**, and/or **Annex IVA-5: Special Conditions of Contract (SCC)**.

INSTRUCTIONS TO BIDDERS

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A. General

1. Scope of Bid

- 1.1. The procuring entity named in the **BDS** (hereinafter referred to as the DPWH Procuring Entity) wishes to receive bids for the supply and delivery of goods as described in) (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 0.

2. Source of Funds

The Procuring Entity has an Approved Budget for the Contract (ABC) 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. Unless otherwise specified in the **BDS**, the DPWH Procuring Entity as well as bidders and suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the DPWH Procuring Entity:
 - (a) defines, for 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 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 RA 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;
 - (v) "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 proceeding or investigation of the DPWH Procuring Entity or any foreign government/foreign or international financial 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 proceeding or investigation or from pursuing such proceeding or investigation; or
 - (bb) acts intended to materially impede the exercise of the inspection and audit rights of the DPWH 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.
 - (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a Contract if it at any time determines that the firm has engaged in corrupt, fraudulent, collusive or coercive practices in competing or, or in executing, a Contract.
- 3.2 The DPWH will also seek to impose the maximum civil, administrative, and/or criminal penalties available under the applicable law 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 DPWH Procuring Entity reserves the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a particular contract, themselves or through independent auditors as provided in 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 (f) 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;
 - (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 temporary 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; or
 - (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;

- 4.2. In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder (DPWH-G&S-17) that it is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause 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; and
 - (d) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, 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 provided 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
 - (e) Unless otherwise provided in the **BDS**, persons/entities forming themselves into a joint venture, *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%). Filipino ownership shall be based on the contribution of each of the members of the joint venture as specified in the joint venture agreement (JVA);

- 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 and its IRR;
 - (b) When the foreign supplier is a citizen, corporations, or association of a country, included in the list issued by the GPPB, 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 at the prescribed minimum specification and/or ABC;
 - (d) When there is a need to prevent situations that defeat competition or restrain trade; or
 - (e) If despite the availability of the goods sought to be procured, no local supplier is interested to participate in the procurement process.
- 5.3. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the DPWH Procuring Entity.
- 5.4. Unless otherwise provided in the **BDS**, the Bidder must have completed, a single contract that is similar to the contract to be bid, through a statement of the Bidder's single largest contract (SLCC) and whose value adjusted to current prices using the Philippine Statistical Authority consumer price index, must be at least fifty percent (50%) of the ABC stated in the **BDS**. In the case of Expendable Supplies, said single contract must be at least twenty five percent (25%) of the ABC.

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 (I)(iii).

- 5.6. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC) which must at least be equal to the ABC to be bid, calculated as follows.

NFCC = [(Current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects under on-going contracts, including awarded contracts yet to be started coinciding with the contract for to be bid.

The values of the bidder's current assets and current liabilities shall be based on the data submitted to the BIR, through its Electronic Filing and Payment System (EFPS), which refers to the values of the current assets and current liabilities reflected in the domestic bidder's annual income or

business tax return and Audited Financial Statements (AFS) filed through the EFPS.

- 5.7. In lieu of the NFCC computation, a committed line of credit (CLC) specific to the contract to be bid from a universal or commercial bank, which must be at least equal to ten percent (10%) of the ABC of the contract to be bid. If the CLC 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 an omnibus sworn statement in the form prescribed in Section VIII. Bidding Forms as required in **ITB** Clause (m)(iii). (DPWH-G&S-17)
- 6.2. The Bidder is responsible for the following:
- (a) Having taken steps to carefully examine all of the Bidding Documents and to comply with the responsibilities of a bidder provided in this SBD;
 - (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;
 - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under **ITB** Clause 0.
 - (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 or a duly notarized Special Power of Attorney in case of Sole Proprietorship;

- (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.
- (k) Certifying under oath that it did not give or pay any, 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 or activity.

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.
- 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 DWPB 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 DWPB 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 DPWH 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 0.

8. Subcontracts

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract a material of significant portion of the Goods which must not exceed twenty percent (20%) of the contract price. The **BDS** shall specify what are considered as significant/material components. 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 DWPB Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.
- 8.3. The Bidder shall disclose all subcontracting arrangements at the time of bidding and sub-suppliers shall be identified in the Bid submitted. The Bidder shall include the required documents as part of the technical component of its bid.
- 8.4. Any subcontracting arrangements made during project implementation and not disclosed at the time of the bidding shall not be allowed. The subcontracting arrangement shall not relieve the supplier of any liability or obligation under the contract. Moreover, sub-suppliers are obliged to comply with the provisions of the contract and shall be jointly and severally liable with the principal supplier, in case of breach thereof, in so far as the portion of the contract subcontracted to it is concerned.

B. Contents of Bidding Documents

9. Pre-Bid Conference

- 9.1. (a) 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.

(b) 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 posting of the Invitation to Bid/Bidding Documents. If the DPWH 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, as specified in the **BDS**.
- 9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the DPWH 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.

10. Clarification and Amendment of Bidding Documents

- 10.1. Bidders who have purchased the Bidding Documents may request for clarification on any part of the Bidding Documents for an interpretation. Such request must be in writing and submitted to the DPWH Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of bids.
- 10.2. Supplemental/Bid Bulletins may be issued upon the DPWH Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than 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 DPWH Procuring Entity, 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 **ITB** Clause 0.

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 DPWH Procuring Entity, shall be written in English. If the eligibility requirements or statements, the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be accompanied by an accurate translation of the documents in English as certified by the appropriate embassy or consulate in the Philippines, in which case 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:

- (1) Eligibility Documents ó

Class óAó Documents:

- (i) 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**;
- (ii) 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;
- (iii) Statement of all its ongoing and completed government and private contracts within the period stated in the **BDS**, including contracts awarded but not yet started, if any whether similar or not similar in nature and complexity to the contract to be bid; and Statement identifying the bidder's single largest completed contract (SLCC) similar to the contract to be bid, within the relevant period as provided in the BDS.

The statement shall include, for each contract, the following:

- (iii.1) name of the contract;
- (iii.2) date of the contract;
- (iii.3) kinds of Goods;
- (iii.4) amount of contract and value of outstanding contracts;
- (iii.5) date of delivery; and
- (iii.6) end user's acceptance or official receipt(s) issued for the contract, if completed.
- (iv) Audited financial statements, stamped "received" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission;
- (v) NFCC computation in accordance with **ITB** Clause 0; and
- (vi) Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR.

Class "B" Document:

- (vi) If applicable, the JVA in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful.

- (m) Technical Documents ó
 - (i) Bid Securing Declaration or any form of bid security in accordance with **ITB** Clause 0. If the DPWH Procuring Entity requires the bidder to submit the bid security in the form of:
 - (i.1) cash or cashier's/manager's check issued by a Universal or Commercial Bank; or
 - (i.2) a 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
 - (i.3) a surety bond, callable upon demand accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments.
 - (ii) Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents; and
 - (iii) Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.

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 0 and 0;
 - (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 0, unless otherwise provided in the **BDS**; and
 - (c) Any other document related to the financial component of the bid as stated in the **BDS**.
- 13.2. (a) Unless otherwise stated in the **BDS**, all bids that exceed the ABC shall not be accepted.
- (b) Unless otherwise indicated in the **BDS**, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:
 - (i) Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required

by the DPWH procuring entity, payment could be made upon the submission of bids.

- (ii) The DPWH procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the procuring entity and that the estimates reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.
- (iii) The DPWH procuring entity has trained cost estimators on estimating prices and analyzing bid variances.
- (iv) The DPWH procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.
- (v) The DPWH procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.

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 Philippines:

(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.

(i.3) The price for inland transportation, insurance, and other local costs incidental to delivery of the Goods to their final destination.

(i.4) 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. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to **ITB** Clause 0.

All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Extraordinary circumstances refer to events that may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances,

regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

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 0, the DPWH 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. In exceptional circumstances, prior to the expiration of the Bid validity period, the DPWH Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in **ITB** Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

18. Bid Security

18.1. The DPWH Procuring Entity shall prescribe in the BDS the acceptable forms of bid security that bidders may opt to use, which shall include the Bid Securing Declaration and at least one (1) other form, the amount of which shall be equal to a percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
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(n) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
(o) 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.	
(p) 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%)
(q) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 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 those that failed or were 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 its forfeiture, bid securities shall be returned only after the bidder with the Lowest Calculated and Responsive Bid has signed the contract and furnished the performance security, but in no case later than the expiration of the bid security validity period indicated in **ITB** Clause 0.
- 18.4. Upon signing and execution of the contract pursuant to **ITB** Clause 0, and the posting of the performance security pursuant to **ITB** Clause 0, the successful Bidder's bid security will be released, but in no case later than the bid security validity period as indicated in the **ITB** Clause 0.
- 18.5. The bid security may be forfeited:
- (a) if a Bidder:
 - (i) withdraws its bid during the period of bid validity specified in **ITB** Clause 0;
 - (ii) does not accept the correction of errors pursuant to **ITB** Clause 0;
 - (iii) fails to submit the requirements within the prescribed period or a finding against their veracity as stated in **ITB** Clause 0;

- (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:
- (xiii) fails to sign the contract in accordance with **ITB** Clause 0; or
 - (xiv) fails to furnish performance security in accordance with **ITB** Clause 0.

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 0 in one (1) sealed bid envelope. The envelope shall contain the technical component of the bid, including the eligibility requirements under **ITB** Clause 0, and the financial component of the bid.

- 19.2. Forms as mentioned in **ITB** Clause 0 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 envelope as described in **ITB** Clauses 0 and 0 and two (2) photocopies. 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. Bidders shall enclose their original eligibility and technical documents described in **ITB** Clause 0 in the sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".
- 20.2. Each copy of the envelope shall be similarly sealed duly marking the inner envelope as "COPY NO. ___ - TECHNICAL COMPONENT" and "COPY NO. ___ ó 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 DPWH 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 0.
- 20.5. If bids are not sealed and marked as required, the DPWH Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

D. Submission and Opening of Bids

21. Deadline for Submission of Bids

Bids must be received by the DPWH 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 DPWH Procuring Entity, pursuant to **ITB** Clause 0, 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 DPWH 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 of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the DPWH Procuring Entity prior to the deadline prescribed for submission and receipt of bids.

23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 0 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 05, 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 envelope containing the Eligibility and Technical Component of the Bid in public as specified in the **BDS** to determine each Bidder's compliance with the documents prescribed in **ITB** Clause 0 to determine compliance with the eligibility and technical requirements. 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 eligibility and technical component as passed.

- 24.2. Unless otherwise specified in the BDS, immediately after determining compliance with the eligibility requirements, the BAC shall forthwith open the technical proposal of each remaining eligible bidder whose eligibility requirements was rated passed. In case one or more of the requirements in the technical proposal 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 0, 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 DPWH 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 (1), 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 (1) 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 (1)(i) and (1)(ii). Submission of documents required under **ITB** Clauses (1)(iii) to (1)(v) 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 DPWH 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 case of **ITB** Clause 26.
- 25.2. Any effort by a bidder to influence the DPWH 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 DPWH 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 (i) the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder.
 - (b) For evaluation purposes, the lowest Foreign Bid or the bid offered by a non-Philippine national shall be increased by fifteen percent (15%).
 - (c) In the event that (i) the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, then the Procuring Entity shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid or the bid offered by a non-Philippine national, as the case may be.

- (d) If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid or bid offered by a non-Philippine national within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid or the non-Philippine national, as the case may be, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.
- 27.2. A Bidder may be granted preference as a Domestic Bidder 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 sixty percent (60%) 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 DPWH 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 0, 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 DPWH 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 DPWH 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, unless otherwise indicated in the **BDS**.
- 28.5. The DPWH 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 DPWH Procuring Entity shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and conditions specified in **ITB** Clauses 5, 0, and 0.
- 29.2. Within a non-extendible period of three (3) calendar days from receipt by the bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:
- (a) Latest income and business tax returns in the form specified in the **BDS**;
 - (b) Certificate of PhilGEPS Registration or PhilGEPS Registration Number if the procuring entity is a Philippine foreign office or post, provided that the participating bidder should register with the PhilGEPS prior to bidding; and
 - (c) Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure of the Bidder declared as Lowest Calculated Bid to duly submit the requirements under this Clause or a finding against the veracity of such shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.

- 29.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to **ITB** Clauses 0 and 0, as well as other information as the DPWH Procuring Entity deems necessary and appropriate, using a non-discretionary pass/fail criterion.
- 29.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.
- 29.5. A negative determination shall result in rejection of the Bidder's Bid, in which event the DPWH Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. 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, and so on until the Lowest Calculated Responsive Bid is determined for contract award.
- 29.6. Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the BAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation.

30. Reservation Clause

- 30.1. Notwithstanding the eligibility or post-qualification of a Bidder, the DPWH 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 DPWH 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 DPWH 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 DPWH 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 DPWH 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 DPWH Procuring Entity.
- 30.3. In addition, the DPWH 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 0, 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 DPWH 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 DPWH 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 0;
 - (c) Signing of the contract as provided in **ITB** Clause 0; and
 - (d) Approval by higher authority, if required.
- 31.2. At the time of contract award, the DPWH Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

32. Signing of the Contract

- 32.1. At the same time as the DPWH Procuring Entity notifies the successful Bidder that its bid has been accepted, the DPWH 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 DPWH Procuring Entity.
- 32.3. The DPWH 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) Eligibility requirements, documents and/or statements;
 - (e) Performance Security;
 - (f) Credit line in accordance with **ITB** Clause 0, if applicable;
 - (g) Notice of Award of Contract and winning bidder's "Conforme"; and
 - (h) 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 prescribe at least two (2) acceptable forms of the performance security taken from two (2) categories below that bidders may opt to use, denominated in Philippine Pesos and posted in favor of the DPWH 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)
(r) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
(s) 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.	
(t) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(u) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 33.3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the DPWH 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. Within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority, the DPWH Procuring Entity shall issue its Notice to Proceed to the Bidder.

34.2. The contract effectivity date shall be provided in the Notice to Proceed by the DPWH Procuring Entity.

Section III. Bid Data Sheet

Notes on the Bid Data Sheet

The Bid Data Sheet (BDS) complements the Instructions to Bidders (ITB) and must be prepared for each particular contract to be procured. The BDS provides the information specific to the Contract.

The DPWH Procuring Entity should specify in the BDS information and requirements specific to the circumstances of the contract, the processing of the procurement, the applicable rules regarding bid price and currency, and the bid evaluation criteria that will apply to the bids. In preparing Section III, the following aspects should be checked:

- (a) Information that specifies and complements provisions of Section II must be incorporated.
- (b) Amendments and/or supplements, if any, to provisions of Section II as necessitated by the circumstances of the specific procurement, must also be incorporated.

Bid Data Sheet

ITB Clause	
1.1	<p>The Procuring Entity is <i>[insert name of procuring organization]</i></p> <p>The scope of the Goods/Services required under this Contract is <i>[Insert brief description of the goods and services]</i></p>
1.2	<p>The lot(s) and reference is/are:</p> <p><i>[insert name]</i></p> <p>The Contract Name is <i>[Insert the name of the Contract]</i>. The Contract ID <i>[Insert ID of the Contract]</i>.</p>
2	<p>The Funding Source is:</p> <p>The Government of the Philippines (GOP) through <i>[indicate source of funding and year]</i> in the amount of <i>[insert amount of funds]</i>.</p> <p>The name of the Project is: <i>[Insert the name of the project, or “Not applicable”]</i></p>
3.1	No further instructions.
5.1	No further instructions.
5.2	<p><i>Select one, delete the other.</i></p> <p>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.</p> <p><i>Or</i></p> <p>Foreign bidders may participate in this Project in view of the following circumstance(s): <i>[State which of the circumstance(s) mentioned in the ITB Clause exists in the Project.]</i></p>
0	<p><i>Select one, delete the other.</i></p> <p><i>Maintain the ITB Clause and insert any of the following:</i></p> <p><i>For the procurement of Non-expendable Supplies and Services: The Bidder must have completed, within the period specified in the Invitation to Bid and ITB Clause (I)(iii), a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.</i></p> <p><i>Or</i></p>

	<p><i>For the procurement of Expendable Supplies:</i> The Bidder must have completed, within the period specified in the Invitation to Bid and ITB Clause (l)(iii), a single contract that is similar to this Project, equivalent to at least twenty-five percent (25%) of the ABC.</p> <p><i>Or</i></p> <p><i>For procurement where the Procuring Entity has determined, after the conduct of market research, that imposition of the provisions of Section 23.5.1.3 of the IRR of RA 9184 will likely result to failure of bidding or monopoly that will defeat the purpose of public bidding:</i> In view of the determination by the Procuring Entity that imposition of the provisions of Section 23.5.1.3 of the IRR of RA 9184 will likely result to [State “failure of bidding” or “monopoly that will defeat the purpose of public bidding”], the Bidder should comply with the following requirements:</p> <p>a) Completed at least two (2) similar contracts, the aggregate amount of which should be equivalent to at least [State “fifty percent (50%)” in the case of Non-expendable Supplies and Services or “twenty-five percent (25%)” in the case of Expendable Supplies] of the ABC for this Project; and</p> <p>b) The largest of these similar contracts must be equivalent to at least half of the percentage of the ABC as required above.</p> <p>For this purpose, similar contracts shall refer to [insert description of similar contracts or state “No further instructions”].</p>
0	No further instructions.
0	<i>State either “Subcontracting is not allowed.” or specify the portions of Goods and the maximum percentage allowed to be subcontracted.</i>
0	<i>If subcontracting is allowed, specify the eligibility criteria that subcontractors must comply with, including the corresponding documentary requirements therefor; otherwise, state “Not applicable”.</i>
0	<p>The Procuring Entity will hold a pre-bid conference for this Project on [State date and time] at [State address of venue].</p> <p><i>If ADB, adopt the provision under Section IX. Foreign-Assisted Projects, ADB Bid Data Sheet 9.1.</i></p> <p><i>If World Bank, adopt the provision under Section IX. Foreign-Assisted Projects, World Bank Bid Data Sheet 9.1.</i></p>
0	<p>The Procuring Entity’s address is:</p> <p>[Insert full address]</p> <p>[Insert name and designation of Contact person]</p>

	<p><i>[Insert telephone and fax number of Contact]</i></p> <p><i>[Insert email address of contact (if applicable)]</i></p>
0(a)	No further instructions.
12.1(a)(i)	<i>List any additional acceptable proof of registration mentioned in the ITB Clause or state “No other acceptable proof of registration is recognized.ö</i>
(l)(iii)	The statement of all ongoing government and private contracts shall include all such contracts within <i>[state relevant period as provided in the Invitation to Bid]</i> prior to the deadline for the submission and receipt of bids.
0	<i>List any additional requirements or state “No additional requirements.ö</i>
0	No further instructions.
0	<p>The ABC is <i>[insert amount]</i>. Any bid with a financial component exceeding this amount shall not be accepted.</p> <p><i>If ADB, adopt the provision under Section IX. Foreign-Assisted Projects, ADB Bid Data Sheet 13.2. The ABC cannot be used to reject bids without the prior concurrence of ADB.</i></p> <p><i>If World Bank, adopt the provision under Section IX. Foreign-Assisted Projects, World Bank Bid Data Sheet 13.2.</i></p>
0	<p><i>List here the incidental services that are required as part of the Bidder’s bid cross referencing to the technical specifications and SCC as appropriate.</i></p> <p><i>If none, state “No incidental services are required.ö</i></p>
0	<p><i>Maintain the ITB Clause and state here “Not applicable”, “The price of the Goods shall be quoted DDP [state place of destination]”, or the applicable INCOTERMS for this Project.</i></p> <p><i>List here the incidental services that are required as part of the Bidder’s bid cross referencing to the technical specifications and SCC as appropriate.</i></p> <p><i>If none, state “No incidental services are required.ö</i></p>
0	<p><i>Select one, delete the other:</i></p> <p>The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.</p> <p><i>Or</i></p> <p>The Bid prices for Goods supplied from outside of the Philippines shall be</p>

	quoted either in Philippine Pesos or United States Dollars at the discretion of the Bidder.
16.3	<i>Maintain the ITB Clause and state here "Not applicable" or if procurement involves a foreign-denominated bid, state "Payment shall be made in [insert currency]."</i>
0	Bids will be valid until <i>[insert date]</i> .
0	The bid security shall be in the following amount: 1. The amount of _____ <i>[Insert 2% of ABC]</i> , if bid security is in cash, cashier's/check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of _____ <i>[Insert 5% of ABC]</i> if bid security is in Surety Bond; or 3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security.
0	The bid security shall be valid until <i>[insert date]</i> .
0	Each Bidder shall submit <i>[insert required number]</i> original and <i>[insert required number]</i> copies of the first and second components of its bid.
0	The address for submission of bids is <i>[insert address]</i> . The deadline for submission of bids is <i>[insert time and date]</i> .
0	The place of bid opening is <i>[insert address]</i> . The date and time of bid opening is <i>[insert time and date]</i> .
24.2	No further instructions.
0	No further instructions.
0	<i>If applicable, adopt the following provision:</i> Grouping and Evaluation of Lots – <i>Lots should be formed of similar items that are likely to attract the maximum competition. A lot is the quantity and number of items that will be included in a single contract. For example:</i> <i>Option 1 – Each item to be evaluated and compared with other Bids separately and recommended for contract award separately.</i> <i>Option 2 - All items to be grouped together to form one complete Lot that will be awarded to one Bidder to form one complete contract.</i>

	<p><i>Option 3 - Similar items, to be grouped together to form several lots that shall be evaluated and awarded as separate contracts.</i></p> <p><i>Select one of the following paragraphs and delete the other:</i></p> <p>The goods are grouped in a single lot and the lot shall not be divided into sub-lots for the purpose of bidding, evaluation, and contract award.</p> <p><i>Or</i></p> <p>All Goods are grouped in lots listed below. Bidders shall have the option of submitting a proposal on any or all lots and evaluation and contract award will be undertaken on a per lot basis. Lots shall not be divided further into sub-lots for the purpose of bidding, evaluation, and contract award.</p> <p><i>[Insert grouping of lots]</i></p>
0	<i>State whether bid modification is allowed or not.</i>
0	No further instructions.
29.2(a)	No further instructions.
0	<p><i>Specify whether Bidders have option to submit manually filed tax returns or tax returns filed through the Electronic Filing and Payments System (EFPS).</i></p> <p><i>NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission.</i></p>
0	<i>List licenses and permits relevant to the Project and the corresponding law requiring it.</i>
0	<i>List additional contract documents relevant to the Project that may be required by existing laws and/or the Procuring Entity.</i>

Section IV. General Conditions of Contract

Notes on the General Conditions of Contract

The GCC in Section IV, read in conjunction with the SCC in Section V and other documents listed therein, should be a complete document expressing all the rights and obligations of the parties.

The GCC herein shall not be altered. Any changes and complementary information, which may be needed, shall be introduced only through the SCC in Section V.

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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** such as the DPWH Central/Regional or District Engineering Offices.
- (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. Unless otherwise provided in the SCC, the DPWH 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 DPWH 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;
 - (v) "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.

2.2. Further the Funding Source, Borrower or DPWH 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 Section VI. Schedule of Requirements.
- 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 DPWH 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 DPWH 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 DPWH 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. 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 DPWH 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 DPWH 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 provided in the **SCC**, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment and Terms of 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, the terms of payment shall be as follows:
 - (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 DPWH Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate

is issued by the DPWH 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 DPWH 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. Within ten (10) calendar days from receipt of the Notice of Award from the DPWH 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 0.
- 13.2. The performance security posted in favor of the DPWH 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 DPWH Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the DPWH Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
 - (b) The Supplier has no pending claims for labor and materials filed against it; and
 - (c) Other terms specified in the SCC.
- 13.5. In case of a reduction of the contract value, the DPWH 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 DPWH 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 DPWH 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 DPWH Procuring Entity and shall be returned (all copies) to the DPWH Procuring Entity on completion of the Supplier's performance under this Contract if so required by the DPWH Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the technical specifications; 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 DPWH 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** shall specify what inspections and/or tests the DPWH 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 DPWH Procuring Entity. The Supplier shall provide the DPWH Procuring Entity with results of such inspections and tests.
- 16.3. The DPWH Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the DPWH 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 DPWH 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 DPWH 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 DPWH 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 DPWH 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 the final 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 DPWH 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 DPWH 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 DPWH 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 DPWH 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 DPWH Procuring Entity in Section VI. Schedule of Requirements.
- 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 DPWH 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 DPWH 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 DPWH 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, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the DPWH 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 DPWH 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 DPWH 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. In the case of a dispute between the DPWH Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 (öR.A. 9285ö), otherwise known as the öAlternative Dispute Resolution Act of 2004.ö
- 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 DPWH Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the SCC.
- 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 DPWH 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 the Supplier's 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 Supplier 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 Supplier. Such events may include, but not limited to, acts of the DPWH Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the DPWH Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the DPWH 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 DPWH 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 DPWH 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 DPWH 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 DPWH Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the DPWH 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 DPWH 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 DPWH 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 DPWH 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 DPWH Procuring Entity and/or the Supplier.

25. Termination for Convenience

- 25.1. The DPWH 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 DPWH Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the DPWH 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 DPWH 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 DPWH Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

- 26.1. The DPWH 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) afore-mentioned, 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 DPWH 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 DPWH Procuring Entity may, at any time before receipt of the Supplier's verified position paper described in item (d) above 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 DPWH 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

Notes on the Special Conditions of Contract

Similar to the BDS, the clauses in this Section are intended to assist the DPWH Procuring Entity in providing contract-specific information in relation to corresponding clauses in the GCC.

The provisions of this Section complement the GCC, specifying contractual requirements linked to the special circumstances of the DPWH Procuring Entity, the Philippines, and the Goods purchased. In preparing this Section, the following aspects should be checked:

- (a) Information that complements provisions of Section IV must be incorporated.
- (b) Amendments and/or supplements to provisions of Section IV, as necessitated by the circumstances of the specific purchase, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of Section IV should be incorporated herein.

Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is <i>[insert name of Procuring Entity]</i> .
1.1(i)	The Supplier is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The Funding Source is <i>[indicate source of funding and year]</i> in the amount of <i>[insert amount of funds]</i> .
1.1(k)	The Project Site is <i>[insert full name and address of the delivery site]</i> . <i>For multiple sites state “The Project sites are defined in Section VI. Schedule of Requirements”]</i>
5.1	The Procuring Entity’s address for Notices is: <i>[Insert address including, name of contact, fax and telephone number]</i> The Supplier’s address for Notices is: <i>[Insert address including, name of contact, fax and telephone number]</i>
6.2	<p><i>List here any additional requirements for the completion of this Contract. The following requirements and the corresponding provisions may be deleted, amended, or retained depending on its applicability to this Contract:</i></p> <p>Delivery and Documents –</p> <p>For purposes of the Contract, EXW, FOB, FCA, CIF, CIP, DDP and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris. The Delivery terms of this Contract shall be as follows:</p> <p><i>For Goods Supplied from Abroad, state “The delivery terms applicable to the Contract are DDP delivered [insert place of destination]. In accordance with INCOTERMS.</i></p> <p><i>For Goods Supplied from Within the Philippines, state “The delivery terms applicable to this Contract are delivered [insert place of destination]. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination.</i></p> <p>Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section VI. Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are as follows:</p>

For Goods supplied from within the Philippines:

Upon delivery of the Goods to the Project Site, the Supplier shall notify the Procuring Entity and present the following documents to the Procuring Entity:

- (i) Original and four copies of the Supplier's invoice showing Goods description, quantity, unit price, and total amount;
- (ii) Original and four copies delivery receipt/note, railway receipt, or truck receipt;
- (iii) Original Supplier's factory inspection report;
- (iv) Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
- (v) Original and four copies of the certificate of origin (for imported Goods);
- (vi) Delivery receipt detailing number and description of items received signed by the authorized receiving personnel;
- (vii) Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site; and
- (viii) Four copies of the Invoice Receipt for Property signed by the Procuring Entity's representative at the Project Site.

For Goods supplied from abroad:

Upon shipment, the Supplier shall notify the Procuring Entity and the insurance company by cable the full details of the shipment, including Contract Number, description of the Goods, quantity, vessel, bill of lading number and date, port of loading, date of shipment, port of discharge etc. Upon delivery to the Project Site, the Supplier shall notify the Procuring Entity and present the following documents as applicable with the documentary requirements of any letter of credit issued taking precedence:

- (i) Original and four copies of the Supplier's invoice showing Goods description, quantity, unit price, and total amount;
- (ii) Original and four copies of the negotiable, clean shipped on board bill of lading marked "freight pre-paid" and five copies of the non-negotiable bill of lading ;
- (iii) Original Supplier's factory inspection report;
- (iv) Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
- (v) Original and four copies of the certificate of origin (for imported Goods);
- (vi) Delivery receipt detailing number and description of items

received signed by the Procuring Entity's representative at the Project Site;

- (vii) Certificate of Acceptance/Inspection Report signed by the Procuring Entity's representative at the Project Site; and
- (viii) Four copies of the Invoice Receipt for Property signed by the Procuring Entity's representative at the Project Site.

For purposes of this Clause the Procuring Entity's Representative at the Project Site is *[insert name(s)]*.

Incidental Services –

The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:

Select appropriate requirements and delete the rest.

- (a) performance or supervision of on-site assembly and/or start-up of the supplied Goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied Goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;
- (d) performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and
- (e) training of the Procuring Entity's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

Spare Parts –

The Supplier is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:

Select appropriate requirements and delete the rest.

- (a) such spare parts as the Procuring Entity may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under this Contract;

	<p>and</p> <p>(b) in the event of termination of production of the spare parts:</p> <ul style="list-style-type: none"> i. advance notification to the Procuring Entity of the pending termination, in sufficient time to permit the Procuring Entity to procure needed requirements; and ii. following such termination, furnishing at no cost to the Procuring Entity, the blueprints, drawings, and specifications of the spare parts, if requested. <p>The spare parts required are listed in Section VI. Schedule of Requirements and the cost thereof are included in the Contract Price</p> <p>The Supplier shall carry sufficient inventories to assure ex-stock supply of consumable spares for the Goods for a period of <i>[insert here the time period specified. If not used insert time period of three times the warranty period]</i>.</p> <p>Other spare parts and components shall be supplied as promptly as possible, but in any case within <i>[insert appropriate time period]</i> months of placing the order.</p> <p>Packaging –</p> <p>The Supplier shall provide such packaging of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in this Contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights shall take into consideration, where appropriate, the remoteness of the GOODSØ final destination and the absence of heavy handling facilities at all points in transit.</p> <p>The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.</p> <p>The outer packaging must be clearly marked on at least four (4) sides as follows:</p> <p>Name of the Procuring Entity</p> <p>Name of the Supplier</p> <p>Contract Description</p> <p>Final Destination</p>
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	<p>Gross weight</p> <p>Any special lifting instructions</p> <p>Any special handling instructions</p> <p>Any relevant HAZCHEM classifications</p> <p>A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.</p> <p>Insurance –</p> <p>The Goods supplied under this Contract shall be fully insured by the Supplier in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery. The Goods remain at the risk and title of the Supplier until their final acceptance by the Procuring Entity.</p> <p>Transportation –</p> <p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, transport of the Goods to the port of destination or such other named place of destination in the Philippines, as shall be specified in this Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.</p> <p>Where the Supplier is required under this Contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be included in the Contract Price.</p> <p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be considered <i>force majeure</i> in accordance with GCC Clause 22.</p> <p>The Procuring Entity accepts no liability for the damage of Goods during transit other than those prescribed by INCOTERMS for DDP Deliveries. In the case of Goods supplied from within the Philippines</p>
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	<p>or supplied by domestic Suppliers risk and title will not be deemed to have passed to the Procuring Entity until their receipt and final acceptance at the final destination.</p> <p>Patent Rights –</p> <p>The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.</p>
10.4	<i>Maintain the GCC Clause and state here “Not applicable” or if procurement involves a foreign-denominated bid, state “Payment shall be made in [insert currency].</i>
13.4(c)	<i>Specify additional conditions, if any, that must be met prior to the release of the performance security, otherwise, state “No further instructions”.</i>
16.1	The inspections and tests that will be conducted are: <i>[Insert the applicable inspections and tests, if none, state “None”].</i>
17.3	<p><i>If the Goods pertain to Expendable Supplies: Three (3) months after acceptance by the Procuring Entity of the delivered Goods or after the Goods are consumed, whichever is earlier.</i></p> <p><i>If the Goods pertain to Non-expendable Supplies: One (1) year after acceptance by the Procuring Entity of the delivered Goods.</i></p>
17.4	The period for correction of defects in the warranty period is <i>[insert number of days].</i>
21.1	<i>State here “No additional provision.” or, if the Supplier is a joint venture, “All partners to the joint venture shall be jointly and severally liable to the Procuring Entity.ö</i>

Section VII. Technical Specifications

Notes for Preparing the Technical Specifications

A set of precise and clear specifications is a prerequisite for Bidders to respond realistically and competitively to the requirements of the DPWH Procuring Entity without qualifying their bids. In the context of Competitive Bidding, the specifications (*e.g.* production/delivery schedule, manpower requirements, and after-sales service/parts) must be prepared to permit the widest possible competition and, at the same time, present a clear statement of the required standards of workmanship, materials, and performance of the goods and services to be procured.. Only if this is done will the objectives of transparency, equity, efficiency, fairness and economy in procurement be realized, responsiveness of bids be ensured, and the subsequent task of bid evaluation and post-qualification facilitated. The specifications should require that all items, materials and accessories to be included or incorporated in the goods be new, unused, and of the most recent or current models, and that they include or incorporate all recent improvements in design and materials unless otherwise provided in the Contract.

Samples of specifications from previous similar procurements are useful in this respect. The use of metric units is encouraged. Depending on the complexity of the goods and the repetitiveness of the type of procurement, it may be advantageous to standardize the General Technical Specifications and incorporate them in a separate subsection. The General Technical Specifications should cover all classes of workmanship, materials, and equipment commonly involved in manufacturing similar goods. Deletions or addenda should then adapt the General Technical Specifications to the particular procurement.

Care must be taken in drafting specifications to ensure that they are not restrictive. In the specification of standards for equipment, materials, and workmanship, recognized Philippine and international standards should be used as much as possible. Where other particular standards are used, whether national standards or other standards, the specifications should state that equipment, materials, and workmanship that meet other authoritative standards, and which ensure at least a substantially equal quality than the standards mentioned, will also be acceptable. The following clause may be inserted in the Special Conditions of Contract or the Technical Specifications.

Sample Clause: Equivalency of Standards and Codes

Wherever reference is made in the Technical Specifications to specific standards and codes to be met by the goods and materials to be furnished or tested, the provisions of the latest edition or revision of the relevant standards and codes shall apply, unless otherwise expressly stated in the Contract. Where such standards and codes are national or relate to a particular country or region, other authoritative standards that ensure substantial equivalence to the standards and codes specified will be acceptable.

Reference to brand name and catalogue number should be avoided as far as possible; where unavoidable they should always be followed by the words "or at least equivalent." References to brand names cannot be used when the Funding Source is the GOP.

Where appropriate, drawings, including site plans as required, may be furnished by the DPWH Procuring Entity with the Bidding Documents. Similarly, the Supplier may be requested to provide drawings or samples either with its Bid or for prior review by the DPWH Procuring Entity during contract execution.

Bidders are also required, as part of the technical specifications, to complete their statement of compliance demonstrating how the items comply with the specification.

Technical Proposal

Item/ Lot No.	DPWH Specification	Bidder’s Specification/Statement of Compliance (Specify Brand Name of Offered Product/s)
		<p>Bidders must state here either “Comply” or “Not Comply” against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of “Comply” or “Not Comply” must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer’s un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of ITB Clause 3.1(a)(ii) and/or GCC Clause 2.1(a)(ii).</p>

(Name of Bidder)

(Signature Over Printed Name of
Authorized Representative)

(Designation)

Section VIII. Bidding Forms

Notes on the Bidding Forms

The Bidder shall complete and submit with its Bid the **Bid Form** and **Price Schedules** in accordance with **ITB** Clause 0 with the requirements of the Bidding Documents and the format set out in this Section.

When requested in the BDS, the Bidder should provide the **Bid Security**, either in the form included hereafter or in another form acceptable to the Entity, pursuant to **ITB** Clause 0.

The **Contract Agreement Form**, when it is finalized at the time of contract award, should incorporate any corrections or modifications to the accepted Bid resulting from price corrections. The Price Schedule and Schedule of Requirements deemed to form part of the contract should be modified accordingly.

The **Performance Security Form** and **Bank Guarantee Form for Advance Payment** should not be completed by the Bidders at the time of their Bid preparation. Only the successful Bidder will be required to provide performance security and bank guarantee for advance payment in accordance with one of the forms indicated herein or in another form acceptable to the Procuring Entity and pursuant to **GCC** Clause 13 and its corresponding SCC provision.

The sworn affidavit must be completed by all Bidders in accordance with **ITB** Clause 4.2 failure to do so and submit it with the bid shall result in the rejection of the bid and the Bidder's disqualification.

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Bid Form

Date: _____
Invitation to Bid¹ N^o: _____

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

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 *[supply/deliver/perform]* *[description of the Goods]* in conformity with the said Bidding Documents for the sum of *[total Bid amount in words and figures]* 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 0 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:²

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.

¹ If ADB, JICA and WB funded projects, use IFB.

² Applicable only if the Funding Source is the ADB, JICA or WB.

Dated this _____ day of _____ 20_____.

[signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

For Goods Offered From Abroad

Name of Bidder _____, Invitation to Bid³ Number ____. Page ____ of _____.

1	2	3	4	5	6	7	8	9
Item	Description	Country of origin	Quantity	Unit price CIF port of entry (specify port) or CIP named place (specify border point or place of destination)	Total CIF or CIP price per item (col. 4 x 5)	Unit Price Delivered Duty Unpaid (DDU)	Unit price Delivered Duty Paid (DDP)	Total Price delivered DDP (col 4 x 8)

³ If ADB, JICA and WB funded projects, use IFB.

For Goods Offered From Within the Philippines

Name of Bidder _____ . Invitation to Bid⁴ Number _ . Page . of ____.

1	2	3	4	5	6	7	8	9	10
Item	Description	Country of origin	Quantity	Unit price EXW per item	Cost of local labor, raw material, and component ²	Total price EXW per item (cols. 4 x 5)	Unit prices per item final destination and unit price of other incidental services	Sales and other taxes payable per item if Contract is awarded	Total Price delivered Final Destination (col 8 + 9) x 4

⁴ If ADB, JICA and WB funded projects, use IFB.

Contract Agreement Form

THIS AGREEMENT made the _____ day of _____ 20____ between [*name of PROCURING ENTITY*] of the Philippines (hereinafter called "the Entity") of the one part and [*name of Supplier*] of [*city and country of Supplier*] (hereinafter called "the Supplier") of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., [*brief description of goods and services*] and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of [*contract price in words and figures*] (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Bid Form and the Price Schedule submitted by the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Special Conditions of Contract; and
 - (f) the Entity's Notification of Award.
3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, delivered by _____ the _____ (for the Entity)

Signed, sealed, delivered by _____ the _____ (for the Supplier).

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]*;

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 Project]* of the *[Name of 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 the title of attached document showing proof of authorization (e.g. duly notarized Secretary's Certificate issued by the corporation or 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 a cooperative: None of the officers and members of the *[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

[Insert name of Bidder's Authorized Representative]
Bidder's Representative/Authorized Signatory
[Insert signatory's legal capacity]

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]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. _____ *[date issued]*, *[place issued]*

IBP No. _____ *[date issued]*, *[place issued]*

Doc. No. _____

Page No. _____

Book No. _____

Series of _____.

BID FORM (FINANCIAL PROPOSAL)
PRICE SCHEDULE FOR GOODS OFFERED

Date of Bid Opening: _____

1	2	3	4	5	6	7
Item No.	Description	ABC	Quantity	Unit Cost (Peso)	Total Cost (Peso) ⁵	Delivery Schedule
Total Amount of Bid:						
_____			(in words)		_____ (in figure)	

Bid Validity: _____

Name and Signature of Bidder: _____

Address: _____

Telephone/Mobile No. _____

Name of Representative: _____

Signature of Representative: _____

Bidders are required to include the cost of all taxes, such as, but not limited to: value added tax (VAT), income tax, local taxes, customs duties, freight, insurance, bank charges and other fiscal levies and duties. These shall be itemized in the bid form and reflected in the detailed estimates.

STATEMENT OF ALL GOVERNMENT AND PRIVATE CONTRACTS COMPLETED WHICH ARE SIMILAR IN NATURE

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	%		
<u>Government</u>						
<u>Private</u>						

Note: This statement shall be supported with:

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

Submitted by: _____
(Printed Name and Signature)

Designation: _____

Date: _____

Checklist of Eligibility, Technical and Financial Requirements for Bidders

The **Eligibility Component** shall contain the following:

1. **Certification** in lieu of Class **A**+Documents.

Note: This document certifies that the Class **A**+ Documents are complete, current and updated. Presence of this document shall forego the checking of Class **A**+Documents

OR all requirements listed under Class **A**+and **B**+Documents

2. CLASS "A" DOCUMENTS

1. Registration Certificate from SEC, Department of Trade and Industry (DTI) for sole proprietorship, CDA for cooperatives, or any proof of such registration as stated in the Bidding Documents
2. Valid and current Mayor's permit/municipal license issued by the city or municipality where the principal place of business of the prospective bidder is located
3. Statement of ongoing and similar completed government and private contracts within the period specified in the ITB, including contract awarded but not yet started, if any, the statement shall include, for each contract, the following:
 - a. Name of the Contract
 - b. Date and Status of the Contract
 - c. Kind of Goods Sold
 - d. Amount of Contract and Value of Outstanding Contracts
 - e. Date of Delivery
 - f. End-User Acceptance, if completed
4. The prospective bidder's audited financial statements, showing among others, the prospective bidder's total and current assets and liabilities, stamped and 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
5. Income Tax Return of the preceding year filed and paid thru the BIR Electronic Filing and Paid thru the BIR Electronic Filing and Payment System (EFPS)
6. The prospective bidder's computation for its Net Financial Contracting Capacity (NFCC)
7. Tax Clearance per Executive Order No. 398 series of 2005, as finally reviewed and approved by the BIR.

3. CLASS "B" DOCUMENTS

1. Valid joint venture agreement (JVA), in case the joint venture is already in existence. In the absence of a JVA, a duly notarized statement from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA if 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. Each partner of the joint venture shall submit the legal eligibility documents. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance.

The Technical Component shall contain the following:

1. Bid Security in accordance with ITB Clause 18, a Bid Securing Declaration or any of the following:

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; or	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; or	
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; or	Five percent (5%)
e. Any combination of the foregoing forms; or	Proportionate to share of form with respect to total amount of security

2. Conformity with Technical Specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents

- a. Production/Delivery Schedule
- b. Technical Specifications
- c. Warranty Certificate
- d. Certification of Site Inspection

3. Omnibus Sworn Statement

CHECKLIST OF FINANCIAL COMPONENT FOR BIDDERS

The Financial Component shall contain the following:

- 1. Duly signed Bid Prices in the Bill of Quantities for procurement of Goods, or Scope of Work for procurement of Services
- 2. Recurring or maintenance costs, if applicable

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

BID-SECURING DECLARATION

Invitation to Bid: *[Insert reference number]*

Contract ID:

Contract Name:

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 under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.
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, 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]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. __, *[date issued]*, *[place issued]*

IBP No. __, *[date issued]*, *[place issued]*

Doc. No. ____

Page No. ____

Book No. ____

Series of ____.

Section IX. Foreign-Assisted Projects

Notes on Foreign-Assisted Projects

This Section is intended to assist the DPWH Procuring Entity in providing the specific information for foreign-assisted projects of the Asian Development Bank (ADB), the Japan International Cooperation Agency (JICA), and the World Bank.

- (a) If the Funding Source is ADB, the DPWH Procuring Entity should use the ADB Bid Data Sheet and the ADB Special Conditions of Contract..
- (b) If the Funding Source is JICA, the DPWH Procuring Entity should use Section III. Bid Data Sheet and Section V. Special Conditions of Contract, both of the GOP.
- (c) If the Funding Source is World Bank, the DPWH Procuring Entity should use the World Bank Bid Data Sheet and the Section V. Special Conditions of Contract of the GOP.

The DPWH Procuring Entity shall use these PBDs with minimum changes as necessary to address project-specific conditions. Any such changes shall be introduced only through the Bid Data Sheet or through the Special Conditions of Contract, and not by introducing changes in the standard wording of the Instructions to Bidders and the General Conditions of Contract.

The DPWH Procuring Entity shall allow the Bidders sufficient time to study the Bidding Documents, prepare and complete responsive bids, and submit their bids. A period of at least thirty (30) days for bid preparation shall be required.

Notes on the Invitation to Bid

The Invitation to Bid provides information that enables potential Bidders to decide whether to participate in the procurement at hand. The Invitation to Bid shall be:

- (a) Advertised at least once in a newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of issue of the advertisement, subject to Sections 21.2.2 of the IRR of R.A. 9184;
- (b) Posted continuously in the Philippine Government Electronic Procurement System (PhilGEPS) website and the website of the Procuring Entity concerned, if available, from the time the Invitation to Bid is advertised until the deadline for the submission and receipt of bids; and
- (c) Posted at any conspicuous place reserved for this purpose in the premises of the Procuring Entity concerned from the time the Invitation to Bid is advertised until the deadline for the submission and receipt of bids, as certified by the head of the Bids and Awards Committee (BAC) Secretariat of the Procuring Entity concerned.

Apart from the essential items listed in the Bidding Documents, the Invitation to Bid should also indicate the following:

- (a) The date of availability of the Bidding Documents, which shall be from the time the Invitation to Bid is first advertised/posted until the deadline for the submission and receipt of bids.
- (b) The place where the Bidding Documents may be purchased or the website where it may be downloaded.
- (c) The deadline for the submission and receipt of bids from the last day of posting of the Invitation to Bid; and
- (d) Any important bid evaluation criteria.

The Invitation to Bid should be incorporated into the Bidding Documents. The information contained in the Invitation to Bid must conform to the Bidding Documents and in particular to the relevant information in the BDS.

Notes on the Bid Data Sheet

This Section is intended to assist the Procuring Entity in providing the specific information in relation to the corresponding clauses in the ITB, and has to be prepared for each specific procurement.

The PROCURING ENTITY should specify in the BDS information and requirements specific to the circumstances of the Procuring Entity, the processing of the procurement, the applicable rules regarding Bid price and currency, and the Bid evaluation criteria that will apply to the Bids. In preparing this Section, the following aspects should be checked:

- (a) Information that specifies and complements provisions of Section II. Instructions to Bidders must be incorporated.
- (b) Amendments and/or supplements, if any, to provisions of Section II. Instructions to Bidders as necessitated by the circumstances of the specific procurement, must also be incorporated.

Notes on the Special Conditions of the Contract

Similar to the Section III. Bid Data Sheet, the clauses in this Section are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in the GCC.

The provisions of this Section complement the GCC, specifying contractual requirements linked to the special circumstances of the Procuring Entity, the Procuring Entity's country, the sector, and the Goods procured. In preparing this Section, the following aspects should be checked:

- (a) Information that complements provisions of Section IV. General Conditions of Contract must be incorporated.
- (b) Amendments and/or supplements to provisions of Section IV. General Conditions of Contract, as necessitated by the circumstances of the specific project, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of Section IV. General Conditions of Contract should be incorporated herein.

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Invitation to Bid for Foreign-Assisted Projects

[Letterhead of the Procuring Entity] **INVITATION TO BID FOR *[Insert name of Project]***

1. The Government of the Philippines (GOP) *[has received/has applied for/intends to apply for]* a *[Loan/Grant]* from the *[state the foreign government/foreign or international financing institution, (e.g. Asian Development Bank, Japan International Cooperative Agency, or World Bank)]* toward the cost of *[insert name of project]*, and it intends to apply part of the proceeds of this *[Loan/Grant]* to payments under the contract for *[insert name/no. of contract]*.
2. The *[insert name of Procuring Entity]* now invites bids for *[insert brief description of Goods to be procured]*.⁶ Delivery of the Goods is required *[insert the required delivery date or expected contract duration]*. Bidders should have completed, within *[insert relevant period]* from the date of submission and receipt of bids, a contract similar to the Project. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders.
3. Bidding will be conducted in accordance with relevant procedures for open competitive bidding as specified in the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the "Government Procurement Reform Act", with some amendments, as stated in these Bidding Documents and is open to all Bidders from eligible source countries as defined in the applicable procurement guidelines of the *[state the foreign government/foreign or international financing institution concerned (e.g. Asian Development Bank, Japan International Cooperation Agency, or World Bank)]*. The contract shall be awarded to the Lowest Calculated Responsive Bidder (LCRB) who was determined as such during post-qualification. The approved budget for the contract (ABC) is *[insert here the amount of the ABC]*.

[If ADB-funded project, please do not indicate the ABC in the Invitation to Bid.]

4. Interested bidders may obtain further information from *[insert name of the Procuring Entity]* and inspect the Bidding Documents at the address given below during *[insert office hours]*.
5. A complete set of Bidding Documents may be purchased by interested Bidders on *[insert date of availability of Bidding Documents]* from the address below and upon payment of a nonrefundable fee for the Bidding Documents in the amount of *[insert amount in Pesos]*.

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, *as applicable* provided that Bidders shall pay the nonrefundable fee for the Bidding Documents not later than the submission of their bids.

⁶ A brief description of the type(s) of Goods should be provided, including quantities, location of project, and other information necessary to enable potential bidders to decide whether or not to respond to the invitation.

6. The *[insert name of the Procuring Entity]* will hold a Pre-Bid Conference on *[insert time and date]* at *[insert address for Pre-Bid Conference, if applicable]*, which shall be open to all interested parties.
7. Bids must be delivered to the address below on or before *[insert time and date]*. All Bids must be accompanied by a bid security in the amount of _____ in *[insert the acceptable form]*.

Bid opening shall be on *[insert time and date]* at *[insert address for Bid opening]*. 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. *[Insert such other necessary information deemed relevant by the PROCURING ENTITY]*
9. The *[insert name of the Procuring Entity]* 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.
10. For further information, please refer to:

[Insert name of officer]
[Insert name of office]
[Insert postal address] and/or [Insert street address]
[Insert telephone number, indicate city code]
[Insert contact's email address]
[Insert facsimile number]
[Insert website address, if applicable]

[Insert Name and Signature of the BAC Chairperson or the Authorized Representative of the BAC Chairperson]

Asian Development Bank Bid Data Sheet

ITB Clause	
1.1	The Procuring Entity is <i>[insert name of purchasing organization]</i>
1.2	The lot(s) and reference is/are: <i>[insert name]</i>
2	<p>The Funding Source is the Asian Development Bank (ADB) through <i>[indicate the Loan/Grant No.]</i> in the amount of <i>[insert amount of funds]</i>.</p> <p>The name of the Project is: <i>[Insert the name of the project, or "Not applicable"]</i></p> <p>Payments by the Foreign Funding Source will be made only at the request of the PROCURING ENTITY and upon approval by the Funding Source in accordance with the terms and conditions of Loan Agreement No. _____ between the PROCURING ENTITY and the Funding Source in accordance with International or Executive Agreement dated _____ (hereinafter called the "Loan Agreement").</p> <p>The payments will be subject in all respect to the terms and conditions of that Loan Agreement and the applicable law. No party other than the PROCURING ENTITY shall derive any rights from the Loan Agreement or have any claim to the funds.</p> <p>The Loan Agreement prohibits a withdrawal for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Funding Source, is prohibited by a decision of the United Nations Security Council, taken under Chapter VII of the Charter of the United Nations.</p>
3.1	<p>ADB's anticorruption policy requires borrowers (including beneficiaries of ADB-financed activity), as well as bidders, suppliers, and contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, ADB:</p> <p>(a) defines, for the purposes of this provision, the terms set forth below as follows:</p> <p style="padding-left: 40px;">(i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;</p> <p style="padding-left: 40px;">(ii) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other</p>

	<p>benefit or to avoid an obligation;</p> <p>(iii) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;</p> <p>(iv) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;</p> <p>(b) will reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question;</p> <p>(c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the borrower or of a beneficiary of ADB-financing engaged in corrupt, fraudulent, collusive, or coercive practices during the procurement or the execution of that contract, without the borrower having taken timely and appropriate action satisfactory to ADB to remedy the situation;</p> <p>(d) will sanction a firm or an individual, at any time, in accordance with ADB's Anticorruption Policy and Integrity Principles and Guidelines (both as amended from time to time), including declaring ineligible, either indefinitely or for a stated period of time, to participate in ADB-financed or ADB-administered activities or to benefit from an ADB-financed or ADB administered contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive or other prohibited practices.</p>
5.1	<p>Eligible Bidders are as described in ADB Procurement Guidelines as stated in the Loan Agreement and as described on Asian Development Bank's web page www.adb.org.</p> <p>An Eligible Bidder shall be deemed to have the nationality of a country if it is a citizen or constituted or incorporated, and operates in conformity with the provisions of the laws of that country.</p>
5.2	<p>Eligible Bidders are as described in ADB Procurement Guidelines as stated in the Loan Agreement and as described on Asian Development Bank's web page www.adb.org.</p>
5.4	<p>Instruction is the same as the GOP Bid Data Sheet</p>
7	<p>Eligible goods and services shall have their origin in eligible source countries as described in ADB Procurement Guidelines as stated in the Loan Agreement and as described on Asian Development Bank's web page</p>

	<p><u>www.adb.org.</u></p> <p>For the purpose of this Clause, origin means the country where the goods have been grown in, mined, cultivated, produced, manufactured, or processed; or through manufacture, processing, or assembly, another commercially recognized article results that differs substantially in its basic characteristics from its imported components.</p>
8.1	Instruction is the same as the GOP Bid Data Sheet
8.2	Instruction is the same as the GOP Bid Data Sheet
9.1	<p>The Procuring Entity will hold a pre-bid conference for this Project on <i>[State date and time]</i> at <i>[State address of venue]</i>.</p> <p><i>NOTE: The pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids.</i></p>
0	Instruction is the same as the GOP Bid Data Sheet
12.1(a)	<p>The first envelope shall contain the following eligibility and technical documents:</p> <p>a. Eligibility Requirements</p> <ul style="list-style-type: none"> i. Registration Certification of the Company; ii. List of relevant contracts that comply to the experience requirement as specified in ITB Clause 5.4; iii. Audited financial statement for the past two years; iv. In case of Joint Venture, the JV Agreement, if existing, or a signed Statement from the partner companies that they will enter into a JV in case of award of contract; <p>b. Technical Documents</p> <ul style="list-style-type: none"> v. Bid security as required in the ITB; vi. Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms; viii. A commitment from a Universal or Commercial Bank to extend a credit line in favor of the bidder if awarded the contract for the project. <p>Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder.</p>
12.1(a)(i)	<p><i>List any additional acceptable proof of registration mentioned in the ITB Clause or state “No other acceptable proof of registration is recognized. Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder.ö</i></p>

12.1(a)(iii)	Instruction is the same as the GOP Bid Data Sheet
13.1	Instruction is the same as the GOP Bid Data Sheet
13.2	There is no ceiling for Financial Proposals.
15.4(a)(iii)	Instruction is the same as the GOP Bid Data Sheet
15.4(b)	Instruction is the same as the GOP Bid Data Sheet
16.1(b)	Instruction is the same as the GOP Bid Data Sheet
16.3	Instruction is the same as the GOP Bid Data Sheet
17.1	Instruction is the same as the GOP Bid Data Sheet
18.1	Instruction is the same as the GOP Bid Data Sheet
18.2	Instruction is the same as the GOP Bid Data Sheet
20.3	Instruction is the same as the GOP Bid Data Sheet
21	Instruction is the same as the GOP Bid Data Sheet
24.1	Instruction is the same as the GOP Bid Data Sheet
24.2	During Bid opening, if the first bid envelope lacks any of the documents listed in the ADB BDS 12.1(a), the bid shall be declared non-responsive but the documents shall be kept by the Procuring Entity. Only the unopened Price Proposal shall be returned to the Bidder.
27.1	No domestic preference is applicable.
28.3	Instruction is the same as the GOP Bid Data Sheet
28.3(b)	Instruction is the same as the GOP Bid Data Sheet
28.4	There is no ceiling for Financial Proposals.
29.2(a)	Instruction is the same as the GOP Bid Data Sheet
29.2(b)	Instruction is the same as the GOP Bid Data Sheet
29.2(d)	Instruction is the same as the GOP Bid Data Sheet
32.4(g)	Instruction is the same as the GOP Bid Data Sheet

Asian Development Bank Special Conditions of Contract

The ADB adopts the provisions of the Special Conditions of Contract of the GOP as contained in the Harmonized Philippine Bidding Documents dated _____, except GCC Clause 2.1 (Corrupt, Fraudulent, Collusive, and Coercive Practices) which shall read as follows:

SCC Clause	
2.1	<p>ADB's anticorruption policy requires borrowers (including beneficiaries of ADB-financed activity), as well as bidders, suppliers, and contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, ADB:</p> <p>(a) defines, for the purposes of this provision, the terms set forth below as follows:</p> <p style="padding-left: 40px;">(v) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;</p> <p style="padding-left: 40px;">(vi) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;</p> <p style="padding-left: 40px;">(vii) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;</p> <p style="padding-left: 40px;">(viii) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;</p> <p>(b) will reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question;</p> <p>(c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the borrower or of a beneficiary of ADB-financing engaged in corrupt, fraudulent, collusive, or coercive practices during the procurement or the execution of that contract, without the borrower having taken timely and appropriate action satisfactory to ADB to remedy the situation;</p> <p>(d) will sanction a firm or an individual, at any time, in accordance with</p>

	<p>ADB's Anticorruption Policy and Integrity Principles and Guidelines (both as amended from time to time), including declaring ineligible, either indefinitely or for a stated period of time, to participate in ADB-financed or ADB-administered activities or to benefit from an ADB-financed or ADB-administered contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive or other prohibited practices.</p>
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World Bank Bid Data Sheet

ITB Clause	
1.1	The Procuring Entity is <i>[insert name of purchasing organization]</i>
1.2	The lot(s) and reference is/are: <i>[insert name]</i>
2	The Funding Source is the World Bank through <i>[indicate the Loan/Grant No.]</i> in the amount of <i>[insert amount of funds]</i> . The name of the Project is: <i>[Insert the name of the project]</i> Payments by the Foreign Funding Source will be made only at the request of the PROCURING ENTITY and upon approval by the Funding Source in accordance with the terms and conditions of the Loan Agreement No. _____ between the PROCURING ENTITY and the Funding Source in accordance with the International or Executive Agreement dated _____ (hereinafter called the "Loan Agreement").
3.1	No further instructions.
5.1	The Loan/Grant Agreement states in its Procurement NCB Annex that foreign bidders shall be eligible to bid xxxö. Eligible Bidders are as defined in the Guidelines: Procurement under IBRD Loans and IDA Credits as stated in the Loan Agreement and as described on World Bank's web page www.worldbank.org .
5.2	The Loan/Grant Agreement states in its Procurement NCB Annex that foreign bidders shall be eligible to bid xxxö. Eligible Bidders are as defined in the Guidelines: Procurement under IBRD Loans and IDA Credits as stated in the Loan Agreement and as described on World Bank's web page www.worldbank.org .
5.4	Instruction is the same as the GOP Bid Data Sheet
7	Instruction is the same as the GOP Bid Data Sheet
8.1	Instruction is the same as the GOP Bid Data Sheet
8.2	Instruction is the same as the GOP Bid Data Sheet
9.1	The Procuring Entity will hold a pre-bid conference for this Project on <i>[State date and time]</i> at <i>[State address of venue]</i> . <i>NOTE: The pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids.</i>

10.1	Instruction is the same as the GOP Bid Data Sheet
12.1(a)	<p>During Bid opening, if the first bid envelope lacks any of the following documents, the bid shall be declared non-responsive.</p> <p>The first envelope shall contain the following required documents:</p> <ul style="list-style-type: none"> a. Registration Certification of the Company; b. List of relevant contracts as specified in ITB Clause 5.4; c. Audited financial statement for the past two years; d. In case of Joint Venture, the JV Agreement, if existing, or a signed Statement from the partner companies that they will enter into a JV in case of award of contract; e. Bid security as required in the ITB; f. Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms; g. A commitment from a Universal or Commercial Bank to extend a credit line in favor of the bidder if awarded the contract for the project. <p>Notwithstanding the BAC's declaration of non-responsiveness of the first bid envelope, the financial proposals contained in the second bid envelopes of all the bidders shall be read. The first and second envelopes shall not be returned to the bidders.</p> <p>Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder.</p>
12.1(a)(i)	<i>List any additional acceptable proof of registration mentioned in the ITB Clause or state. "No other acceptable proof of registration is recognized. Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder."</i>
12.1(a)(iii)	Instruction is the same as the GOP Bid Data Sheet
13.1	Instruction is the same as the GOP Bid Data Sheet
0	Domestic preference is not applicable.
13.2	<p><i>Select one, delete the other:</i></p> <p>There is no ceiling for Financial Proposals.</p> <p style="text-align: center;">- Or -</p> <p>The ABC is <i>[insert amount]</i>. Any bid with a financial component exceeding this amount shall not be accepted.</p> <p>NOTE: Subject to prior concurrence of the World Bank, a ceiling may be applied to bid prices provided the following conditions are met:</p>

	<p>a) Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.</p> <p>b) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the engineer or the responsible unit of the procuring entity and that the estimates are based on adequate detailed engineering (in the case of works) and reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.</p> <p>c) The procuring entity has trained cost estimators on estimating prices and analyzing bid variances. In the case of infrastructure projects, the procuring entity must also have trained quantity surveyors.</p> <p>d) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.</p> <p>e) The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.</p>
15.4(a)(iii)	Instruction is the same as the GOP Bid Data Sheet
15.4(b)	Instruction is the same as the GOP Bid Data Sheet
16.1(b)	Instruction is the same as the GOP Bid Data Sheet
16.3	Instruction is the same as the GOP Bid Data Sheet
17.1	Instruction is the same as the GOP Bid Data Sheet
18.1	Instruction is the same as the GOP Bid Data Sheet
18.2	Instruction is the same as the GOP Bid Data Sheet
20.3	Instruction is the same as the GOP Bid Data Sheet
21	Instruction is the same as the GOP Bid Data Sheet
24.1	Instruction is the same as the GOP Bid Data Sheet
24.2	During Bid opening, if the first envelope lacks any of the documents listed in World Bank BDS 12.1(a), the bid shall be declared non-responsive but the documents shall be kept by the Procuring Entity. The financial proposals in the second envelope of all the bidders shall be read for record purposes. The first and second envelopes shall not be returned to the

	bidders.
27.1	No domestic preference is applicable.
28.3	Instruction is the same as the GOP Bid Data Sheet
28.3(b)	Instruction is the same as the GOP Bid Data Sheet
28.4	<i>Follow Clause ITB No. 13.2 on whether ABC as a price ceiling will apply.</i>
29.2(a)	If the winner is a foreign bidder, the tax clearance applies to Philippine tax only.
29.2(b)	If the winner is a foreign bidder, the requirement applies to relevant Philippine tax only.
29.2(d)	Instruction is the same as the GOP Bid Data Sheet
32.4(g)	Instruction is the same as the GOP Bid Data Sheet

**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
VOLUME IV: PROCUREMENT MANUAL FOR GOODS
COMMON PROCUREMENT FORMS**

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GOVERNMENT PROCUREMENT POLICY BOARD-TECHNICAL SUPPORT OFFICE

Unit 2506, Raffles Corporate Center, F. Ortigas Jr. Road, Ortigas Center, Pasig City

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

Contract ID:
Contract Name:
Location of Contract:

Name of Procuring Entity:
Address:

PROJECT PROCUREMENT MANAGEMENT PLAN (PPMP)

END-USER/UNIT:

PR No.	GENERAL DESCRIPTION	QUANTITY/ SIZE	ESTIMATED BUDGET*	Mode of Procurement	SCHEDULE/MILESTONE OF ACTIVITIES											
		Jan			Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	

TOTAL BUDGET:

-

* Upon approval of the GAA, the Indicative PPMP shall be revised into the Final PPMP and the Estimated Budget shall be replaced by the Approved Budget for the Contract (ABC)

NOTE: Technical Specifications for each Item/Project being proposed shall be submitted as part of the PPMP

Prepared By:

Approved By:

Evaluated By: (To be included in the
DPWH Budget Proposal)

Approved:

Supply Officer/Adm. Officer

Head, Implementing Office

Chief, Budget Division

Chairman, BAC for Goods³

¹ PR No. = Purchase Request Number

DPWH-G&S-01: Project Procurement Management Plan: The BAC Secretariat shall consolidate all the Project Procurement Management Plans (PPMP) prepared by the Project Management Offices (PMOs) into an Annual Procurement Plan (APP). The APP shall bear the approval of the head of the procuring entity.

Updating of the PPMP and the consolidated APP shall be undertaken every six (6) months or as often as required by the Head of the Procuring Entity.



CATALOGUE

SEARCH ITEM: [CLEAR](#) [SEARCH](#) [VIEW APR](#)

SELECT	ITEM CODE	ITEM DESCRIPTION/SPECIFICATIONS	RETAIL		BIG BOX	
			UNIT	UNIT PRICE (as of 10/19/2015)	UNIT	UNIT PRICE (as of 10/19/2015)
<input type="checkbox"/> ALL						
<input type="checkbox"/> 1	13111203-AC-F01	ACETATE	roll	624.00	roll	624.00
<input type="checkbox"/> 2	47131812-AF-A01	AIR FRESHENER, aerosol, 280ml/150g min	can	81.12	box	973.44
<input type="checkbox"/> 3	12191601-AL-E01	ALCOHOL, ethyl, 68%-70%, scented, 500ml (-5ml)	bottle	43.14	box	1,553.04
<input type="checkbox"/> 4	39111801-BA-F02	BALLAST, 36 WATTS	piece	74.78	box	1,944.28
<input type="checkbox"/> 5	26111702-BT-A02	BATTERY, dry cell, AA, 2 pieces per blister pack	pack	17.14	box	171.40
<input type="checkbox"/> 6	26111702-BT-A01	BATTERY, dry cell, AAA, 2 pieces per blister pack	pack	15.03	box	150.30
<input type="checkbox"/> 7	26111702-BT-A03	BATTERY, dry cell, D, 2 pieces per blister pack	pack	76.44	box	764.40
<input type="checkbox"/> 8	44101602-PB-M01	BINDING AND PUNCHING MACHINE	unit	10,398.96	unit	10,398.96
<input type="checkbox"/> 9	47131604-BR-S01	BROOM, SOFT (TAMBO), weight: 200g min tiger grass	piece	104.00	bundle	2,600.00
<input type="checkbox"/> 10	47131604-BR-T01	BROOM, STICK (TINGTING)	piece	23.92	bundle	598.00
<input type="checkbox"/> 11	44101807-CA-C01	CALCULATOR, COMPACT, electronic, 12 digits cap, 1 unit in individual box	unit	142.36	carton	5,694.40
<input type="checkbox"/> 12	44101810-CA-D01	CALCULATOR, MINI-PRINTING, 1 unit per box	unit	930.80	pack	18,616.00
<input type="checkbox"/> 13	44101810-CA-D02	CALCULATOR, PRINTING, DESKTOP, 1 unit per box	unit	1,965.60	pack	11,793.60
<input type="checkbox"/> 14	44101807-CA-S01	CALCULATOR, SCIENTIFIC, 1 unit in individual box	unit	328.64	carton	13,145.60
<input type="checkbox"/> 15	13111201-CF-P01	CARBON FILM, A4 SIZE, 100 sheets per box	box	223.60	carton	11,180.00
<input type="checkbox"/> 16	13111201-CF-P02	CARBON FILM, PE, black, size 216mm x 330mm, 100 sheets per box	box	202.80	carton	10,140.00
<input type="checkbox"/> 17	14111525-CA-A01	CARTOLINA, ASSORTED COLORS, 20 pieces per pack	pack	73.32	bundle	366.60
<input type="checkbox"/> 18	14111525-CA-W01	CARTOLINA, WHITE, 20 pieces per pack	pack	52.00	bundle	260.00
<input type="checkbox"/> 19	56101504-CM-B01	CHAIR, MONOBLOC, BEIGE, with backrest, w/o armrest	piece	251.56	stack	6,289.00
<input type="checkbox"/> 20	56101504-CM-W01	CHAIR, MONOBLOC, WHITE, with backrest, w/o armrest	piece	251.56	stack	6,289.00
<input type="checkbox"/> 21	44121710-CH-W01	CHALK, WHITE ENAMEL, 100 pieces per box	box	25.86	carton	775.80
<input type="checkbox"/> 22	47131829-TB-C01	CLEANER, TOILET BOWL AND URINAL, , 900ml-1,000ml cap	bottle	41.60	box	499.20
<input type="checkbox"/> 23	47131805-CL-P01	CLEANSER, SCOURING POWDER, 350g min./can	can	18.20	box	873.60
<input type="checkbox"/> 24	60121413-CB-P01	CLEARBOOK, A4 SIZE	piece	37.44	box	449.28
<input type="checkbox"/> 25	60121413-CB-P02	CLEARBOOK, LEGAL	piece	41.60	box	499.20
<input type="checkbox"/> 26	44122105-BF-C01	CLIP, BACKFOLD, 19MM, 12 pieces per box	box	7.28	carton	364.00
<input type="checkbox"/> 27	44122105-BF-C02	CLIP, BACKFOLD, 25MM, 12 pieces per box	box	16.64	carton	832.00
<input type="checkbox"/> 28	44122105-BF-C03	CLIP, BACKFOLD, 32MM, 12 pieces per box	box	20.68	carton	1,034.00
<input type="checkbox"/> 29	44122105-BF-C04	CLIP, BACKFOLD, 50MM, 12 pieces per box	box	43.68	carton	2,184.00
<input type="checkbox"/> 30	44122105-BD-C01	CLIP, BULLDOG	piece	8.32	box	299.52
<input type="checkbox"/> 31	14111513-CO-P04	COLUMNAR PAD, 18 COLS.	pad	65.52	bundle	655.20
<input type="checkbox"/> 32	39101619-FL-C01	COMPACT FLUORESCENT LAMP, 18 WATTS, 1 piece in individual box	piece	93.29	carton	4,664.50
<input type="checkbox"/> 33	14111506-CF-L11	CONTINUOUS FORM, 1 PLY, 280 x 241mm, 2,000 sets per box	box	601.90	box	601.90
<input type="checkbox"/> 34	14111506-CF-L21	CONTINUOUS FORM, 2 PLY, 280 x 241mm, 1,000 sets per box	box	683.49	box	683.49
<input type="checkbox"/> 35	14111506-CF-L31	CONTINUOUS FORM, 3 PLY, 280 x 241mm, 500 sets per box	box	570.91	box	570.91
<input type="checkbox"/> 36	14111506-CF-L12	CONTINUOUS FORM, 1 PLY, 280MM X 378MM, 2,000 sets per box	box	950.30	box	950.30
<input type="checkbox"/> 37	14111506-CF-L22	CONTINUOUS FORM, 2 PLY, 280MM X 378MM, 1,000 sets per box	box	1,220.96	box	1,220.96
<input type="checkbox"/> 38	14111506-CF-L32	CONTINUOUS FORM, 3 PLY, 280MM X 378MM, 500 sets per box	box	910.00	box	910.00
<input type="checkbox"/> 39	44121801-CT-R01	CORRECTION TAPE, 1 piece in individual plastic	piece	41.08	box	2,054.00
<input type="checkbox"/> 40	44121612-BL-H01	CUTTER BLADE, 10 pieces per tube	tube	7.85	box	157.00
<input type="checkbox"/> 41	44121612-CU-H01	CUTTER KNIFE	piece	19.43	box	466.32
<input type="checkbox"/> 42	44111515-DF-B01	DATA FILE BOX, made of chipboard, with closed ends	piece	69.73	bundle	557.84
<input type="checkbox"/> 43	44122011-DF-F01	DATA FOLDER, made of chipboard, taglia lock	piece	68.64	bundle	411.84
<input type="checkbox"/> 44	44103202-DS-M01	DATING AND STAMPING MACHINE	piece	478.38	box	5,740.56
<input type="checkbox"/> 45	47131811-DE-P01	DETERGENT POWDER, all purpose, 500 grams (-2.5%) per plastic pouch	pouch	24.96	sack	1,248.00
<input type="checkbox"/> 46	52161535-DV-R01	DIGITAL VOICE RECORDER, memory: 4GB (expandable), 1 unit in individual box	unit	6,229.60	pack	62,296.00
<input type="checkbox"/> 47	47131800-DB-S01	DISINFECTANT, bleaching solution	container	101.82	box	610.92
<input type="checkbox"/> 48	47131803-DS-A01	DISINFECTANT SPRAY, aerosol type, 400-550 grams	can	119.60	box	1,435.20
<input type="checkbox"/> 49	45121517-DO-C01	DOCUMENT CAMERA	unit	25,168.00	unit	25,168.00
<input type="checkbox"/> 50	47131601-DU-P01	DUST PAN	piece	36.28	bundle	435.36
<input type="checkbox"/> 51	43202003-DV-W01	DVD RE-WRITABLE	piece	21.37	pack	213.70
<input type="checkbox"/> 52	40101604-EF-G01	ELECTRIC FAN, INDUSTRIAL	unit	1,144.00	unit	1,144.00
<input type="checkbox"/> 53	40101604-EF-C01	ELECTRIC FAN, ORBIT type, ceiling, metal blade	unit	1,248.00	unit	1,248.00
<input type="checkbox"/> 54	40101604-EF-S01	ELECTRIC FAN, STAND TYPE	unit	1,036.88	unit	1,036.88
<input type="checkbox"/> 55	40101604-EF-W01	ELECTRIC FAN, WALL TYPE	unit	789.36	unit	789.36
<input type="checkbox"/> 56	44103201-ET-R01	ELECTRONIC TIME RECORDER OR BUNDDY CLOCK	unit	3,315.52	unit	3,315.52
<input type="checkbox"/> 57	44121506-EN-D01	ENVELOPE, DOCUMENTARY, for A4 size document, 500 pieces per box	box	381.54	box	381.54
<input type="checkbox"/> 58	44121506-EN-D02	ENVELOPE, DOCUMENTARY, for legal size document, 500 pieces per box	box	507.40	box	507.40
<input type="checkbox"/> 59	44121506-EN-X01	ENVELOPE, EXPANDING, KRAFTBOARD, for legal size doc, 100 pieces per box	box	621.71	box	621.71
<input type="checkbox"/> 60	44121506-EN-X02	ENVELOPE, EXPANDING, PLASTIC	piece	35.03	box	3,503.00
<input type="checkbox"/> 61	44121506-EN-M01	ENVELOPE, MAILING, 500 pieces per box	box	131.96	box	131.96
<input type="checkbox"/> 62	44121504-EN-W01	ENVELOPE, MAILING, WITH WINDOW, 500 pieces per box	box	195.36	box	195.36
<input type="checkbox"/> 63	44121506-EN-P01	ENVELOPE, PAY, 500 pieces per box	box	119.39	box	119.39
<input type="checkbox"/> 64	44111912-ER-B01	ERASER, FELT, FOR BLACKBOARD OR WHITEBOARD	piece	10.07	box	120.84
<input type="checkbox"/> 65	60121534-ER-P01	ERASER, PLASTIC OR RUBBER	piece	2.16	box	64.80
<input type="checkbox"/> 66	43201827-HD-X02	EXTERNAL HARD DRIVE, 1TB, 2.5" HDD, USB 3.0, 1 unit in individual box	unit	3,092.96	pack	30,929.60
<input type="checkbox"/> 67	44101714-FX-M01	FACSIMILE MACHINE	unit	3,502.72	unit	3,502.72
<input type="checkbox"/> 68	44122118-FA-P01	FASTENER, METAL, 70mm between prongs, 50 sets per box	box	57.09	pack	570.90
<input type="checkbox"/> 69	44111515-FO-X01	FILE ORGANIZER, LEGAL	piece	82.87	box	4,143.50
<input type="checkbox"/> 70	44122018-FT-D01	FILE TAB DIVIDER, A4, 5 colors per set	set	12.48	pack	124.80
<input type="checkbox"/> 71	44122018-FT-D02	FILE TAB DIVIDER, LEGAL, 5 colors per set	set	16.64	pack	166.40
<input type="checkbox"/> 72	46191601-FE-M01	FIRE EXTINGUISHER, DRY CHEMICAL	unit	1,144.00	unit	1,144.00
<input type="checkbox"/> 73	46191601-FE-H01	FIRE EXTINGUISHER, PURE HCFC	unit	3,939.52	unit	3,939.52
<input type="checkbox"/> 74	43202101-FD-U01	FLASH DRIVE, 16 GB capacity, 1 piece in individual blister pack	piece	234.00	box	1,170.00
<input type="checkbox"/> 75	47131802-FW-L01	FLOOR WAX, LIQUID TYPE, NATURAL	can	370.50	box	1,482.00
<input type="checkbox"/> 76	47131802-FW-P01	FLOOR WAX, PASTE TYPE, NATURAL	can	223.60	box	894.40
<input type="checkbox"/> 77	47131802-FW-P02	FLOOR WAX, PASTE, RED	can	228.80	box	915.20
<input type="checkbox"/> 78	39101605-FL-T03	FLUORESCENT LAMP, 14 WATTS	tube	88.40	box	2,210.00
<input type="checkbox"/> 79	39101605-FL-T04	FLUORESCENT LAMP, 28 WATTS	tube	114.40	box	2,860.00
<input type="checkbox"/> 80	39101605-FL-T02	FLUORESCENT LAMP, 36 WATTS	tube	36.30	box	907.50
<input type="checkbox"/> 81	39111501-FF-C02	FLUORESCENT LIGHTING FIXTURES, 1 X 36 WATTS	set	364.00	box	3,640.00
<input type="checkbox"/> 82	44122011-FO-F01	FOLDER, FANCY, A4, 50 pieces per bundle	bundle	234.00	bundle	234.00
<input type="checkbox"/> 83	44122011-FO-F02	FOLDER, FANCY, legal, 50 pieces per bundle	bundle	291.20	bundle	291.20
<input type="checkbox"/> 84	44122011-FO-L01	FOLDER, L-TYPE, A4 SIZE, 50 pieces per pack	pack	166.40	box	3,993.60

85	44122011-FO-L02	FOLDER, L-TYPE, LEGAL SIZE, 50 pieces per pack	pack	182.00	box	4,368.00
86	44122027-FO-P01	FOLDER, PRESSBOARD, size: 240mm x 370mm (-5mm), 100 pieces per box	box	935.98	box	935.98
87	44122011-FO-T01	FOLDER, TAGBOARD, for A4 size documents, 100 pieces per pack	pack	259.36	pack	259.36
88	44122011-FO-T02	FOLDER, TAGBOARD, for legal size documents, 100 pieces per pack	pack	299.98	pack	299.98
89	47131830-FC-A01	FURNITURE CLEANER, aerosol, 300ml min./can	can	84.76	box	1,017.12
90	31201610-GL-J01	GLUE, all purpose, gross weight: 200 grams min	jars	48.88	box	1,759.68
91	55101524-RA-H01	HANDBOOK ON RA9184	book	28.90	bundle	578.00
92	60121138-IL-B01	ILLUSTRATION BOARD, 760MM X 1000MM	piece	35.05	bundle	701.00
93	44111515-IC-B01	INDEX CARD BOX, 3X5	piece	36.40	pack	364.00
94	44100515-IC-B02	INDEX CARD BOX, 5X8	piece	55.12	pack	551.20
95	14111518-IC-R01	INDEX CARD, 3X5, 500 pieces per pack	pack	51.27	box	512.70
96	14111518-IC-R02	INDEX CARD, 5X8, 500 pieces per pack	pack	139.34	box	1,393.40
97	44122008-IT-T01	INDEX TAB, 5 sets per box	box	50.84	pack	2,542.00
98	12171703-SI-P01	STAMP PAD INK, purple or violet, 50ml (min.)	bottle	22.88	box	274.56
99	10191509-IN-A01	INSECTICIDE, aerosol type, net content: 600ml min	can	117.52	box	1,410.24
100	14111609-LL-C01	LOOSELEAF COVER, 50 sets per bundle	bundle	539.76	bundle	539.76
101	44111515-MF-B02	MAGAZINE FILE BOX, LARGE	piece	43.84	pack	876.80
102	60121124-MA-P01	MANILA PAPER, 10 sheets per pack	pack	26.00	bundle	520.00
103	44122106-MP-R01	MAP PIN, ROUND HEAD, 100 pieces per case	case	40.35	box	403.50
104	44121716-MA-F01	MARKER, FLUORESCENT, 3 colors per set	set	35.55	pack	1,706.40
105	44121708-MP-B01	MARKER, PERMANENT, bullet type, black	piece	9.65	box	115.80
106	44121708-MP-B02	MARKER, PERMANENT, bullet type, blue	piece	9.65	box	115.80
107	44121708-MP-B03	MARKER, PERMANENT, bullet type, red	piece	9.65	box	115.80
108	44121708-MW-B01	MARKER, WHITEBOARD, black	piece	11.80	box	141.60
109	44121708-MW-B02	MARKER, WHITEBOARD, blue	piece	11.80	box	141.60
110	44121708-MW-B03	MARKER, WHITEBOARD, red	piece	11.80	box	141.60
111	52161533-ME-P01	MEGAPHONE	unit	2,704.00	unit	2,704.00
112	56101519-TMS02	MONOBLOC, TABLE, BEIGE	unit	1,232.40	unit	1,232.40
113	56101519-TM-S01	MONOBLOC, TABLE, WHITE	unit	1,232.40	unit	1,232.40
114	47121804-MP-B01	MOPBUCKET	unit	1,872.00	unit	1,872.00
115	47131613-MP-H02	MOPHANDLE	piece	142.48	bundle	1,709.76
116	47131619-MP-R01	MOPHEAD, made of rayon, weight: 400 grams min	piece	98.80	bundle	1,185.60
117	43211708-MO-O01	MOUSE, OPTICAL, USB CONNECTION TYPE, 1 unit in individual box	unit	127.80	pack	1,278.00
118	45111609-MM-P01	MULTIMEDIA PROJECTOR, 4000 min ANSI Lumens	unit	28,600.00	unit	28,600.00
119	14111514-NB-S01	NOTEBOOK, STENOGRAPHER, spiral, 40 leaves	piece	10.40	pack	208.00
120	14111514-NP-S02	NOTEPAD, STICK-ON, 2X3, 100 sheets per pad	pad	31.20	pack	374.40
121	14111514-NP-S03	NOTEPAD, STICK-ON, 3X3, 100 sheets per pad	pad	40.44	pack	485.28
122	14111514-NP-S04	NOTEPAD, STICK-ON, 3X4, 100 sheets per pad	pad	54.06	pack	648.72
123	12181601-OL-G01	OIL, GENERAL PURPOSE LUBRICANT, 120ml per bottle	bottle	36.90	box	2,656.80
124	14111531-PP-R01	PAD PAPER, RULED	pad	18.26	bundle	182.60
125	44122104-PC-G01	PAPER CLIP, 32MM, 100 pieces per box or 52 grams (min.) (net of box)	box	6.76	carton	338.00
126	44122104-PC-J02	PAPER CLIP, 48MM, 100 pieces per box or 120 grams (min.) (net of box)	box	13.52	carton	676.00
127	44101603-PS-M01	PAPER SHREDDER	unit	5,491.20	unit	5,491.20
128	44101601-PT-M01	PAPER TRIMMER CUTTING MACHINE	unit	7,956.00	unit	7,956.00
129	14111507-PP-M01	PAPER, MULTICOPY, 80gsm, size: 210mm x 297mm	ream	105.35	box	526.75
130	14111507-PP-M02	PAPER, MULTICOPY, 80gsm, size: 216mm x 330mm	ream	132.02	box	660.10
131	14111507-PP-C01	PAPER, Multi-Purpose (COPY) A4, 70 gsm., 5 reams/box	ream	91.94	box	459.70
132	14111507-PP-C02	PAPER, Multi-Purpose (COPY) Legal, 70 gsm., 5 reams/box	ream	105.61	box	528.05
133	14111503-PA-P01	PAPER, PARCHMENT, 100 sheets per box	box	92.04	pack	1,840.80
134	14111818-TH-P01	PAPER, THERMAL, 210MM X 30M	roll	29.95	box	1,437.60
135	14111818-TH-P02	PAPER, THERMAL, 216MM X 30M	roll	27.82	box	1,335.36
136	44121619-PS-M01	PENCIL SHARPENER, 1 piece in individual plastic case	piece	187.20	box	4,492.80
137	44121706-PE-L01	PENCIL, LEAD WITH ERASER, 1 dozen per box	box	19.62	pack	235.44
138	55121905-PH-F01	PHILIPPINE NATIONAL FLAG	piece	299.52	bundle	2,995.20
139	43212102-PR-D02	PRINTER, IMPACT DOT MATRIX, 24 pins, 136 column	unit	18,417.17	unit	18,417.17
140	43212102-PR-D01	PRINTER, IMPACT DOT MATRIX, 9 pins, 80 columns	unit	5,831.52	unit	5,831.52
141	43212104-PR-I01	PRINTER, INKJET, WIRELESS	unit	10,000.00	unit	10,000.00
142	43212105-PR-L01	PRINTER, LASER, MONOCHROME	unit	1,653.60	unit	1,653.60
143	44101602-PU-P01	PUNCHER, paper, heavy duty, with two hole guide, 1 piece in individual box	piece	114.28	carton	2,742.72
144	44122106-PP-F02	PUSH PIN, 100 pieces per case	case	24.96	box	299.52
145	47131501-RG-C01	RAGS, ALL COTTON, 32 pieces per kilo per bundle	bundle	43.68	sack	1,310.40
146	14111531-RE-B01	RECORD BOOK, 300 PAGES, size: 214mm x 278mm min	book	60.32	bundle	603.20
147	14111531-RE-B02	RECORD BOOK, 500 PAGES, size: 214mm x 278mm min	book	86.85	bundle	434.25
148	44102606-RI-T01	RIBBON, FOR MANUAL TYPEWRITER, in box, with each spool individually wrapped in plastic	spool	16.12	box	193.44
149	44122037-RB-P07	RING BINDER, PLASTIC, 25MM, 10 pieces per bundle	bundle	150.80	pack	2,412.80
150	44122037-RB-P09	RING BINDER, PLASTIC, 32MM, 10 pieces per bundle	bundle	256.87	pack	4,109.92
151	44122037-RB-P12	RING BINDER, PLASTIC, 50MM, 10 pieces per bundle	bundle	291.03	pack	4,656.48
152	44122101-RU-B01	RUBBER BAND, 70mm min lay flat length (#18)	box	105.85	carton	5,292.50
153	41111604-RU-P02	RULER, PLASTIC, 450MM, 1 piece in individual plastic	piece	15.60	box	780.00
154	44121618-SS-S01	SCISSORS, symmetrical, blade length: 65mm, 1 piece in individual plastic	pair	15.53	box	559.08
155	47131602-SC-N01	SCOURING PAD, 5 pieces per pack	pack	119.60	box	2,392.00
156	60121524-SP-G01	SIGN PEN, BLACK, liquid/gel ink, 0.5mm needle tip	piece	44.01	box	528.12
157	60121524-SP-G02	SIGN PEN, BLUE, liquid/gel ink, 0.5mm needle tip	piece	44.01	box	528.12
158	60121524-SP-G03	SIGN PEN, RED, liquid/gel ink, 0.5mm needle tip	piece	44.01	box	528.12
159	53131608-SB-R01	SOAP, BATHROOM, 90 grams, 1 piece in individual box	piece	22.36	carton	1,453.40
160	44121905-SP-F01	STAMP PAD, FELT, bed dimension: 60mm x 100mm	piece	27.66	pack	331.92
161	44121613-SR-P01	STAPLE REMOVER, PLIER TYPE	piece	17.63	box	423.12
162	31151804-SW-H01	STAPLE WIRE, HEAVY DUTY, 23/13	box	30.42	pack	304.20
163	31151804-SW-H02	STAPLE WIRE, HEAVY DUTY, 23/17	box	41.48	pack	414.80
164	31151804-SW-S01	STAPLE WIRE, STANDARD	box	18.92	carton	1,892.00
165	44121615-ST-B01	STAPLER, BINDER TYPE	unit	1,059.76	unit	1,059.76
166	44121615-ST-S01	STAPLER, STANDARD TYPE, load cap: 200 staples min, 1 piece in individual box	piece	92.23	pack	737.84
167	44121605-TD-H01	TAPE DISPENSER, HANDHELD	piece	29.10	box	291.00
168	44121605-TD-T01	TAPE DISPENSER, TABLE TOP	piece	47.72	piece	47.72
169	31201502-TA-E01	TAPE, ELECTRICAL	roll	18.20	pack	455.00
170	14111515-TA-C01	TAPE, FOR ADDING MACHINE	roll	8.11	pack	162.20
171	31201503-TA-M01	TAPE, MASKING, width: 24mm (±1mm)	roll	55.12	pack	661.44
172	31201503-TA-M02	TAPE, MASKING, width: 48mm (±1mm)	roll	105.04	pack	630.24
173	31201517-TA-P01	TAPE, PACKAGING, width: 48mm (±1mm)	roll	33.28	pack	199.68
174	31201512-TA-T01	TAPE, TRANSPARENT, width: 24mm (±1mm)	roll	17.37	pack	208.44
175	31201512-TA-T02	TAPE, TRANSPARENT, width: 48mm (±1mm)	roll	33.28	pack	199.68
176	44103205-TC-A01	TIME CARD, AMANO, 100 pieces per bundle	bundle	69.47	pack	694.70
177	14111704-TT-P01	TOILET TISSUE PAPER 2-plies sheets, 150 pulls, 12 rolls in a pack	pack	75.57	box	604.56

178	47121701-T8-P01	TRASHBAG, plastic, gusseted type, black, 10 pcs per roll/pack	roll	144.40	sack	4,332.00
179	31151507-TW-P01	TWINE, PLASTIC	roll	54.08	bundle	540.80
180	47121702-WB-P01	WASTEBASKET, NON RIGID PLASTIC	piece	30.68	bundle	736.32
181	43222609-WR-R01	WIRELESS N-ROUTER	unit	1,037.92	unit	1,037.92
182	60121124-WR-P02	WRAPPING PAPER, 50 sheets per pack	pack	124.68	bundle	2,493.60

Department of Public Works and Highways

Contract Name:

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

X-----X

BID-SECURING DECLARATION

Invitation to Bid: *[Insert reference number]*

Contract ID:

Contract Name:

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 under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.
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, 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

DPWH-G&S-04; The Bid Securing Declaration (BSD) is an undertaking which states that the bidder shall enter into contract with the DPWH and furnish the required Performance Security within ten (10) calendar days, or less from receipt of the Notice of Award, committing to pay the corresponding 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 required in the guidelines issued by the GPPB. BSD must be notarized, dry-sealed with documentary stamps. The BSD shall be submitted to the DPWH as a form of bid security and shall be enforced when the bidder commits any act resulting to the forfeiture of Bid Security.

Department of Public Works and Highways

Contract Name:

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]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. __, *[date issued]*, *[place issued]*

IBP No. __, *[date issued]*, *[place issued]*

Doc. No. ____

Page No. ____

Book No. ____

Series of ____.

DPWH-G&S-04; The Bid Securing Declaration (BSD) is an undertaking which states that the bidder shall enter into contract with the DPWH and furnish the required Performance Security within ten (10) calendar days, or less from receipt of the Notice of Award, committing to pay the corresponding 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 required in the guidelines issued by the GPPB. BSD must be notarized, dry-sealed with documentary stamps. The BSD shall be submitted to the DPWH as a form of bid security and shall be enforced when the bidder commits any act resulting to the forfeiture of Bid Security.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

FORM OF BID SECURITY : IRREVOCABLE LETTER OF CREDIT

Date: _____

[Name of the Head of the Procurement Office]

[Position of the Head of the Procurement Office]

[Name of the Procuring Entity/Office]

[Address of the Procuring Entity/Office]

Irrevocable Letter of Credit No. : _____

For: _____
[Contract ID] [Contract Name]

WHEREAS, _____, hereinafter called the "Bidder", has
(Name of the Bidder)

undertaken to submit to you a bid for the above stated Contract, and whereas you have stipulated in the Instructions to Bidders for the said Contract that the Bidder shall furnish you with an irrevocable standby Letter of Credit for a sum specified therein as Bid Security for the faithful compliance of the following obligations of the Bidder:

1. The Bidder shall not withdraw our Bid for the abovementioned Contract during the period of bid validity specified in the Instructions to Bidders.
2. The Bidder shall accept the corrections to be made by the Bids and Awards Committee on any arithmetical or computational errors in our Bid prices in accordance with the Instruction to Bidders.
3. If the Bidder receives your Notice of Award for the Contract, it shall submit to you, within ten (10) days from receipt of the said Notice, (a) its written "conforme" on the Notice of Award, and (b) Performance Security, and shall execute the Contract Agreement, in accordance with the Instructions to Bidders and General Conditions of Contract.

WHEREAS, we have agreed to guarantee this obligation of the Bidder.

THEREFORE, we hereby affirm that we are guarantors and responsible to you, on behalf of the Bidder, up to the total amount of _____
(Bid Security amount in words and in figures)

and we undertake to pay you, upon first written demand declaring the Bidder to be in default under the Instruction to Bidders and without cavil or argument, any sum or sums within the limits of _____ as aforesaid,
(Bid Security amount in words and in figures)

without you needing to prove or show grounds or reasons for your demand for the sum specified therein.

This irrevocable guarantee is valid until one hundred twenty (120) calendar days after the date of opening of bids for the said Contract on _____
[Date].

DPWH-G&S-05: An Irrevocable Letter of Credit is an acceptable form of bid or performance security that a prospective bidder may submit as one of its requirements. It is issued by a universal or commercial bank. In the case of a Letter of Credit issued by a foreign bank, it shall be confirmed or authenticated by a universal or commercial bank.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

This certification is being issued in favor of the said Bidder in connection with your requirements of the bidding for the said Contract. We are aware that any false statements issued by us make us liable to perjury.

Name and Signature of Authorized
Financing Institution : _____
Official Designation : _____

Concurred by:

Name and Signature of Bidder's
Authorized Representative : _____
Official Designation : _____

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

FORM OF BID SECURITY: BANK GUARANTEE

WHEREAS, _____ (hereinafter called "the Bidder") has
(Name of Bidder)

submitted his bid dated _____ for the _____
(Contract Id) (Contract Name)

hereinafter called "the Bid".

KNOW ALL MEN by these presents that We _____
(Name of Bank)

of _____ having our registered office at _____
(Name of Country) (Office Address of the Bank)

_____ (hereinafter called "the Bank"),
are bound unto the Department of Public Works and Highways (DPWH)

_____ [Name of the Procuring Entity/Office] [Address of the Procuring Entity/Office] hereinafter called
"the Entity" in the sum of

_____ (Bid Security amount in words and in figures)

for which payment well and truly to be made to the said Entity the Bank binds itself, its successors
and assigns by these presents.

SEALED with the Common Seal of the said Bank this _____ day of _____ 20____.

THE CONDITIONS of this obligation are that:

- 1) if the Bidder withdraws the Bid during the period of bid validity specified in the Form of Bid;
or
- 2) if the Bidder does not accept the correction of arithmetical errors of its bid price in
accordance with the Instructions to Bidder; or
- 3) if the Bidder having been notified of the acceptance of the Bid and award of contract to it by
the Entity during the period of bid validity:
 - a) fails or refuses to execute the Form of Contract in accordance with the Instructions to
Bidders, if required; or
 - b) fails or refuses to furnish the Performance Security in accordance with the Instructions to
Bidders;

We undertake to pay to the Entity up to the above amount upon receipt of its first written demand,
without the Entity having to substantiate its demand, provided that in its demand the Entity will
note that the amount claimed by it is due to the occurrence of any one or combination of the three
(3) conditions stated above.

The Guarantee will remain in force up to a period of ONE HUNDRED TWENTY (120) calendar days
after the opening of bids as stated in the Instructions to Bidders or as it may be extended by the
Entity, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this
Guarantee should reach the Bank within the said period.

(Name and Signature of Bank's Authorized Signatory)

(Date)

(Position)

Republic of the Philippines
Department of Public Works and Highways

[Name of Procuring Entity]

[Address of the Procuring Entity]

PRE-PROCUREMENT CONFERENCE NOTICE

Date of Issuance

BAC Members
BAC Secretariat
Implementing Unit Representatives
TWG Members and Consultants
Others Concerned

Dear Sir / Madame:

Notice is hereby given to all participants that the **pre-procurement conference** for _____ (Name of Contract) _____, has been set on _____ (date and time of the conference) _____ at the _____ (venue of the conference) _____.

The following items shall be discussed during the pre-procurement conference:

1. Confirm Contract Description, Scope of Contract, ABC, and Duration;
2. Review Proposed Contract Procurement in Accordance with Approved PPMP and APP;
3. Determine Readiness of Proposed Contract Procurement:
 - a. Completeness of Bidding Documents (BDs)
 - b. Inclusion of Contract in DPWH Budget or GAA or ABM/SARO
4. Review, modify and agree on Criteria for Eligibility Screening, Evaluation of Bids, and Postqualification;
5. Agree on Procurement Schedule: Deadlines and Times for Invitation, Issuance of BDs, Pre-Bid Conference, Receipt and Opening of Bids, Bids Evaluation, Postqualification, Award;
6. Other Matters: ~~no~~ contact+rule, etc.
7. Summary of Agreements

For the information and guidance of all concerned.

Very truly yours,

Name of BAC Chairman
Chairman, BAC

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

MINUTES OF PRE-PROCUREMENT CONFERENCE

Present were:

The pre-procurement conference for (Name of the Contract) , held at (venue of the conference) , was called to order at (time of the start of the conference) of (date of the conference) , and was presided by the (Name of BAC Chairman / Vice Chairman) .

1. Business Matters:
 - Confirm Contract Description, Scope of Contract, ABC, and Duration;
 - Review Contract Against Approved PPMP and APP;
 - Determine Readiness of Proposed Contract Procurement:
 - Completeness of Bidding Documents (BDs)
 - Inclusion of Contract in DPWH Budget or GAA or ABM/SARO
 - Review, modify and agree on Criteria for Eligibility Screening, Evaluation of Bids, and Postqualification;
 - Agree on Procurement Schedule
 - Evaluation, Postqualification, Award;
 - Other Matters: ~~%o~~ contact+rule, etc.
 - Summary of Agreements

2. Others:

There having no other remaining topics for discussion, the pre-procurement conference adjourned at (time of the adjournment) .

Prepared by:

 (Name of the Head of BAC Secretariat)
Head of BAC Secretariat

Noted by:

 (Name of the BAC Chairman)

DPWH-G&S-08: The Pre-Procurement Conference Minutes is a record of all matters discussed during the Pre-Procurement Conference as prepared by the BAC Secretariat. It shall document all the important matters discussed during the pre-procurement conference and shall be made available to all participants not later than three (3) calendar days after the pre-procurement conference.

BAC Chairman

DPWH-G&S-08: The Pre-Procurement Conference Minutes is a record of all matters discussed during the Pre-Procurement Conference as prepared by the BAC Secretariat. It shall document all the important matters discussed during the pre-procurement conference and shall be made available to all participants not later than three (3) calendar days after the pre-procurement conference.

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

PRE-BID CONFERENCE NOTICE

Date of Issuance

[Insert Name of Bidder]

[Insert Address of Bidder]

Dear Sir / Madame:

Notice is hereby given to all eligible bidders that the **pre-bid conference** for _____(Name of the Contract)_____, has been set on _____(date and time of the conference)_____ at the _____(venue of the conference)_____.

The following items shall be discussed during the pre-procurement conference:

1. Basic contract data.
2. Requirements of the BDS.
3. Documents to be submitted by the bidder (including Technical and Financial Proposals).
4. Criteria and procedures for the preliminary examination of bids, detailed evaluation of bids, post-qualification, and award.
5. Questions/Comments from Bidders and Replies of BAC and other Representatives of Procuring Entity.
6. Other matters.
7. Summary of proceedings, including Bid Bulletins (Addenda) to be issued.

For the information and guidance of all concerned.

Very truly yours,

Name of BAC Chairman

Chairman, BAC

Received by the Bidder:

Date: _____

DPWH-G&S-11: The Pre-Bid Conference Notice is a written notice sent out by the BAC to all participants in the procurement at hand, especially the bidders, prior to the pre-bid conference. The pre-bid conference is mandatory for contracts with an ABC of at least P 1,000,000, and shall be held at least 12 calendar days before the deadline for the submission and receipt of bids.

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

MINUTES OF PRE-BID CONFERENCE

Present were:

The pre-bid conference for (Name of the Contract) , held at (venue of the conference) , was called to order at (time of the start of the conference) of (date of the conference) , and was presided by the (Name of BAC Chairman / Vice Chairman) .

1. Business Matters:
 - Presentation on the technical and financial components of the Bid, including the explanation of the different documents to be submitted by each bidder
 - Discussion on the requirements in the Instructions to Bidders, the replies to the bidders' queries about the requirements, specifications and other conditions of the project, the bid evaluation of all bidders and post-qualification evaluation of the lowest calculated bidder
 - Reminders on the warranty requirement of the project and the offenses and penalties against erring bidders and officials
 - Etc.

2. Noted comment/reaction from the BAC representatives and bidders:

There having no other remaining topics for discussion, the pre-bid conference adjourned at (time of the adjournment) .

Prepared by:

 (Name of the Head of BAC Secretariat)
Head of BAC Secretariat

Noted by:

 (Name of the BAC Chairman)
BAC Chairman

DPWH-G&S-12: The Pre-Bid Conference Minutes is a record of all matters discussed during the Pre-Bid Conference as prepared by the BAC Secretariat. It shall document all the important matters discussed during the pre-bid conference and shall be made available to all participants not later than three (3) calendar days after the pre-bid conference.

Department of Public Works and Highways (DPWH)

Name of Office: _____

STATEMENT OF ALL GOVERNMENT AND PRIVATE CONTRACTS COMPLETED WHICH ARE SIMILAR IN NATURE

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	%		
<u>Government</u>						
<u>Private</u>						

Note: This statement shall be supported with:

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

Submitted by: _____
(Printed Name and Signature)

Designation: _____

Date: _____

DPWH-G&S-13: Statement of all Government and Private Contracts Completed Which are Similar in Nature: The prospective bidder shall list down all the government and private contracts completed which are similar in nature to the procurement at hand. The BAC shall use the form to determine whether it has completed within the period specified in the Invitation to Bid, a single contract that is similar to the contract to be bid, and whose value, adjusted to current prices using the National Statistics Office (NSO) consumer price indices, must be at least fifty percent (50%) of the ABC. In the case of Expendable Supplies, said single contract must be at least twenty five percent (25%) of the ABC.

Department of Public Works and Highways (DPWH)

Name of Office: _____

Designation: _____

Date: _____

DPWH-G&S-14: List of all On-going Government and Private Contracts Including Contracts Awarded but not yet Started: The prospective bidder shall list down all the government and private contracts completed which are similar in nature to the procurement at hand. The BAC shall use the form to determine whether it has completed within the period specified in the Invitation to Bid, a single contract that is similar to the contract to be bid, and whose value, adjusted to current prices using the National Statistics Office (NSO) consumer price indices, must be at least fifty percent (50%) of the ABC. In the case of Expendable Supplies, said single contract must be at least twenty five percent (25%) of the ABC.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

Checklist of Eligibility, Technical and Financial Requirements for Bidders

The **Eligibility Component** shall contain the following:

1. **Certification** in lieu of Class %A+ Documents.

Note: This document certifies that the Class %A+ Documents are complete, current and updated. Presence of this document shall forego the checking of Class %A+ Documents

OR all requirements listed under Class %A+ and %B+ Documents

2. CLASS "A" DOCUMENTS

1. Registration Certificate from SEC, Department of Trade and Industry (DTI) for sole proprietorship, CDA for cooperatives, or any proof of such registration as stated in the Bidding Documents
2. Valid and current Mayor's permit/municipal license issued by the city or municipality where the principal place of business of the prospective bidder is located
3. Statement of ongoing and similar completed government and private contracts within the period specified in the ITB, including contract awarded but not yet started, if any, the statement shall include, for each contract, the following (Form No. 1&2):
 - a. Name of the Contract
 - b. Date and Status of the Contract
 - c. Kind of Goods Sold
 - d. Amount of Contract and Value of Outstanding Contracts
 - e. Date of Delivery
 - f. End-User Acceptance, if completed
4. 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
5. Income Tax Return of the preceding year filed and paid thru the BIR Electronic Filing and Paid thru the BIR Electronic Filing and Payment System (EFPS)
6. The prospective bidder's computation for its Net Financial Contracting Capacity (NFCC) (Form No. 3)
7. Tax Clearance per Executive Order No. 398 series of 2005, as finally reviewed and approved by the BIR.

3. CLASS "B" DOCUMENTS

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

1. Valid joint venture agreement (JVA), in case the joint venture is already in existence. In the absence of a JVA, a duly notarized statement from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA if 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. Each partner of the joint venture shall submit the legal eligibility documents. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance.

The Technical Component shall contain the following:

1. Bid Security in accordance with ITB Clause 18, a Bid Securing Declaration or any of the following:

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; or	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; or	
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; or	Five percent (5%)
e. Any combination of the foregoing forms; or	Proportionate to share of form with respect to total amount of security

2. Conformity with Technical Specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents

- a. Production/Delivery Schedule
- b. Technical Specifications
- c. Warranty Certificate
- d. Certification of Site Inspection

3. Omnibus Sworn Statement

CHECKLIST OF FINANCIAL COMPONENT FOR BIDDERS

The Financial Component shall contain the following:

1. Duly signed Bid Prices in the Bill of Quantities for procurement of Goods, or Scope of Work for procurement of Services
2. Recurring or maintenance costs, if applicable

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

Technical Specifications Proposal

Item/ Lot No.	DPWH Specification	Bidder's Specification/Statement of Compliance (Specify Brand Name of Offered Product/s)
		<p>Bidders must state here either %Comply+ or %Not Comply+ against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of %Comply+ or %Not Comply+ must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of ITB Clause Error! Reference source not found. and/or GCC Clause Error! Reference source not found.</p>

(Name of Bidder)

(Signature Over Printed Name of Authorized Representative)

(Designation)

DPWH-G&S-16: The Technical Specifications Proposal shall contain the minimum requirements or specifications to meet the needs of the DPWH. The bidder must state his/her own specifications and statement of compliance specifying the brand name of the offered product/s and supported by evidence in the form of manufacturer's un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

SCHEDULE OF REQUIREMENTS

The delivery schedule expressed as weeks/months stipulates hereafter a delivery date which is the date of delivery to the project site.

Item No.	Description	Quantity	Delivered, Weeks/Months

(Signature over Printed Name of Authorized Representative)

(Designation)

(Name of Bidder)

DPWH-G&S-17-The Schedule of Requirements shall indicate the delivery date of the goods and services to the project site expressed as weeks/months and shall be consistent with the dates specified in the Bidding Documents.

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]*;

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 Project]* of the *[Name of 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 the title of attached document showing proof of authorization (e.g. duly notarized Secretary's Certificate issued by the corporation or 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 a cooperative: None of the officers and members of the *[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;

DPWH-G&S-18: The Omnibus Sworn Statement is a written undertaking issued by the prospective bidder or its duly authorized representative that its is not "blacklisted" or barred from bidding by the government; each of the documents submitted is an authentic copy of the original, complete, and all statements provided are true and correct; it is authorizing the Head of the Procuring Entity or his duly authorized representative(s) to verify all the documents submitted; the signatory is the duly authorized representative of the prospective bidder, it complies with the disclosure provision under Section 47 of RA 9184 in relation to the provisions of RA 3019; the responsibilities of a bidder provided in the PBDs; existing labor laws and standards; it did not give or pay any amount or any form of consideration, to any person or official, personnel or representative of the government in relation to any procurement or activity.

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

[Insert name of Bidder's Authorized Representative]

Bidder's Representative/Authorized Signatory

[Insert signatory's legal capacity]

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]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. ___ *[date issued]*, *[place issued]*

IBP No. ___ *[date issued]*, *[place issued]*

Doc. No. _____

Page No. _____

Book No. _____

Series of _____.

DPWH-G&S-18: The Omnibus Sworn Statement is a written undertaking issued by the prospective bidder or its duly authorized representative that its is not "blacklisted" or barred from bidding by the government; each of the documents submitted is an authentic copy of the original, complete, and all statements provided are true and correct; it is authorizing the Head of the Procuring Entity or his duly authorized representative(s) to verify all the documents submitted; the signatory is the duly authorized representative of the prospective bidder, it complies with the disclosure provision under Section 47 of RA 9184 in relation to the provisions of RA 3019; the responsibilities of a bidder provided in the PBDs; existing labor laws and standards; it did not give or pay any amount or any form of consideration, to any person or official, personnel or representative of the government in relation to any procurement or activity.

Department of Public Works and Highways (DPWH)

Contract ID No: _____

Name of Project: _____

BID FORM (FINANCIAL PROPOSAL)
PRICE SCHEDULE FOR GOODS OFFERED

Date of Bid Opening: _____

1	2	3	4	5	6	7
Item No.	Description	ABC	Quantity	Unit Cost (Peso)	Total Cost (Peso) ¹	Delivery Schedule
Total Amount of Bid:						
			_____	_____		
			(in words)	(in figure)		

Bid Validity: _____

Name and Signature of Bidder: _____

Address: _____

Telephone/Mobile No. _____

Name of Representative: _____

Signature of Representative: _____

¹ Bidders are required to include the cost of all taxes, such as, but not limited to: value added tax (VAT), income tax, local taxes, customs duties, freight, insurance, bank charges and other fiscal levies and duties. These shall be itemized in the bid form and reflected in the detailed estimates.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

Checklist of Eligibility and Technical Components for the BAC

PROJECT: _____

DATE: _____

BIDDER: _____

ELIGIBILITY

IMP. OFFICE	MEMBER	MEMBER	MEMBER	VICE-CHAIRMAN	CHAIRMAN
-------------	--------	--------	--------	---------------	----------

--	--	--	--	--	--

- 1 Certification in lieu of Class "A" Documents.
Note: This document certifies that the Class "A" Documents are complete, current and updated. Presence of this document shall forego the checking of the Class "A" Documents.

OR all requirements listed under Legal, Technical and Financial Documents

Class "A" Legal Documents

--	--	--	--	--	--

- 1 DTI Business Name registration or SEC Registration Certificate or CDA for Cooperatives.

--	--	--	--	--	--

- 2 Valid and current Mayor's Permit/Municipal License.

--	--	--	--	--	--

- 3 Statement of ongoing and similar completed government and private contracts
 50% = Php

--	--	--	--	--	--

- 4 Audited Financial Statement, stamped "received" by the BIR or its duly accredited and authorized institutions, for the immediately preceding calendar year which should not be earlier than two(2) years from the date of bid submission, showing among others the total assets and liabilities.

--	--	--	--	--	--

- 5 Income Tax Return of the preceding year filed and paid thru the BIR Electronic Filing and Payment System (EFPS).

--	--	--	--	--	--

- 6 Computation of Net Financial Contracting Capacity (NFCC)

--	--	--	--	--	--

- 7 Tax Clearance per Executive Order No. 398 series of 2005, as finally reviewed and approved by the BIR

Class "B" Documents (if applicable)

--	--	--	--	--	--

- 1 Valid Joint Venture Agreement, 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 stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful shall be included in the bid. and information provided therein are true and correct

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

TECHNICAL

**APPROVED BUDGET FOR THE CONTRACT (ABC)
REQUIRED BID SECURITY/FORM**

a. Cash, Certified Check, Cashier's Check, Manager's Check, Bank Draft
or Irrevocable Letter of Credit, confirmed by a Universal or Commercial Bank

b. Surety Bond (Callable on Demand)

Validity Period	120 calendar days upon opening of bids
Form of Security	_____
Company	_____
Number	_____
Official Receipt No.	_____
Validity Period	_____
Callable on Demand	_____
Bid Security Amount	_____
Certification from Insurance Commission	()

--	--	--	--	--	--	--	--

--	--	--	--	--	--	--	--

Bid Securing Declaration

--	--	--	--	--	--	--	--

1 Bid Security () Sufficient () Insufficient

--	--	--	--	--	--	--	--

2 Technical Specifications

--	--	--	--	--	--	--	--

3 Production/Delivery Schedule

--	--	--	--	--	--	--	--

4 Warranty Certificate

--	--	--	--	--	--	--	--

5 Brochures of Offered Equipment

--	--	--	--	--	--	--	--

6 Omnibus Sworn Statement

--	--	--	--	--	--	--	--

7 Secretary's Certificate and Board Resolution

Note: Any missing document in the above-mentioned checklist is a ground for outright rejection of the bid.

Remarks: () Pass () Fail

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

Checklist of Financial Components for the BAC

PROJECT: _____

DATE: _____

BIDDER: _____

Checklist of Bid Requirements

FINANCIAL ENVELOPE:

shall contain the following information/documents and shall be opened only if the bidder has complied with the requirements in the Eligibility and Technical Component

IMP. OFFICE	MEMBER	MEMBER	MEMBER	VICE-CHAIRMAN	CHAIRMAN
-------------	--------	--------	--------	---------------	----------

<input type="checkbox"/>	1 Duly Signed Bid Prices in the Bill of Quantities/Breakdown					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--

<input type="checkbox"/>	2 Recurring and maintenance costs, if applicable					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--

Note: Any missing document in the above-mentioned checklist is a ground for outright rejection of the bid.

Remarks: () Complying () Non-Complying

DPWH-G&S-21: The Financial Proposal Checklist may be used by the BAC to keep track of the financial evaluation results after determining the eligible suppliers whose technical proposal passed. This form, once accomplished, may be used by the BAC Secretariat as a reference in writing up the minutes of the Bid Opening.

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

NOTICE OF ELIGIBILITY

Date of Issuance

Name of the Bidder

Address of the Bidder

Dear Sir / Madame:

This is to inform you that you have been declared eligible to bid for Supply Contract I.D. No: _____, Supply Contract Name: _____.

Very truly yours,

Name of the BAC Chairman

BAC Chairman

Received by the Bidder:

Date: _____

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

NOTICE OF INELIGIBILITY

Date of Issuance

Name of the Bidder

Address of the Bidder

Dear Sir / Madame:

This is to inform you that you have been declared ineligible to bid for Supply Contract I.D. No: _____, Supply Contract Name: _____ for the following reasons:

In accordance with Section 23.3 of the IRR-A of R.A. 9184, you have seven (7) calendar days within which to file a motion for reconsideration.

Very truly yours,

Name of the BAC Chairman

BAC Chairman

Received by the Bidder:

Date: _____

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

MOTION FOR RECONSIDERATION

Date of Issuance

THE CHAIRMAN

Bids and Awards Committee

Name of the Procuring Entity

Address of the Procuring Entity

Dear Sir / Madame:

In relation to the results of the Eligibility Check/Technical/Proposal Evaluation conducted for the bidding of the (Name of Supply/Delivery Contract and Contract ID No.) held on (date and time of the Eligibility Check/Technical/Financial Bid Opening) at (venue of the Eligibility Check/Technical/Financial Bid Opening), we would like to request for reconsideration on the decision of ~~%ineligibility~~ ~~Failed~~ Technical/Financial Proposal of our firm on the following grounds:

We are hoping for your consideration.

Very truly yours,

Name of the Representative of the Bidder

Position of the Representative

Name of the Bidder

Received by the BAC:

Date: _____

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

Waiver to File a Motion for Reconsideration

I, (Name of the Representative of the Bidder) , of legal age, with office address at (Address of the Representative) , after having sworn in accordance with the law, hereby depose and say:

1. That I am the (Position of the Representative) of (Name of the Bidder) with business address at (Address of the Bidder) ;
2. That I am the duly authorized representative of the (Name of the Bidder) ;
3. That (Name of the Bidder) is a bidder for the supply/delivery of (Name of the Supply Contract and Contract ID No.) ;
4. The (Name of the Bidder) , having been declared ineligible by the (Name of the Procuring Entity) BAC accepts said declaration and will not file a motion for reconsideration;

AFFIANT FURTHER SAYETH NAUGHT.

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

Affiant

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

Minutes of Opening of Bids

Present were:

1. Business Matters:
2. Opening, Examination of Bids and Determination of Responsiveness
3. Reading of Bids and the Approved Budget for the Contract (ABC)

A. Suppliers Bids

Required Bid Security =

	Bidder's Name	Name/Type of Bid Security	Amount of Bid Security	Amount of Bid as Read
1.				
2.				
3.				
4.				
5.				
6.				
7.				

B. Estimated Cost per Lot/Approved Budget for the Contract (ABC) =

4. Noted comment/reaction from the BAC representatives/bidders:
5. Additional Remarks:

There having no other bids to be read and clarification to be made, the meeting (bid opening) adjourned at _____.

Prepared by:

(Name of the Head of BAC Secretariat)
Head of BAC Secretariat

Noted by:

(Name of the BAC Chairman)
BAC Chairman

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

NOTICE OF DISQUALIFICATION

Date of Issuance

Name of the Bidder

Position

Address of the Bidder

Dear Sir/Madam:

This refers to the public bidding held last [Insert Date of Bid Opening] for the [Insert Contract Name and ID No.] in which your company is one of the bidders.

Upon careful examination, verification, validation and ascertainment of all statements and representations made, including all documents submitted, in relation to your bid, this BAC found that you failed to comply with, and be responsive to, the requirements and conditions specified in the Bidding Documents for said project, based on the following grounds:

DPWH REQUIREMENT	SUPPLIER'S OFFER
(DPWH specifications)	(Supplier's specifications)

Based on the foregoing, we regret to inform you that your company, [insert name of company] was declared disqualified by the BAC.

Should you wish to request for reconsideration of such decision, you may do so within three (3) calendar days from receipt of this Notice.

We look forward to your active participation in our future procurement activities.

Very truly yours,

Chairperson, BAC for Goods

Republic of the Philippines
Department of Public Works and Highways

[Name of Procuring Entity]

[Address of the Procuring Entity]

(Contract Name and ID No.)

BAC-TWG BID EVALUATION/POST-QUALIFICATION REPORT

1.0 INTRODUCTION

The (End-User) submitted to the Bids and Awards Committee (BAC) for Goods approved Purchased Request No. (PR.No.) dated (*date*) in accordance with the approved APP and PPMP. The fund for the purpose was allocated by the Department Budget Officer in the total amount of (amount of ABC).

2.0 BIDDING PROFILE

2.1 *Publication of the Invitation To Bid.*

On (*date*), the Department of Public Works and Highways advertised the invitation to Bid for the (title of the procurement) with a total ABC of (*amount of ABC*) in the (*name of newspaper*), a newspaper of nationwide general circulation, and posted the same in the Department's website, the PhilGEPS and at a conspicuous place in the premises of the DPWH.

2.2 *Prospective Bidders*

Only (*name of bidder/s*) purchased bid documents for the said bidding.

2.3 *Pre-Bid Conference*

Only the representatives from (name of bidder/s) attended the said activity which was scheduled on (*date*) at (*time*) a.m. at the (*place*).

2.4 *Submission and Opening of Bids*

On (*date*) at (*time*) the scheduled submission and opening of bids, only (*name of bidder/s*) submitted its bid at the (*place*).

2.4.1 *Opening of Eligibility and Technical Components of the Bidders (Pass/Fail Criterion)*

The Eligibility and Technical Envelope of (*name of bidder/s*) was opened, after review of the submitted bid documents, the BAC declared (*name of bidder/s*) ~~%passed+~~ the eligibility requirements on the basis ~~%Pass/Fail+~~ Criterion for submitting all the required documents.

Eligibility/Technical Requirements	Bidder				
	1	2	3	4	5
1. DTI/SEC Registration Certificate					
2. Valid Mayor's Permit					
3. Statement of Completed Government and Private Contracts with Similar Largest Contract at least 50% of the ABC					
4. Audited Financial Statement					
5. NFCC					
6. Tax Clearance Certificate					
Class %B+(Note: The submission of technical and financial eligibility docs by any joint venture partner constitutes compliance)					
7. Bid Security					
8. Technical Specification					
9. Production/Delivery Schedule					
10. Statement of Availability for After Sales Support, Services and Parts (Form 6 with attachments)					
11. After-Sales Service/Parts (Warranty Certificate)					
12. Brochures of Offered Product					
13. Omnibus Sworn Statement					
14. Secretary's Certificate					

The result of the evaluation of the technical specifications offered by: (name of bidders) are as follows:

Item	Bidder with Lowest and 2 nd Lowest Calculated Bid	Remarks

2.4.2 Opening of the Financial Components of the Bidders

The financial proposal of (name of bidder/s) was opened and its bid price was read as follows:

Item No.	Bidder with Lowest and 2 nd Lowest Calculated Bid	ABC	BID AMOUNT	VARIANCE

3.0 BID EVALUATION

3.1 Result of Mathematical Check

The BAC (End-User)-TWG evaluated the Financial Proposal of (name of bidders) as to the completeness and computational errors. The results are calculated below.

Item No.	Name of Bidder	ABC	BID AMOUNT (AS CALCULATED)	Variance from ABC

3.2 Eligibility Evaluation Report

During the review and verification of the Eligibility and Technical Documents of (name of bidder) being the bidder with the Single Calculated Bid, the BAC (End-User)-TWG found the submitted documents responsive to the requirements of the Department. (Use only if applicable)

3.3 Technical Evaluation Report

The offer of (name of bidder) was compliant with the DPWH minimum technical specification requirements per evaluation of the (End-User) which form part of this report.

3.4 BAC (End-User)-TWG Report on the Eligibility/Technical/Financial Component of the Single Calculated Bidder

The BAC/(End-User)-TWG Report on the submitted Eligibility/Technical and Financial Component of the single calculated bidder was presented to the BAC in its regular meeting on (date). The BAC after deliberation and approval of the Report., instructed the BAC (End-User)-TWG to conduct Post-Qualification to (name of bidder), the bidder with the single calculated bid.

Or select:

Based on the evaluation of the eligibility, technical and financial requirements of the lowest and second lowest calculated bidders on the above items, [state name of winning bidders and lot no]. were compliant with the requirements of the Department. [State other important findings]

4.0 POST-QUALIFICATION

4.1 Post-Qualification Report

As per instruction of the BAC after the evaluation on the submitted eligibility and technical documents, the BAC/(End-User)-TWG conducted post-qualification validation on the authenticity of the Eligibility and Technical Documents of (name of bidder), as the bidder with the lowest/single calculated bid for the (title of the procurement). The Eligibility and Technical Documents as well as the original copies of Tax Clearance Certificate. Latest Income and Business Tax Returns and Phil-GEPS Registration Certificates of the above-named bidder were verified and validated by the BAC/(End-User)-TWG during the post-qualification process.

5.0 FINDINGS

The results of the evaluation and post-qualification conducted by the undersigned BAC/(End-User)-TWG members, find(name of bidder), the bidder with the Lowest/Single Calculated Responsive Bid, passed all the criteria for post-qualification for the (title of the procurement).

For the BAC's deliberation and further instruction.

(name of representative)
(Office), End-User
(End-User)

(name)
Member, BAC-TWG

(name)
Member, BAC-TWG

(name)
Member, BAC-TWG

(name)
Member, BAC-TWG

(name)
Asst. Head, BAC-TWG

(name)
Head, BAC-TWG

Republic of the Philippines
Department of Public Works and Highways

NOTICE OF BIDDING RESULTS

[Date of Issuance]

[Name of the Awarded Bidder]

[Address]

[FAX Number]

Dear Sir/Madame:

This is to notify you that [name of the project] is awarded to [name of winning bidder] at its bid price of [amount of total contract price in words] only [amount of total contract price in figures].

We look forward to your participation in the bidding of our other projects.

Very truly yours,

[Name of the BAC Chairman], [Position]

Chairman, BAC for Goods

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

**RESOLUTION OF THE BIDS AND AWARDS COMMITTEE FOR GOODS
RECOMMENDING FAILURE OF BIDDING FOR [INSERT CONTRACT NAME AND
ID NUMBER]**

RESOLUTION NO. _____

WHEREAS, the Department of Public Works and Highways (DPWH) posted on [date of publication] the Invitation to Bid for the [contract name and ID No.], with an Approved Budget for the Contract (ABC) of [amount of ABC] in the DPWH website, the G-FPS and at a conspicuous place in the premises of the DPWH continuously for [no. of days of posting] days;

WHEREAS, in response to said advertisements, [no. of prospective bidders] prospective bidders, namely [name of bidders] purchased bid documents for the said bidding;

WHEREAS, [no. of bidders] representatives attended the Pre-Bid Conference held on [date of Pre-Bid Conference];

WHEREAS, during the Submission and Opening of Bids on [date of opening of bids], **no bids were received** by the BAC;

NOW THEREFORE, the herein Bids and Awards Committee for Goods resolve as it is hereby resolved to declare a failure of bidding due to [state reason for failure of bidding] and further recommend a rebidding for the [contract name and ID No.].

Done in the City of Manila this ____ day of _____, 20____.

Representative of End-User Unit

Member, BAC for Goods

Vice-Chairman, BAC for Goods

Member, BAC for Goods

Chairman, BAC for Goods

Approved by:

Head of Procuring Entity

Approved on: _____

Republic of the Philippines
Department of Public Works and Highways

[Name of Procuring Entity]

[Address of the Procuring Entity]

(Contract Name and ID No.)

**RESOLUTION OF THE BIDS AND AWARDS COMMITTEE FOR GOODS
RECOMMENDING AWARD OF THE CONTRACT FOR [INSERT CONTRACT NAME AND
ID NUMBER] TO [INSERT NAME OF WINNING BIDDER]**

RESOLUTION NO. _____

WHEREAS, the Department of Public Works and Highways advertised on *(date of publication)* the Invitation to Bid for the *%(name of the project)%*, with an Approved Budget for the Contract (ABC) of *(amount of ABC)* in the *(name of newspaper)*, a newspaper of nationwide general circulation, and posted the same in the DPWH website, the G-EPS and at a conspicuous place in the premises of the DPWH continuously for *(no. of days of posting)* days.

WHEREAS, in response to the said advertisements, *(no. of prospective bidders)* prospective bidders, namely, *(names of bidders)* purchased bid documents for the said bidding;

WHEREAS, *(no. of bidders)* representatives attended the Pre-Bid Conference on *(date of opening of bids)*;

WHEREAS, during the Submission and Opening Bids on *(date of opening bids)*, 2010, *(name of bidders)* submitted their bids;

WHEREAS, the eligibility and technical component envelopes of *(no. of bidders)* were opened and *(no. of bidders)* passed the eligibility check and were rated *%eligible+* The technical proposals of *(name of bidders)* were rated as *%complying and responsive+*;

WHEREAS, the bid proposals of *(name of bidders)* were opened which read:

TABLE 1

PARTICULARS	QTY	ABC	Name of Bidders	
			(BID AMOUNT AS READ)	

WHEREAS, the evaluation of the technical specifications of *(no. of bidders)* were found to be compliant to the DPWH requirements;

WHEREAS, the BAC-TWG, after a thorough evaluation, recommended to the BAC to award the contract *(name of the project)* to *(name of winning bidder)* whose bids was found to be the Lowest Calculated and Responsive Bid as shown Below:

TABLE2

Item No.	Name of Bidder	TOTAL ABC	BID AMOUNT (AS CALCULATED)	VARIANCE FROM ABC	RANKING

WHEREAS, the BAC, on its meeting held on (date of BAC meeting/deliberation), deliberated on the findings of the BAC-TWG, upon motion duly seconded and approved, decided to recommend the award of the contract for the (name of the project) to (name of winning bidder);

NOW THEREFOR, the herein Bids and Awards Committee for Goods resolves as it is hereby resolved to recommend award of the contract for the (name of the project) to (name of winning bidder) in its total bid price of **(amount of total contract in words)** **(amount of total contract in figure)**.

Done in the City of Manila this ____ day of _____,20____.

(End-User)

Member, BAC for Goods

Vice-Chairman, BAC for Goods

Member, BAC for Goods

Chairman, BAC for Goods

Approved By:

Head of the Procuring Entity
Approved on:_____

**Republic of the Philippines
Department of Public Works and Highways**

NOTICE OF AWARD

[Date of Issuance]

[Name of the Awarded Bidder]

[Address]

[FAX Number]

Dear Sir/Madame:

Please be advised that the contract for the [name of the project] is hereby awarded to you as the Bidder with the Lowest Calculated Responsive Bid, at total contract price equivalent to [amount of total contract price in words] only [amount of total contract price in figures].

You are hereby required to provide within TEN (10) days the performance security in the form and amount stipulated in any of the following forms:

Form of Performance Security	Minimum Amount in % of Total Contract Price
a. Cash, cashier's/manager's check, issued by a universal or commercial bank; or	Five Percent (5%)
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; or	Five Percent (5%)
c. Surety bond callable upon demand issued by any reputable surety or insurance company certified by the Insurance Commission; or	Thirty Percent (30%)
d. Any combination of the foregoing forms; or	Proportionate to share of form with respect to total amount of security

Failure to provide the performance security shall constitute sufficient ground for the cancellation of the award and the forfeiture of your Bid Security.

Very truly yours,

[Name of the BAC Chairman], [Position]

Chairman, BAC for Goods

Conforme:

I acknowledge receipt of this Notice of Award (NOA) on

(Name and Signature of the Duly Authorized Bidder's Representative)

(Date)

(Position of the Duly Authorized Bidder's Representative)

(Name of the Bidder)

**Republic of the Philippines
Department of Public Works and Highways**

NOTICE TO PROCEED

Date of Issuance

Name of the Addressee

Address of the Addressee

Fax Number of the Addressee

Dear Sir / Madame:

The attached Contract Agreement having been approved, notice is hereby given to (Name of Bidder) that delivery of goods/work may commence on the (Name of the Project), effective on (date of effectivity of the contract) / ___ days after the receipt of this notice.

Upon receipt of this notice, you are responsible for delivering the goods/performing the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to the (Name of the Procuring Entity).

Very truly yours,

Name of the Head of the Procuring Entity
Position

I acknowledge receipt of this Notice on (date of receipt)

Name of the Representative of the Bidder: _____

Authorized Signature: _____

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

Performance Security (Irrevocable Letter of Credit)

Date: _____

- Name of the Head of the Procuring Entity
- Position of the Head of the Procuring Entity
- Name of the Procuring Entity
- Address of the Procuring Entity
- Facsimile Number of the Procuring Entity

Irrevocable Letter of Credit No. _____
 For Contract No. _____

WHEREAS, _____, hereinafter called "Contractor" has undertaken in pursuance to (name of Project and contract number), and whereas it has been stipulated by you in the said Contract that the Contractor shall furnish an irrevocable standby Letter of Credit for a sum specified therein as security for the faithful compliance of Contractor's obligations in accordance with the Contract.

WHEREAS, we have agreed to guarantee this obligation by Contractor.

THEREFORE, we hereby affirm that we are guarantors and responsible to you, on behalf of Contractor, up to the total amount of _____ and we undertake to pay you, upon first written demand declaring the Contractor to be in default under the Contract and without cavil, or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without you needing to prove or to show grounds or reasons for your demand for the sum specified therein.

This irrevocable guarantee is valid until the issuance by you of Notice of Final Acceptance.

This certification is being issued in favor of the said Contractor in connection with the requirements of bidding of (name of the procuring entity) for the above-mentioned contract. We are aware that any false statements issued by us makes us liable for perjury.

Name and Signature of Authorized
 Financing Institution Officer : _____
 Official Designation : _____

Concurred By:

Name & Signature of Contractor's
 Authorized Representative : _____
 Official Designation : _____

Note:
The amount committed should be machine validated.

DPWH-G&S-35-Performance Security Irrevocable Letter of Credit issued by a universal or commercial bank is an acceptable form of a performance security that the winning bidder shall have to post as a requirement for the contract. An irrevocable letter of credit shall be in the amount of 5% of contract price. In the case of a letter of credit issued by a foreign bank, this shall be confirmed or authenticated by a universal or commercial bank.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

ACKNOWLEDGMENT

SUBSCRIBED AND SWORN to before me this _____ day of _____,
20____, affiant exhibited to me his/her Community Tax Certificate No. _____
issued on _____ at _____, Philippines.

Notary Public
Until 31 December 20____
PTR No. _____
Issued at: _____
Issued on: _____
TIN No. _____

Doc. No. _____
Page No. _____
Book No. _____
Series of _____.

Department of Public Works and Highways (DPWH)

Contract ID: _____
Contract Name: _____
Location of the Contract: _____

Performance Security (Surety Bond)¹

SURETY BOND

By this Bond [Name and Address of Supplier] as Principal (hereinafter called ~~the~~ Supplier) and [Name, Legal Title and Address of Surety, Bonding Company or Insurance Company] as Surety (hereinafter called ~~the~~ Surety), are held and firmly bound unto the Department of Public Works and Highways (DPWH) as Obligee (hereinafter called ~~the~~ DPWH) in the amount of [Amount of Bond]¹ [In Words], for the payment of which sum well and truly to be made in the types and proportions of currencies in which the Contract Price is payable, the Supplier and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Supplier has entered into a written Agreement with the DPWH dated the _____ day of _____ 20____ for [Name of Contract] in accordance with the documents, plans, specifications and amendments thereto, which to the extent herein provided for, are by reference made part hereof and are hereinafter referred to as the Contract.

NOW, THEREFORE, the Condition of this Obligation is such that, if the Supplier shall promptly and faithfully perform the said Contract (including any amendments thereto) then this obligation shall be null and void; otherwise it shall remain in full force and effect. Whenever the Supplier shall be, and declared by the DPWH to be, in default under the Contract, the DPWH having performance the DPWH's obligations thereunder, the Surety may promptly remedy the default, or shall promptly:

- 1) complete the Contract in accordance with its terms and conditions; or
- 2) obtain a bid or bids from qualified Bidders for submission to the DPWH for completing the Contract in accordance with its terms and conditions, and upon determination by the DPWH and the Surety of the lowest responsive Bidder, arrange for a Contract between such Bidder and DPWH and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the Balance of the Contract Price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term ~~Balance of the Contract Price~~, as used in this paragraph, shall mean the total amount payable by DPWH to Supplier under the Contract, less the amount properly paid by DPWH to Supplier; or

¹ An amount is to be inserted by the Surety, representing the percentage of the Contract Price specified in the Contract, and denominated either in the currency(ies) of the Contract or in a freely convertible currency acceptable to the DPWH.

DPWH-G&S-37-Performance Security Surety Bond: A surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security is an acceptable form of a performance security that the winning bidder shall have to post as a requirement for the contract. The surety bond shall be in the amount of 30% of contract price.

Department of Public Works and Highways (DPWH)

Contract ID: _____

Contract Name: _____

Location of the Contract: _____

- 3) pay the DPWH the amount required by DPWH to complete the Contract in accordance with its terms and conditions up to a total not exceeding the amount of this Bond.

The Surety shall not be liable for a greater sum than the specified penalty of this Bond.

Any suit under this Bond must be instituted before the expiration of one (1) year from the date of the issuing of the Defects Liability Certificate.

No right of action shall accrue on this Bond to or for the use of any person or corporation other than the DPWH named herein or the heirs, executors, administrators, successors and assigns of the DPWH.

In testimony whereof, the Supplier has hereunto set his hand and affixed his seal, and the Surety has caused these presents to be sealed with his corporate seal duly attested by the signature of his legal representative, this ____ day of _____ 20__.

SIGNED ON _____ SIGNED ON _____

On behalf of _____ On behalf of _____

By _____ By _____

In the capacity of _____ In the capacity of _____

In the presence of _____ In the presence of _____

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

(Contract Name and ID No.)

**SUPPLY CONTRACT
(For Goods/Equipment)**

KNOW ALL MEN BY THESE PRESENTS:

This Supply Contract made and entered into this _____ day of _____ 201__ by and between:

The Government of the Republic of the Philippines through the **DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**, a government agency performing governmental functions of the Republic of the Philippines, with offices at Bonifacio Drive, Port Area Manila, Philippines, represents herein by (name of head of office of End-User) of the (Office of the End-User) hereinafter called the **%DPWH**".

-and-

(name of supplier/winning bidder), a corporation duly organized under and by virtue of the laws Republic of the Philippines, with office at (office address), Philippines, represented herein by its (position), (name). hereinafter called the **%SUPPLIER+**

WITNESSETH

WHEREAS, the **%DPWH+** invited Bids for the (title of procurement) has accepted the Bid of the **"SUPPLIER+**for the supply and delivery of:

(List of awarded items with corresponding amount)

In the sum of (amount in words) (amount in figures), hereinafter called the **%Contract Price."**

NOW THEREFORE, in view of the foregoing premises and of the mutual covenants and stipulations, hereinafter provided, the parties here to have agreed, as follows:

1. In this Agreement words and expressions shall have the same meanings as respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
 - (a) The Bid Form and the Price Schedule submitted by the Bidder;
 - (b) The Scheduled of Requirements;
 - (c) The Technical Specifications;
 - (d) The General Conditions of the Contract;
 - (e) The Special Conditions of Contact and
 - (f) The Entity's Notification of Award

3. In the consideration of the payments to be made by the **%DPWH**” to the **%SUPPLIER**” as hereinafter mentioned. The **%SUPPLIER**” hereby covenants with conformity in all respects with the provisions of the Contract.
4. The **%DPWH**+ hereby covenants to pay the **%SUPPLIER**” in consideration of the provision of the goods and services and to the remedying of defects therein, the **%Contract Price**” or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the day and year first above written.

IN WITNESS WHEREOF, The parties hereto have caused this agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

**DEPARTMENT OF PUBLIC
WORKS AND HIGHWAYS**

(name of company)

By:

By:

(name of head of office)
Chief, TSO-MIS

(name of supplier)
position

SIGNED IN THE PRESENCE OF:

(name)
Department Chief Accountant

(name of supplier’s representative)
(position)

APPROVED:

(name)
(head of the procuring entity or his authorized representative)

Republic of the Philippines
Department of Public Works and Highways

[Name of Procuring Entity]

[Address of the Procuring Entity]

**RESOLUTION OF THE BIDS AND AWARDS COMMITTEE FOR GOODS
RECOMMENDING THE USE OF ALTERNATIVE METHODS OF PROCUREMENT FOR
PREVIOUSLY APPROVED ANNUAL PROCUREMENT PLANS WHERE ORIGINAL
METHOD OF PROCUREMENT IS THROUGH COMPETITIVE BIDDING**

RESOLUTION NO. _____

WHEREAS, the Department of Public Works and Highways [*Head of Procuring Entity*] approved the Annual Procurement Plan for [*insert year*] where the original method of procurement for [*insert item and description of goods*] was identified as public bidding due to the consolidation of all requirements from End-User Units;

WHEREAS, in the course of the performance of its regular functions and project implementation, the [*End User Unit*] found it was more efficient, economical and advantageous to the government to procure the said items through alternative methods such as shopping, direct contracting or negotiated procurement;

WHEREAS, Section 48.3 of the Implementing Rules and Regulations of Republic Act 9184, otherwise known as the Government Procurement Reform Act (GPRA) states that the BAC, through a Resolution, shall justify and recommend the change in the mode of procurement to be approved by the Head of the Procuring Entity;

WHEREAS, [*End User Unit*] has requested the BAC to procure the following [*insert item and description of goods*] through [*insert method of procurement*] due to the following reasons [*insert reasons for using the method of procurement*];

WHEREAS, the BAC has found the request to be reasonable having met the conditions for the use of such alternative method of procurement as provided for under the Implementing Rules and Regulations of RA 9184;

WHEREAS, the BAC has observed similar cases of procurements for goods that were originally proposed to be procured through public bidding but are now more economical and advantageous to procure through alternative means under similar reasons and having met the conditions for the use of the alternative method of procurement;

NOW THEREFOR, the herein Bids and Awards Committee for Goods resolves as it is hereby resolved to recommend the change in procurement method from public bidding to [*state alternative method of procurement*] for [*insert item and description of goods*] and for subsequent similar procurements to facilitate the procurement process.

Done in the City of Manila this ____ day of _____, 20____.

Member, BAC for Goods

Member, BAC for Goods

Vice-Chairman, BAC for Goods

Member, BAC for Goods

Chairman, BAC for Goods

Approved By:

Head of the Procuring Entity

Approved on: _____

Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
 Manila

PURCHASE ORDER					
Supplier				P.O. No.: _____	
Address				Date _____	
Tel. No.				Mode of Procurement	
TIN					
Gentlemen:					
Please furnish this Office the following articles subject to the terms and conditions herein:					
Place of Delivery: _____			Delivery: _____ <small>Working Days upon Receipt of Approved P.O.</small>		
Date of Delivery _____			Payment: Charge Account		
Stock No.	Unit	Description	Quantity	Unit Cost	Amount
TOTAL					
(TOTAL AMOUNT IN WORDS):					
In case of failure to make the full delivery within the time specified above, a penalty of (1/10) of one percent for every day of delay shall be imposed.					
Very truly yours,					
Conforme:			_____		
_____			Designation		
Signature over Printed Name of Supplier					

Date					
CERTIFIED AS TO AVAILABILITY OF FUNDS:					
			Amount _____		

Head, Accounting Division, FMS

Responsibility Center

F/P.P.A

**Republic of the Philippines
Department of Public Works and Highways**

[Name of Procuring Entity]

[Address of the Procuring Entity]

(Contract Name and ID No.)

**RESOLUTION NO. _____
[BAC Procurement of Goods thru Shopping]**

WHEREAS, the Department of Public Works and Highways advertised through posting at the Phi-GEPS and DPWH websites and at a conspicuous place in the DPWH Bulletin Board for seven (7) consecutive days and thru distribution to the prospective suppliers of the Request for Quotation for the procurement of [insert items to be procured] under consolidate Purchase Requests with a total ABC of [insert amount of ABC].

REQUEST FOR QUOTATION NO. [Insert RFQ No.]

WHEREAS, in response to the said advertisements, stating among others the date/deadline for submission of quotations on [date] at the place of submission, BAC for Goods TWG/Secretariat, 5th Floor, DPWH Head Office, Port Area Manila, the following suppliers submitted their quotations as follows;

<u>Name</u>	<u>Total Quoted Price</u>	<u>Remarks</u>
1.		
2.		
3.		

WHEREAS, the ABSTRACT OF QUOTATIONS showed that among the suppliers who submitted their quotations, only [name of winning bidder] complied with and was found responsive to the requirements under the Request for Quotation (RFQ) with the lowest calculated responsive bid, with items (goods) specifications acceptable to the Implementing Office/End-User Unit concerned;

NOW THEREFORE, We, the members of the Bids and Awards Committee (BAC) for Goods resolves as it is hereby resolved to recommend the award of the contract for the procurement of said goods through Shopping in the total amount of [amount of bid in figures] [amount of bid in words] to [name of winning bidder] which submitted the lowest calculated responsive bid.

RESOLVED, at the BAC-Goods Office, DPWH, Port Area, Manila this ____ day of _____, 20____.

(Position)
(End-User)

Member, BAC for Goods

Vice-Chairman, BAC for Goods

Member, BAC for Goods

Chairman, BAC for Goods

Approved By:

Head of the Procuring Entity
Approved on: _____

Republic of the Philippines
Department of Public Works and Highways

NOTICE OF AWARD

[Date of Issuance]

[Name of the Awarded Bidder]

[Address]

[FAX Number]

Dear Sir/Madame:

We wish to inform you that your price quotation dated [insert date of submission] in the amount of [insert amount in words and figures] for [insert goods/service procured] under Request for Quotation No. _____ with an Approved Budget for the Contract(ABC) of [insert amount of ABC] was considered by the BAC as the Lowest Calculated Responsive Bid. Attached herewith are copies of the approved BAC-Goods Resolution No. _____ together with your RFQ No. _____ for your reference.

Pursuant to Section 54.5 of the Revised Implementing Rules and Regulations of Republic Act 9184, your company is hereby exempted from posting the performance security.

For issuance of the Purchase Order, please feel free to contact the Office of the BAC for Goods Secretariat at Telephone Nos. [insert office number].

Very truly yours,

[Name of the BAC Chairman], [Position]
Chairman, BAC for Goods

Conforme:

(Name and Signature of the Duly Authorized Bidder's Representative)

(Date)

Republic of the Philippines
Department of Public Works and Highways

SUSPENSION ORDER NO. ____

NOTICE OF DECISION

Pursuant to Section 69.1 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, and the Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants (Government Procurement Policy Board Resolution No. 09-2004) and upon recommendation of the Department of Public Works and Highways Bids and Awards Committee, the [Secretary/Regional Director/District Engineer] under Resolution No. _____ dated _____ hereby issues this Blacklisting Order to [Manufacturer/Suppliers/Distributors/Contractors/Consultants hereby issues this Suspension Order to:

1. Name and Address of the Suspended Entity
[Insert Name of Suspended Entity]
[Insert Address of Suspended Entity]
2. Name of Project
[Insert Name of Project]
3. Location of Project
[Insert Location of Project]
4. Offense Committed
[Insert offense Committed(Refer to Grounds under Competitive Bidding Stage)]
5. Sanctions Imposed:

Disqualification from participating in the procurement activities of the Department of Public Works and Highways upon receipt of this notice until the period of motion for reconsideration and protest, and shall terminate upon reversal of the decision by the Head of Procuring Entity or appellate authority.

If no motion for reconsideration or protest is filed, the decision shall become final and executory after the lapse of seven (7) calendar days from the receipt of said decision, and a Blacklisting Order shall be issued pursuant thereto.

Head of Procuring Entity

Received by:
Designation:
Date:

Republic of the Philippines
Department of Public Works and Highways

BLACKLISTING ORDER NO. ____

Pursuant to Section 69.1 of the Revised Implementing Rules and Regulations of Republic Act No. 9184, and the Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants (Government Procurement Policy Board Resolution No. 09-2004) and upon recommendation of the Department of Public Works and Highways Bids and Awards Committee, the [Secretary/Regional Director/District Engineer] under Resolution No. _____ dated _____ hereby issues this Blacklisting Order to [Manufacturer/Suppliers/Distributors/Contractors/Consultants hereafter stated:

1. Name and Address of the Blacklisted Entity
[Insert Name of Blacklisted Entity]
[Insert Address of Blacklisted Entity]
2. Name of Project
[Insert Name of Project]
3. Location of Project
[Insert Location of Project]
4. Offense Committed
[Insert offense Committed]
5. Sanctions Imposed:
 - a. Disqualification for a period of _____ year/s from _____ to _____ from participating in the procurement activities of all government projects.
 - b. [Forfeiture of the Bid Security or Performance Security of _____]

Head of Procuring Entity

Received by:
Designation:
Date: