



# **DEPARTMENT OF FOREIGN AFFAIRS**

## **BIDS AND AWARDS COMMITTEE**

**Name of the Project:  
Procurement for the 2018 Local Healthcare Coverage**

**Approved Budget for the Contract:  
One Hundred Forty-Five Million  
Php 145,000,000.00**

**PB-GS-10-2017**

**Fourth Edition  
December 2010**

# Preface

These Philippine Bidding Documents (PBDs) for the procurement of Goods through Competitive Bidding have been prepared by the Government of the Philippines (GOP) for use by all branches, agencies, departments, bureaus, offices, or instrumentalities of the government, including government-owned and/or -controlled corporations (GOCCs), government financial institutions (GFIs), state universities and colleges (SUCs), and local government units (LGUs). The procedures and practices presented in this document have been developed through broad experience, and are for mandatory<sup>1</sup> use in projects that are financed in whole or in part by the GOP or any foreign government/foreign or international financing institution in accordance with the provisions of the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184.

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.

In order to simplify the preparation of the Bidding Documents for each procurement, the PBDs groups the provisions that are intended to be used unchanged in Section II. Instructions to Bidders (ITB) and in Section IV. General Conditions of Contract (GCC). Data and provisions specific to each procurement and contract should be included in Section III. Bid Data Sheet (BDS); Section V. Special Conditions of Contract (SCC); Section VI. Schedule of Requirements; Section VII. Technical Specifications, and Section IX. Foreign-Assisted Projects. The forms to be used are provided in Section VIII. Bidding Forms.

Care should be taken to check the relevance of the provisions of the PBDs against the requirements of the specific Goods to be procured. In addition, each section is prepared with notes intended only as information for the Procuring Entity or the person drafting the Bidding Documents. They shall *not* be included in the final documents, except for the notes introducing Section VIII. Bidding Forms where the information is useful for the Bidder. The following general directions should be observed when using the documents:

- (a) All the documents listed in the Table of Contents are normally required for the procurement of Goods. However, they should be adapted as necessary to the circumstances of the particular Project.
- (b) Specific details, such as the name of the Procuring Entity and address for bid submission, should be furnished in the ITB, BDS, and SCC. The final documents should contain neither blank spaces nor options.
- (c) This Preface and the footnotes or notes in italics included in the Invitation to Bid, BDS, SCC, Schedule of Requirements, and Specifications are not part of

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<sup>1</sup>Unless the Treaty or International or Executive Agreement expressly provides use of foreign government/foreign or international financing institution procurement guidelines.

the text of the final document, although they contain instructions that the Procuring Entity should strictly follow. The Bidding Documents should contain no footnotes except Section VIII. Bidding Forms since these provide important guidance to Bidders.

- (d) The cover should be modified as required to identify the Bidding Documents as to the names of the Project, Contract, and Procuring Entity, in addition to date of issue.
- (e) If modifications must be made to bidding procedures, they can be presented in the BDS. Modifications for specific Project or Contract details should be provided in the SCC as amendments to the Conditions of Contract. For easy completion, whenever reference has to be made to specific clauses in the BDS or SCC these terms shall be printed in bold type face on Section I. Instructions to Bidders and Section III. General Conditions of Contract, respectively.

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# ***Section I. Invitation to Bid***

## **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 RA 9184;
- (b) Posted continuously in the Philippine Government Electronic Procurement System (PhilGEPS) website and the website of the Procuring Entity concerned, if available, for a minimum period of seven (7) calendar days starting on the date of advertisement; and
- (c) Posted at any conspicuous place reserved for this purpose in the premises of the Procuring Entity concerned for a minimum period of seven (7) calendar days, 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 (*e.g.*, the application of a margin of preference in bid evaluation).

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.

For foreign-assisted projects, the Invitation to Bid to be used is provided in Section IX- Foreign-Assisted Projects.

## ***Section II. Instructions to Bidders***

### **Notes on the Instructions to Bidders**

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

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

Matters governing performance of the Bidder, payments, or those affecting the risks, rights, and obligations of the parties under the contract are not normally included in this section, but rather under Section IV. General Conditions of Contract, and/or Section V. Special Conditions of Contract. If duplication of a subject is inevitable in the other sections of the document prepared by the Procuring Entity, care must be exercised to avoid contradictions between clauses dealing with the same matter.

## Procurement for the 2018 Local Healthcare Coverage

The Department of Foreign Affairs, through the authorized appropriations under the General Appropriations Act,<sup>2</sup> intends to apply the sum One Hundred Forty-Five Million Pesos (PhP 145,000,000.00) only, being the Approved Budget for the Contract (ABC) to payments under the contract for the “Procurement for the 2018 Local Healthcare Coverage”. Bids received in excess of the ABC shall be automatically rejected at bid opening.

1. The Department of Foreign Affairs now invites bids for the “Procurement for the 2018 Local Healthcare Coverage ”,<sup>2</sup> described as follows:

Lot No.	Project Specification	Approved Budget for the Contract (PhP)	Non-refundable Bid Fee (PhP)
1	<i>2018 Local Healthcare Coverage</i>	PhP 145,000,000.00	PhP 25,000.00

Bidders should have completed, within the past five (5) years 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.

2. Bidding will be conducted through open competitive bidding procedures using a non-discretionary “pass/fail” criterion as specified in the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the “Government Procurement Reform Act”.  
Bidding is open to all interested bidders, whether local or foreign, subject to the conditions for eligibility provided in the IRR of RA 9184.
3. Interested bidders may obtain further information from the DFA-BAC Secretariat and inspect the Bidding Documents at the address given below, during office hours from 9:00 a.m. to 5:00 p.m.
4. A complete set of Bidding Documents may be acquired by interested Bidders on *16 October 2017*, from the DFA-BAC Secretariat Office upon payment of a non-refundable fee in the amount specified in item 1 at the DFA Cashier. It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and from the DFA website, provided that bidders shall pay the non-refundable fee for the Bidding Documents not later than the submission of their bids.

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<sup>2</sup>In the case of National Government Agencies, the General Appropriations Act and/or continuing appropriations; in the case of GOCCs, GFIs, and SUCs, the Corporate Budget for the contract approved by the governing Boards; in the case of LGUs, the Budget for the contract approved by the respective Sanggunian (Section 5(a), R.A. 9184).

5. The DFA-BAC has scheduled the following activities for the said Project:

Pre-bid	Deadline for Submission and Receipt of Bids	Bid Opening
<b>25 October 2017</b> Wednesday, 10:00 a.m.	<b>09 November 2017</b> Thursday, 12:00 noon	<b>09 November 2017</b> Thursday, 2:00 p.m.
Venue: Bids and Awards Committee (BAC) Conference Room, 12th Floor, DFA Main Building, Roxas Boulevard, Pasay City		

The DFA-BAC will hold a Pre-Bid Conference on the above-stated date, which shall be open to all interested bidders.

6. Bids must be delivered to and received by a designated member(s) of the BAC Secretariat at the BAC Secretariat Room, 12<sup>th</sup> floor, DFA Main Building, on or before 09 November 2017, 12:00 p.m. All bids must be accompanied by a bid security in any of the acceptable forms in the amount stated in Section 27.2 of the IRR of RA No. 9184.

Bid Opening shall be on 09 November 2017, 2:00 p.m. at the BAC Conference Room, 12<sup>th</sup> Floor, DFA Main Building, Roxas Boulevard, Pasay City. 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.

To facilitate the Bid Opening, bidders are requested to submit the documentary requirements of their Technical Component in the order indicated in **Annex "A"**. Bids should be prepared in accordance with this Invitation to Bid, as well as the Instructions to Bidders (Section II) and the Bid Data Sheet (Section III) of the Bidding Documents.

7. The DFA 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.
8. For further information, please refer to:

DFA-BAC Secretariat  
 Department of Foreign Affairs  
 12<sup>th</sup> Floor, DFA Main Building,  
 2330 Roxas Boulevard, Pasay City 1300  
 Tel. No. 834-4067; Fax no. 831-9584  
 Email address: [bac.secretariat@dfa.gov.ph](mailto:bac.secretariat@dfa.gov.ph)

(Sgd)  
**MARIA TERESA C. LEPATAN**  
 BAC Chairperson

13 October 2017, Pasay City.  
 PB-GS-10-2017



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## **General**

### **1. Scope of Bid**

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

### **2. Source of Funds**

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

### **3. Corrupt, Fraudulent, Collusive, and Coercive Practices**

- 3.1. Unless otherwise specified in the **BDS**, the Procuring Entity as well as the bidders and Contractors shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:
  - (a) defines, for purposes of this provision, the terms set forth below as follows:
    - (i) “corrupt practice” means 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 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.

3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in ITB Clause 3.1(a).

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

#### **4. Conflict of Interest**

4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events

described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (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; or
- (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid.

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 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 of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; and
  - (e) Unless otherwise provided in the **BDS**, persons/entities forming themselves into a JV, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent(60%).
- 5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:
- (a) When a Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184 and its IRR allow foreign bidders to participate;
  - (b) Citizens, corporations, or associations 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 Contractors; or
  - (d) When there is a need to prevent situations that defeat competition or restrain trade.
- 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 Procuring Entity.
- 5.4. Unless otherwise provided in the **BDS**, the Bidder must have completed at least one contract similar to the Project the value of which, adjusted to current prices

using the National Statistics Office consumer price index, must be at least equivalent to a percentage of the ABC stated in the **BDS**.

For this purpose, contracts similar to the Project shall be those described in the **BDS**, and completed within the relevant period stated in the Invitation to Bid and **ITB** Clause 12.1(a)(iii).

- 5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC), which must be at least equal to the ABC to be bid, calculated as follows:

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

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

Where:

K = 10 for a contract duration of one year or less, 15 for a contract duration of more than one year up to two years, and 20 for a contract duration of more than two years.

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).<sup>3</sup>

## **6. Bidder's Responsibilities**

- 6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VIII. Bidding Forms as required in **ITB** Clause 12.1(b)(iii).
- 6.2. The Bidder is responsible for the following:
- (a) Having taken steps to carefully examine all of the Bidding Documents;
  - (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
  - (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;
  - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under **ITB** Clause 10.3.

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<sup>3</sup> GPPB Resolution No. 20-2013

- (e) Ensuring that it is not “blacklisted” or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
- (f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (g) Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
- (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary’s Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
- (i) Complying with the disclosure provision under Section 47 of RA 9184 in relation to other provisions of RA 3019; and
- (j) Complying with existing labor laws and standards, in the case of procurement of services.

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

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



## 7. Origin of Goods

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

## 8. Subcontracts

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

## 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. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the **BDS**.*
- 9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.
- 9.3. Any statement made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

## **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 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 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 Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with **ITB** Clause 23.

## **Preparation of Bids**

### **11. Language of Bid**

The bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Procuring Entity, shall be written in English. 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, the 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. The English translation shall govern, for purpose of interpretation of the bid.<sup>4</sup>

### **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:
  - (a) Eligibility Documents –

Class "A" Documents:

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<sup>4</sup>GPPB Resolution No. 04-2014

- (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;
- (iii) Statement of all its ongoing government and private contracts within the period stated in the **BDS**, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:<sup>5</sup>
  - (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 5.5;<sup>6</sup> and
- (vi) Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR.<sup>7</sup>

Class "B" Document:

- (vii) 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.

(b) Technical Documents –

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<sup>5</sup>GPPB Resolution No. 29-2012

<sup>6</sup>GPPB Resolution No. 20-2013

<sup>7</sup>GPPB Resolution No. 21-2013; GPPB Resolution No. 11-2013

- (i) Bid security in accordance with **ITB** Clause 18. If the Procuring Entity requires the bidders to submit the bid security in the form of:<sup>8</sup>
  - (i.1) 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.2) a surety bond, it shall be accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments;
- (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 15.1 and 15.4;
- (b) If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification from the DTI, SEC, or CDA issued in accordance with **ITB** Clause 27, 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 procuring entity, payment could be made upon the submission of bids.
- (ii) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the

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<sup>8</sup>GPPB Resolution No. 25-2013

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 procuring entity has trained cost estimators on estimating prices and analyzing bid variances.
- (iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.
- (v) The procuring entity has established a system to monitor and report bid prices relative to ABC and procuring entity's estimate. 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.

#### **14. Alternative Bids**

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

#### **15. Bid Prices**

- 15.1. The Bidder shall complete the appropriate Price Schedules included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.
- 15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Bill of Quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Government.
- 15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.
- 15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:
  - (a) For Goods offered from within the Procuring Entity's country:

- (i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable:
    - (i.1) on the components and raw material used in the manufacture or assembly of Goods quoted ex works or ex factory; or
    - (i.2) on the previously imported Goods of foreign origin quoted ex warehouse, ex showroom, or off-the-shelf and any Procuring Entity country sales and other taxes which will be payable on the Goods if the contract is awarded.
  - (ii) The price for inland transportation, insurance, and other local costs incidental to delivery of the Goods to their final destination.
  - (iii) The price of other (incidental) services, if any, listed in the **BDS**.
- (b) For Goods offered from abroad:
- (i) Unless otherwise stated in the **BDS**, the price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the **BDS**. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.
  - (ii) The price of other (incidental) services, if any, listed in the **BDS**.

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

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 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.
- 16.3. Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

**17. Bid Validity**

- 17.1. Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.
- 17.2. In exceptional circumstances, prior to the expiration of the Bid validity period, the 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 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:<sup>9</sup>

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank.	Two percent (2%)

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<sup>9</sup>GPPB Resolution No. 25-2013;GPPB Circular No. 01-2014(Section 3.2 The prospective bidder shall be given the option to post a BSD **OR** any other form of bid security indicated by the Procuring Entity in the Bidding Documents)

(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.	Two percent (2%)
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)
(d) Any combination items (a) to (c) above <sup>10</sup>	Proportionate to share of form with respect to total amount of security
(e) Bid Securing Declaration <sup>11</sup>	No percentage required

For biddings conducted by LGUs, the procuring entity may also require bidders to submit bid securities in the form of cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit from other banks certified by the BSP as authorized to issue such financial statement.<sup>12</sup>

The Bid Securing Declaration mentioned above is an undertaking which states, among others, that the bidder shall enter into contract with the procuring entity and furnish the performance security required under ITB Clause 33.2, from the receipt of the Notice of Award, and 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 stated therein as provided in the guidelines issued by the GPPB.<sup>13</sup>

- 18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.
- 18.3. No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on 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 18.2.

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<sup>10</sup>GPPB Resolution No. 25-2012

<sup>11</sup>GPPB Resolution No. 25-2012

<sup>12</sup>GPPB Resolution No. 25-2013

<sup>13</sup>GPPB Resolution No. 25-2012



18.4. Upon signing and execution of the contract pursuant to **ITB** Clause 32, and the posting of the performance security pursuant to **ITB** Clause 33, the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in the **ITB** Clause 18.2.

18.5. The bid security may be forfeited:

- (a) if a Bidder:
  - (i) withdraws its bid during the period of bid validity specified in **ITB** Clause 17;
  - (ii) does not accept the correction of errors pursuant to **ITB** Clause 28.3(b);
  - (iii) fails to submit the requirements within the prescribed period or a finding against their veracity as stated in **ITB** Clause 29.2;
  - (iv) submission of eligibility requirements containing false information or falsified documents;
  - (v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;
  - (vi) allowing the use of one's name, or using the name of another for purposes of public bidding;
  - (vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the Lowest Calculated and Responsive Bid;
  - (viii) refusal or failure to post the required performance security within the prescribed time;
  - (ix) refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
  - (x) any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;
  - (xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or
  - (xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.

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

## **19. Format and Signing of Bids**

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

## **20. Sealing and Marking of Bids**

- 20.1. Bidders shall enclose their original eligibility and technical documents described in **ITB** Clause 12 in one sealed envelope marked “ORIGINAL - TECHNICAL COMPONENT”, and the original of their financial component in another sealed envelope marked “ORIGINAL - FINANCIAL COMPONENT”, sealing them all in an outer envelope marked “ORIGINAL BID”.
- 20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as “COPY NO. \_\_\_ - TECHNICAL COMPONENT” and “COPY NO. \_\_\_ – FINANCIAL COMPONENT” and the outer envelope as “COPY NO. \_\_\_”, respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 20.3. The original and the number of copies of the Bid as indicated in the **BDS** shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.

- 20.4. All envelopes shall:
- (a) contain the name of the contract to be bid in capital letters;
  - (b) bear the name and address of the Bidder in capital letters;
  - (c) be addressed to the Procuring Entity's BAC in accordance with **ITB** Clause 1.1;
  - (d) bear the specific identification of this bidding process indicated in the **ITB** Clause 1.2; and
  - (e) bear a warning "DO NOT OPEN BEFORE..." the date and time for the opening of bids, in accordance with **ITB** Clause 21.
- 20.5. If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

### **Submission and Opening of Bids**

#### **21. Deadline for Submission of Bids**

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

#### **22. Late Bids**

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

#### **23. Modification and Withdrawal of Bids**

23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

23.2. A Bidder may, through a Letter 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 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 23.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder

that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.

- 23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to **ITB** Clause 18.5, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its IRR.

## **24. Opening and Preliminary Examination of Bids**

- 24.1. The BAC shall open the first bid envelopes of Bidders in public as specified in the **BDS** to determine each Bidder's compliance with the documents prescribed in **ITB** Clause 12. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the said first bid envelope as "passed".
- 24.2. Unless otherwise specified in the **BDS**, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the **ABC** unless otherwise provided in **ITB** Clause 13.2, the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
- 24.3. Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
- 24.4. If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "A" Documents, the said certification may be submitted in lieu of the requirements enumerated in **ITB** Clause 12.1(a), items (i) to (v).

- 24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class “A” Documents described in **ITB** Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.
- 24.6. Each partner of a joint venture agreement shall likewise submit the requirements in **ITB** Clauses 12.1(a)(i) and 12.1(a)(ii). Submission of documents required under **ITB** Clauses 12.1(a)(iii) to 12.1(a)(v) by any of the joint venture partners constitutes compliance.
- 24.7. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.

## **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 Procuring Entity in the Procuring Entity’s decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder’s bid.

### **26. Clarification of Bids**

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

### **27. Domestic Preference**

- 27.1. Unless otherwise stated in the **BDS**, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:
  - (a) The preference shall be applied when (i) the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder, or (ii) the lowest bid offered by a non-Philippine national is lower than the lowest bid offered by a Domestic Entity.
  - (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 Entity does not exceed the lowest Foreign Bid as increased, or (ii) the lowest bid offered by a non-Philippine national as increased, then the Procuring Entity shall award the contract to the Domestic Bidder/Entity 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 Entity/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 Entity subject to the certification from the DTI (in case of sole proprietorships), SEC (in case of partnerships and corporations), or CDA (in case of cooperatives) that the (a) sole proprietor is a citizen of the Philippines or the partnership, corporation, cooperative, or association is duly organized under the laws of the Philippines with at least seventy five percent (75%) of its interest or outstanding capital stock belonging to citizens of the Philippines, (b) habitually established in business and habitually engaged in the manufacture or sale of the merchandise covered by his bid, and (c) the business has been in existence for at least five (5) consecutive years prior to the advertisement and/or posting of the Invitation to Bid for this Project.
- 27.3. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

## **28. Detailed Evaluation and Comparison of Bids**

- 28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to **ITB** Clause 24, in order to determine the Lowest Calculated Bid.
- 28.2. The Lowest Calculated Bid shall be determined in two steps:
- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
  - (b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.

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

## 29. Post-Qualification

- 29.1. The 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, 12, and 13.
- 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:<sup>14</sup>

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<sup>14</sup>GPPB Resolution No. 21-2013

- (a) Latest income and business tax returns in the form specified in the **BDS**;
- (b) Certificate of PhilGEPS Registration, provided that participating bidders should register with the PhilGEPS prior to bid opening;<sup>15</sup> 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 12 and 13, as well as other information as the 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 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. In the case of GOCCs and GFIs, the period provided herein shall be fifteen (15) calendar days.

### **30. Reservation Clause**

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

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<sup>15</sup>GPPB Resolution No. 30-2013



evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

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

- (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
- (b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
- (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
  - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;
  - (ii) If the project is no longer necessary as determined by the head of the procuring entity; and
  - (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:

- (a) No bids are received;
- (b) All prospective Bidders are declared ineligible;
- (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
- (d) The Bidder with the Lowest Calculated Responsive Bid (LCRB) refuses, without justifiable cause to accept the award of contract, and no award is made.

## **Award of Contract**

### **31. Contract Award**

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

### **32. Signing of the Contract**

- 32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
- 32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security and sign and date the contract and return it to the Procuring Entity.
- 32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- 32.4. The following documents shall form part of the contract:
  - (a) Contract Agreement;
  - (b) Bidding Documents;

- (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
- (d) Performance Security;
- (e) Credit line in accordance with **ITB** Clause 5.5, if applicable;
- (f) Notice of Award of Contract; and
- (g) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

### 33. Performance Security

- 33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- 33.2. The procuring entity shall prescribe at least two (2) acceptable forms of performance security taken from two (2) categories below that bidders may opt to use, denominated in Philippine Pesos and posted in favour of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:<sup>16</sup>

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	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.	
(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; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

<sup>16</sup>GPPB Resolution No. 25-2013

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 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 three (3) calendar days from the date of approval of the contract by the appropriate government approving authority, the 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 Procuring Entity, which date shall not be later than seven (7) calendar days from the issuance of the Notice to Proceed.

#### **35. Protest Mechanism**

Decision of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the revised Implementing Rules and Regulations of Republic Act 9184.<sup>17</sup>

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<sup>17</sup>GPPB Resolution No. 25-2012

## ***Section III. Bid Data Sheet***

### **Notes on the Bid Data Sheet**

Section III is intended to assist the Procuring Entity in providing the specific information in relation to corresponding clauses in the ITB included in Section II, 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 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	The Procuring Entity is the <b>Department of Foreign Affairs (DFA)</b> .
1.2	The lot and reference is:  <b>Procurement for the 2018 and Local Healthcare Coverage</b>
2	The Funding Source is: The Government of the Philippines (GOP) through the authorized appropriations under the General Appropriations Act, in the amount of <b>One Hundred Forty-Five Million (PhP 145,000,000.00)</b> only. The name of the project is " <b>Procurement for the Local Healthcare Coverage</b> ".
3.1	No further instructions.
5.1	No further instructions.
5.2	None of the circumstances mentioned in the ITB Clause exists in this Project. Foreign bidders, except those falling under ITB Clause 5.2(b), may not participate in this Project.
5.4	The Bidder must have completed, within the period specified in the Invitation to Bid and ITB Clause 12.1 (a) (iii), a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.  For this purpose, similar contracts shall refer to contracts which are of similar nature and complexity to the contract to be bid.
7	No further instructions other than those already stated in Clause 7 of the ITB.
8.1	Subcontracting is not allowed.
8.2	Not applicable.
9.1	No further instructions.
10.1	The Procuring Entity's address is Department of Foreign Affairs Main Building 2330 Roxas Blvd., Pasay City Contact person: Adrian G. Miras (Head, BAC Secretariat) Tel. no. 834-3660 or Fax no. 831-9584. E-mail address: <a href="mailto:bac.secretariat@dfa.gov.ph">bac.secretariat@dfa.gov.ph</a>
12.1(a)	No further instructions.
12.1(a)(i)	No other acceptable proof of registration is recognized.
12.1(a)(iii)	The statement of all ongoing government and private contracts as well as a single largest completed contract similar to the contract to be bid, shall include all such contracts within five (5) years prior to the deadline for submission and receipt of bids* <b>*Amended pursuant to GPPB Resolution No. 29-2012, effective 9 September 2013.</b>  Contracts covered by Non-Disclosure Clause shall be presented to the DFA for evaluation purposes. The DFA shall endeavor to treat the information provided in such contracts as confidential.
13.1	No additional requirements.
13.1(b)	No further instructions.

13.2	The ABC is <b>One Hundred Forty-Five Million (PhP 145,000,000.00)</b> only. Any bid with a financial component exceeding this amount shall not be accepted.
15.4(a)(iii)	No incidental services are required.
15.4(b)	Not applicable. No incidental services are required.
16.1(b)	The Bid prices may be quoted in Philippine Pesos.
16.3	Payment shall be made in Philippine Pesos.
17.1	Bids will be valid until <i>12 February 2018</i> .
18.1	The bid security shall be: <ol style="list-style-type: none"> <li>1. Two percent (2%) of the ABC if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit;</li> <li>2. Five percent (5%) of the ABC if bid security is in Surety Bond;</li> <li>3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security; OR</li> <li>4. Bid Securing Declaration which states, among others, that the bidder shall enter into contract with procuring entity and furnish the required performance security within ten (10) calendar days, or less, as indicated in the Bidding Documents, from receipt of the Notice of Award, and 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 stated therein as required in the guidelines issued by the GPPB.</li> </ol> <p>The prescribed guidelines for the use of the Bid Securing Declaration are provided under GPPB Resolution No. 03-2012 attached herein.</p>
18.2	The bid security shall be valid until <i>12 February 2018</i> .
20.3	Each Bidder shall submit one (1) original (or certified true copy) and four (4) photocopies of the first and second components of its bid which shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder as designated in the Secretary's Certificate.
21	Bids must be delivered to the BAC Secretariat, 12 <sup>th</sup> floor, DFA Main Building, Pasay City. <b>The deadline for submission of bids is on 09 November (Thursday) at 12:00 n.n .</b>
24.1	The place of bid opening is at the BAC Conference Room, 12 <sup>th</sup> Floor DFA Main Building, Roxas Blvd. Pasay City. <b>The date and time of bid opening is on 09 November (Thursday) at 2:00 p.m.</b> The DFA-BAC shall only allow a <b>maximum of three (3) representatives</b> for each prospective bidder during the Opening of Bids.
24.2	No further instructions.
27.1	No further instructions.
28.3	The goods are grouped in a single lot and the lot not be divided into sub-lots for the purpose of bidding, evaluation, and contract award.
28.3(b)	Bid modification is not allowed.
28.4	No further instructions.
29.2(a)	No further instructions.
29.2(a)	Only tax returns filed and taxes paid through the BIR Electronic Filing and Payment System (EFPS) shall be accepted. NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission.

29.2(c)	No other licenses required by law.
32.4(g)	The DFA-BAC reserves the right to require additional contract documents relevant to the Project.



## ***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 Contractor, 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 Contractor 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 Contractor 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 Contractor covered under the Contract.
- (e) “GCC” means the General Conditions of Contract contained in this Section.
- (f) “SCC” means the Special Conditions of Contract.
- (g) “The Procuring Entity” means the organization purchasing the Goods, as named in the **SCC**.
- (h) “The Procuring Entity’s country” is the Philippines.
- (i) “The Contractor” 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 Contractor 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 Procuring Entity as well as the bidders, contractors, or Contractors shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
  - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
  - (iii) “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
  - (iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
  - (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 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 Contractor shall permit the Funding Source to inspect the Contractor's accounts and records relating to the performance of the Contractor 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 Contractor of any liability or obligation under this Contract. The Contractor will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Contractor's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

## **8. Procuring Entity's Responsibilities**

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

## **9. Prices**

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2. Prices charged by the Contractor for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Contractor 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 Contractor's warranty obligations under this Contract as described in **GCC** Clause 17.
- 10.2. The Contractor's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the **SCC** provision for **GCC** Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to **GCC** Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Contractor.
- 10.4. Unless otherwise provided in the **SCC**, the currency in which payment is made to the Contractor 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: Fifteen percent (15%)<sup>18</sup> 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: Sixty-five percent (65%)<sup>19</sup> of the Contract Price shall be paid to the Contractor 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 Contractor within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized

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<sup>18</sup>GPPB Resolution No. 25-2012

<sup>19</sup>GPPB Resolution No. 25-2012

representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt the Contractor shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

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

## **12. Taxes and Duties**

The Contractor, 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 Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the **ITB** Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Contractor after the issuance of the Certificate of Final Acceptance subject to the following conditions:
  - (a) There are no pending claims against the Contractor or the surety company filed by the Procuring Entity;
  - (b) The Contractor 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 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 Contractor shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2. Any document, other than this Contract itself, enumerated in **GCC** Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Contractor's performance under this Contract if so required by the Procuring Entity.

## **15. Standards**

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

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

## **17. Warranty**

- 17.1. The Contractor warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Contractor 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 Contractor 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 Contractor, a warranty shall be required from the Contractor for a minimum period specified in the **SCC**. The obligation for the warranty shall be covered by, at the Contractor'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 Procuring Entity shall promptly notify the Contractor in writing of any claims arising under this warranty. Upon receipt of such notice, the Contractor shall, within the period specified in the **SCC** and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Contractor, having been notified, fails to remedy the defect(s) within the period specified in **GCC** Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Contractor's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Contractor under the Contract and under the applicable law.

## **18. Delays in the Contractor's Performance**

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Contractor in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2. If at any time during the performance of this Contract, the Contractor or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Contractor shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Contractor's notice, and

upon causes provided for under **GCC** Clause 22, the Procuring Entity shall evaluate the situation and may extend the Contractor'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 Contractor in the performance of its obligations shall render the Contractor 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 Contractor fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, 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 Procuring Entity shall rescind the Contract pursuant to **GCC** Clause 23, without prejudice to other courses of action and remedies open to it.

## **20. Settlement of Disputes**

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Contractor in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Contractor 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 Procuring Entity and the Contractor, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Contractor any monies due the Contractor.

## **21. Liability of the Contractor**

- 21.1. The Contractor'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 Contractor to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **22. Force Majeure**

- 22.1. The Contractor shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Contractor'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 Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor. Such events may include, but not limited to, acts of the 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 Contractor shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Contractor shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

## **23. Termination for Default**

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
  - (a) Outside of *force majeure*, the Contractor fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Contractor 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 Contractor is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar

days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased; or

- (c) The Contractor fails to perform any other obligation under the Contract.
- 23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Contractor shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Contractor 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 Contractor, the Procuring Entity may terminate this Contract, forfeit the Contractor's performance security and award the same to a qualified Contractor.

## **24. Termination for Insolvency**

The Procuring Entity shall terminate this Contract if the Contractor 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 Contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Contractor.

## **25. Termination for Convenience**

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies.
- 25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Contractor's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:
- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
  - (b) to cancel the remainder and pay to the Contractor an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Contractor.

- 25.3. If the Contractor suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Contractor to the satisfaction of the Procuring Entity before recovery may be made.

## **26. Termination for Unlawful Acts**

- 26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Contractor 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 Contractor 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 Contractor to show cause as to why this Contract should not be terminated; and
    - (iv) special instructions of the Procuring Entity, if any.

- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Contractor shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Contractor fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Contractor'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 Contractor'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 Contractor of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Contractor 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 Contractor 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 Contractor shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

## **29. Contract Amendment**

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

## **30. Application**

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

## ***Section V. Special Conditions of Contract***

### **Notes on the Special Conditions of Contract**

Similar to the BDS, 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 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>Department of Foreign Affairs</i> .
1.1(i)	The Contractor is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	<p>The Funding Source is</p> <p>The Government of the Philippines (GOP) through the authorized appropriations under the General Appropriations Act, in the amount of <b>One Hundred Forty-Five Million Pesos (PhP 145,000,000.00)</b> only  <b>NOTE:</b> <i>In the case of National Government Agencies, the General Appropriations Act and/or continuing appropriations; in the case of Government-Owned and/or –Controlled Corporations, Government Financial Institutions, and State Universities and Colleges, the Corporate Budget for the contract approved by the governing Boards; in the case of Local Government Units, the Budget for the contract approved by the respective Sanggunian.</i></p>
1.1(k)	The Project Site is <i>DFA Pasay City Manila.</i> <i>[ For multiple sites state “The Project sites are defined in Section VI. Schedule of Requirements”]</i>
5.1	<p>The Procuring Entity’s address is Department of Foreign Affairs Main Building 2330 Roxas Blvd., Pasay City</p> <p>Contact person: Adrian G. Miras (Head, BAC Secretariat)            Tel. no. 834-3660 or Fax no. 831-9584.  <u><b>bac.secretariat@dfa.gov.ph</b></u></p> <p>The Contractor’s address for Notices is: <i>[Insert address including, name of contact, fax and telephone number]</i></p>
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><b>Delivery and Documents –</b></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>

*For Goods Supplied from Abroad, state* “The delivery terms applicable to the Contract are DDP delivered [*insert place of destination*]. In accordance with INCOTERMS.”

*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 Contractor to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination.”

Delivery of the Goods shall be made by the Contractor 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 Contractor are as follows:

*For Goods supplied from within the Philippines:*

Upon delivery of the Goods to the Project Site, the Contractor shall notify the Procuring Entity and present the following documents to the Procuring Entity:

- (i) Original and four copies of the Contractor’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 Contractor’s factory inspection report;
- (iv) Original and four copies of the Manufacturer’s and/or Contractor’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 Contractor 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 Contractor 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 Contractor'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 Contractor's factory inspection report;
- (iv) Original and four copies of the Manufacturer's and/or Contractor'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 Contractor 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 Contractor of any warranty obligations under this Contract; and
- (e) training of the Procuring Entity's personnel, at the Contractor'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 Contractor for incidental services and shall not exceed the prevailing rates charged to other parties by the Contractor for similar services.

**Spare Parts –**

The Contractor is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Contractor:

*Select appropriate requirements and delete the rest.*

- (a) such spare parts as the Procuring Entity may elect to purchase from the Contractor, provided that this election shall not relieve the Contractor of any warranty obligations under this Contract; and
- (b) in the event of termination of production of the spare parts:
  - 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.

The spare parts required are listed in Section VI. Schedule of Requirements and the cost thereof are included in the Contract Price

The Contractor shall carry sufficient inventories to assure ex-stock supply of consumable spares for the Goods for a period of *[insert here the time period specified. If not used insert time period of three times the warranty period]*.

Other spare parts and components shall be supplied as promptly as possible, but in any case within *[insert appropriate time period]* months of placing the order.

**Packaging –**

The Contractor 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

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 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.

The outer packaging must be clearly marked on at least four (4) sides as follows:

Name of the Procuring Entity

Name of the Contractor

Contract Description

Final Destination

Gross weight

Any special lifting instructions

Any special handling instructions

Any relevant HAZCHEM classifications

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.

**Insurance –**

The Goods supplied under this Contract shall be fully insured by the Contractor 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 Contractor until their final acceptance by the Procuring Entity.

**Transportation –**

Where the Contractor 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 Contractor, and the cost thereof shall be included in the Contract Price.

Where the Contractor 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

	<p>this Contract, shall be arranged by the Contractor, and related costs shall be included in the Contract Price.</p> <p>Where the Contractor 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 Contractor 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 Contractor 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 or supplied by domestic Contractors 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><b>Patent Rights –</b></p> <p>The Contractor 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	Not applicable
13.4(c)	No further instructions
16.1	None
17.3	<p><i>If the Goods pertain to Expendable Supplies:</i> Three (3) months after acceptance by the Procuring Entity of the delivered Goods or after the Goods are consumed, whichever is earlier.</p> <p><i>If the Goods pertain to Non-expendable Supplies:</i> One (1) year after acceptance by the Procuring Entity of the delivered Goods.</p>
17.4	The period for correction of defects in the warranty period is <i>[insert number of days]</i> .
21.1	“No additional provision.” <i>or, if the Contractor is a joint venture, “All partners to the joint venture shall be jointly and severally liable to the Procuring Entity.”</i>

## *Section VI. 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 Number	Description	Quantity	Total	Delivered, Weeks/Months
				<i>Please refer to the Technical Specifications (Section VII)</i>

*Note:*  
 Bidder must state compliance to each of the provisions in the Terms of Reference/Technical Specifications, as well as to the Schedule to Requirements. The **STATEMENT OF COMPLIANCE** must be signed by the authorized representative of the Bidder, with proof of authority to sign and submit the bid for and in behalf of the Bidder concerned. If the Bidder is a joint venture, the representative must have authority to sign for and in behalf of the partners to the joint venture.

Conformé:

[Signature/s]  
 [Name of Bidder's Authorized Representative/s]  
 [Position]  
 [Date]

## ***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 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 Procuring Entity with the Bidding Documents. Similarly, the Contractor may be requested to provide drawings or samples either with its Bid or for prior review by the 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.

## *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 15 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 18.1.

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.

# Technical Specification

## 2018 Local Healthcare Coverage

### ANNEX A

I.	<p><b>BACKGROUND</b></p> <p>The Department intends to procure Local Healthcare Coverage for the benefit of the Home Office personnel and their dependents to ensure their access to health and medical services under comprehensive healthcare coverage.</p>		
II.	<table border="1"> <tr> <td data-bbox="288 640 1257 860"> <p><b>SCOPE</b></p> <p>Provision of comprehensive local healthcare coverage to all Home Office personnel and their dependents from 01 January to 31 December 2018.</p> </td> <td data-bbox="1257 640 1476 860"> <p><b>Statement of Compliance</b></p> </td> </tr> </table>	<p><b>SCOPE</b></p> <p>Provision of comprehensive local healthcare coverage to all Home Office personnel and their dependents from 01 January to 31 December 2018.</p>	<p><b>Statement of Compliance</b></p>
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III.	<p><b>DEFINITION OF TERMS</b></p> <p>The following terms shall be defined as follows:</p> <ul style="list-style-type: none"> <li>a. <b>Home Office Personnel</b> – employees of the Department in the Main Office, Regional Consular Offices and Satellite Offices</li> <li>b. <b>Principal Member</b> – an employee who is primarily covered by the policy, subject to the requisites of membership eligibility</li> <li>c. <b>Secondary Member</b> – a dependent of the principal, subject to requisites of membership eligibility as defined herein</li> <li>d. <b>Healthcare Coverage Provider (Provider)</b> – an entity that provides access to health and medical services to members under a comprehensive healthcare coverage</li> <li>e. <b>Comprehensive Healthcare Coverage</b> – a type of healthcare coverage that provides access to comprehensive health and medical services through its local networks, wherein claims for health and medical expenses of members are:             <ul style="list-style-type: none"> <li>1. Directly paid by the Provider to medical and health professionals/institutions; or</li> <li>2. Reimbursed to members in case of payment to non-accredited health and medical professionals/institutions</li> </ul> </li> <li>f. <b>Deductible</b> – amount paid by the member before the Provider begins to pay the member’s health and medical expenses</li> <li>g. <b>Co-Insurance</b> – a set percentage of the covered costs paid by the member after the deductible has been paid</li> <li>h. <b>Maximum Out-of-Pocket Limit (MOPL)</b> – accumulated amount (deductible plus co-insurance) paid by a member</li> </ul>		

	<p>before the Provider pays one hundred percent (100%) of the health and medical expenses</p> <ul style="list-style-type: none"> <li>i. <b>Annual Benefit Limit (ABL)</b> – maximum amount paid by the Provider for a member’s health and medical expenses</li> <li>j. <b>In-patient Services</b> – confinement in a health and/or medical institution for monitoring, treatment and/or recovery, including any treatment arising from or related to an illness or a condition requiring hospitalization such as, but not limited to, dialysis and chemotherapy</li> <li>k. <b>Out-patient Services</b> – consultation, treatment, laboratory and other procedures from a health and/or medical professional/institution, without need of confinement</li> <li>l. <b>Pre-existing Condition</b> – any illness or health condition, including congenital anomalies and conditions, that was known and existing prior to the writing and signing of the Contract, and its complications</li> </ul>									
<p><b>IV.</b></p>	<p><b>PREMIUM PAYMENT CATEGORIES</b></p> <p>For purposes of premium payments, the following categories shall be used:</p> <table border="1" data-bbox="304 1003 1241 1193"> <thead> <tr> <th data-bbox="304 1003 619 1039"><b>Member Category</b></th> <th data-bbox="619 1003 1241 1039"><b>Definition</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="304 1039 619 1075">Single</td> <td data-bbox="619 1039 1241 1075">principal member with no dependent</td> </tr> <tr> <td data-bbox="304 1075 619 1111">Duo</td> <td data-bbox="619 1075 1241 1111">principal member with one dependent</td> </tr> <tr> <td data-bbox="304 1111 619 1193">Group/Family</td> <td data-bbox="619 1111 1241 1193">principal member with more than one dependent</td> </tr> </tbody> </table>	<b>Member Category</b>	<b>Definition</b>	Single	principal member with no dependent	Duo	principal member with one dependent	Group/Family	principal member with more than one dependent	
<b>Member Category</b>	<b>Definition</b>									
Single	principal member with no dependent									
Duo	principal member with one dependent									
Group/Family	principal member with more than one dependent									
<p><b>V.</b></p>	<p><b>MEMBERSHIP ELIGIBILITY</b></p> <p>The following persons shall be eligible as principal and secondary members:</p> <ul style="list-style-type: none"> <li>a. <b>Principal Members</b> <ul style="list-style-type: none"> <li>1. All permanent employees at the Home Office, Regional Consular Offices and Satellite Offices</li> <li>2. Casual and contractual employees</li> <li>3. Newly hired casual and contractual employees after six (6) months of continuous service</li> </ul> </li> <li>b. <b>Secondary Members</b> <p>Dependents of principal members shall be considered as secondary members, provided that the following requirements are met:</p> <ul style="list-style-type: none"> <li>1. <b>Spouse</b> – Principal member’s legal husband or wife. In the case of Muslim marriages where the principal</li> </ul> </li> </ul>									

	<p>member has more than one (1) legal wife, the elected legal wife.</p> <p>2. <b>Child</b> – a person with whom the principal member has legal parental obligations to fulfill, which includes the following:</p> <ul style="list-style-type: none"> <li>i. Unmarried children twenty-one (21) years old and below, and those who turn 22 years old during the effectivity of the contract shall still be covered;</li> <li>ii. Children over twenty-one (21) years old who are mentally, physically, or developmentally incapacitated, and primarily dependent on the principal member for their support; and</li> <li>iii. Newly born children who shall be considered enrolled from the date of birth.</li> </ul> <p>e. Married couples who are both employees of the DFA shall each be considered as a principal member.</p>	
<p><b>VI.</b></p>	<p><b>QUALIFICATIONS OF THE PROVIDER</b></p> <p>They shall include, but shall not be limited to, the following:</p> <ul style="list-style-type: none"> <li>a. The Provider shall be a well-established health insurance company and provider of health and medical services for at least five (5) years.</li> <li>b. The Provider shall have affiliates able to, or a mechanism that allows the health and/or medical professional/institution to, directly bill the Provider so that members shall not be billed except for the applicable co-insurance which the member shall pay directly to the health and/or medical professional/institution.</li> <li>c. The Provider shall have direct billing system arrangements with local hospitals for in-patient expenses and, where applicable, out-patient expenses.</li> </ul>	

	<p>d. In places where the Provider has no affiliates, it shall:</p> <ol style="list-style-type: none"> <li>1. Issue a letter of guarantee to non-affiliated health and/or medical professional/institution to cover medical expenses beyond the applicable co-insurance; or</li> <li>2. Reimburse the coverable consultation and treatment fees when the health and/or medical professional/institution do not accept letters of guarantee subject to IX(d); or</li> <li>3. Secure arrangements with other providers to facilitate the access to and provision of necessary health and medical services and the processing and reimbursement of claims.</li> </ol>									
	<p>e. The Provider shall have affiliations with and/or existing offices in major hospitals and medical centers, all over the country, particularly in the Metro Manila area and Regional Consular Offices locations.</p> <p>For Metro Manila, affiliations shall include, but shall not be limited to, the following: Asian Hospital and Medical Center, St. Luke's Medical Center Global City, St. Luke's Medical Center Quezon City, Adventist Medical Center Manila, Makati Medical Center, The Medical City, Cardinal Santos Medical Center, Sta. Lucia Health Care Centre, Our Lady of Lourdes Hospital, Capitol Medical Center, Inc., Manila Doctors Hospital, University of the East Ramon Magsaysay Memorial Medical Center, Inc., FEU-NRMF Medical Center, UST Hospital, Manila East Medical Center, San Juan de Dios Educational Foundation, Inc. Hospital, Chinese General Hospital and Medical Center, Victor R. Potenciano Medical Center.</p>									
<p><b>VII.</b></p>	<p><b>COVERAGE</b></p> <p><b>Annual Benefit Limits</b> – The local coverage shall have the following limits:</p> <table border="1" data-bbox="304 1697 1241 2000"> <thead> <tr> <th><b>Member Category</b></th> <th><b>Annual Benefit Limit</b></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td>PhP 1,500,000.00</td> </tr> <tr> <td>Duo</td> <td>PhP 2,000,000.00* (shared limit; individual limit is PhP 1,700,000.00)</td> </tr> <tr> <td>Group/Family</td> <td>PhP 3,000,000.00 (shared limit; individual limit is PhP 1,700,000.00)</td> </tr> </tbody> </table>	<b>Member Category</b>	<b>Annual Benefit Limit</b>	Single	PhP 1,500,000.00	Duo	PhP 2,000,000.00* (shared limit; individual limit is PhP 1,700,000.00)	Group/Family	PhP 3,000,000.00 (shared limit; individual limit is PhP 1,700,000.00)	
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	<p><b>Pre-existing Conditions</b> – All pre-existing illnesses or conditions of a member shall be covered.</p> <p><b>Benefits</b> – The following are the major categories of healthcare and medical services under the Schedule of Benefits (<b>Annex B</b>) of the DFA Healthcare Coverage:</p> <ul style="list-style-type: none"> <li>A. In-patient Benefits</li> <li>B. Maternity Benefits</li> <li>C. Out-patient Benefits</li> <li>D. Annual Physical Exam</li> <li>E. Out-patient Prescribed Medicines</li> <li>F. Emergency Care (including professional ambulance service)</li> <li>G. Dental Benefits (minor and major)</li> <li>H. Optical Benefits</li> <li>I. Financial Assistance (for principal members) <ul style="list-style-type: none"> <li>1. Loss of Life Indemnity</li> <li>2. Additional Indemnity for Loss of Life by Accident</li> <li>3. Accident Disability and Dismemberment Benefit</li> </ul> </li> <li>J. Other Benefits (Maximum Benefit Utilization)</li> </ul> <p>Unless explicitly stated in the Exclusion List (<b>Annex C</b>), all healthcare and medical services are included in the DFA Local Healthcare Coverage.</p>	
VIII.	<p><b>CO-PAYMENT TERMS</b></p> <p>The following co-payment provisions shall operate in a sequential order:</p> <ul style="list-style-type: none"> <li>a. <b>Deductible</b> – A member is subject to a deductible of One Thousand Pesos (PhP 1,000.00)</li> <li>b. <b>Co-Insurance</b> – A member shall be subject to a ten percent (10%) co-insurance on in- patient healthcare and medical expenses.</li> <li>c. <b>Maximum-Out-of-Pocket Limit</b> – In no case shall the Maximum-Out-of-Pocket Limit exceed PhP 75,000.00.</li> </ul>	
IX.	<p><b>RIGHTS AND DUTIES</b></p> <p>They shall include, but shall not be limited to, the following:</p>	
	<ul style="list-style-type: none"> <li>a. Members shall be issued new membership cards indicating validity for the duration of the contract to facilitate access to services. The membership cards will be processed upon receipt by the Provider of the Notice to Proceed (NTP) based on the master list provided by the Department and issued within thirty (30) calendar days upon receipt of the master list and subsequent updates thereto.</li> </ul>	

	<p>In case a member's card has not been issued, the policy number shall be sufficient proof of membership.</p>	
	<p>b. Members may directly access any accredited hospital, physician, specialist, or appropriate care provider, for health and medical services without prior consultation with or approval of the Provider.</p>	
	<p>c. In cases where the Provider's representative is not present to issue an LOA, the Provider shall have an online facility for its issuance or shall fully reimburse the fees of the accredited health and/or medical professional/institution.</p>	
	<p>d. Members who avail themselves of healthcare services from a specialist health professional, when none is accredited, shall be reimbursed fifty percent (50%) of the actual expenses or the industry standard, whichever is higher.</p> <p>For all other non-accredited health and/or medical professional/institution, members shall be issued a letter of guarantee or reimbursed for coverable charges subject to industry standards.</p> <p>The Provider shall provide the list of accredited health and/or medical professional/institution upon award of the Contract.</p>	
	<p>e. In case of emergency confinement in a non-affiliated hospital, members shall be reimbursed for coverable charges.</p>	
	<p>f. In the event that the room prescribed under the coverage is unavailable upon admission for confinement, a member shall be admitted to the next higher-level room without additional expense until the prescribed room becomes available. This shall be applicable for both emergency and non-emergency cases requiring confinement.</p>	
	<p>g. Should reimbursement be necessary, bank charges and other related costs shall be borne by the Provider.</p>	
	<p>h. The Provider shall immediately notify the DFA of changes in the list of affiliated health and/or medical professional/institution, provided that none of the institutions</p>	



	<p>listed in VI (e) shall be removed from the list for the duration of the contract.</p>	
	<p>i. The Provider shall furnish each principal member together with the membership card, a manual on the Department's health care and medical coverage, including information on the procedures for availing of benefits and claims.</p>	
	<p>j. The Provider shall settle claims for reimbursement within fifteen (15) calendar days from receipt of complete claim documents.</p>	
	<p>k. The Provider shall submit a quarterly Utilization and Claims Experience Report of the Department in a spreadsheet file, on or before the 15<sup>th</sup> day of the first month of the following quarter, which shall contain at least the following:</p> <ol style="list-style-type: none"> <li>1. Claims demographics including summary of un-enrolled members</li> <li>2. Summary of approved claims by member category</li> <li>3. Summary of disallowed claims and their bases</li> <li>4. Top fifteen (15) providers for out-patient and in-patient care by member category</li> <li>5. Top fifteen (15) illnesses by member category</li> <li>6. Top fifteen (15) utilizers by member category</li> <li>7. Claims for Loss of Life Indemnity</li> <li>8. Claims for additional Indemnity of Loss of Life by Accident</li> <li>9. Claims for accidental Disability and Dismemberment Benefit</li> <li>10. Any other information that may be required by the Department.</li> </ol>	
	<p>l. The Provider shall submit monthly Raw Data of Utilization Reports in spreadsheet file, on or before the 15<sup>th</sup> day of the following month, following the prescribed format in ANNEX D.</p> <p>The reports in (k) and (l) above shall be the basis for the issuance by Human Resource Management Office (HRMO) of the monthly certificate of acceptance and completion. The monthly certificate is a condition to payment.</p>	
	<p>m. The Provider shall designate a company official who shall be the focal person for all matters related to the Department's policy.</p>	

	<p>n. The Provider shall assign a liaison officer to be stationed at the DFA Main Building during office hours who can also be reached through mobile phone and by email 24/7. It shall also provide the liaison officer with the necessary office equipment and supplies.</p>	
	<p>o. The Provider shall maintain a 24-hour hotline for verification of membership and inquiries on health and medical services.</p>	
	<p>p. The Provider shall assign one retainer physician with Registered Nurse (RN) assistant at both the DFA Main Building and DFA-Office of Consular Affairs (OCA) Aseana Building during office hours. The retainer physician may be an authorized representative to issue letters of authorization (LOAs) for DFA Employees and/or dependent members.</p>	
	<p>q. Upon the request of a member, the Provider shall immediately issue a letter of guarantee (LOG) for non-affiliated healthcare professionals/institutions when warranted, as provided in item no. VI.d.1.</p>	
	<p>r. In the event that a new Regional Consular Office or Satellite Office is opened during the validity of the Contract, the Provider shall provide the Department the names and contact details of all accredited health and/or medical professionals/institutions in the area of the new office within a period of thirty (30) calendar days from its opening.</p>	
	<p>s. The Provider shall organize at least two (2) wellness programs to address common and high-cost medical issues and concerns of the Department's personnel. The Department and the Provider shall agree on the details of the wellness programs.</p>	
	<p>t. The Provider shall submit all books, records and files relevant to the auditing of the Department's medical claims during scheduled and spot visits of the Department's representatives to the Provider's office.</p>	
<b>X.</b>	<p><b>ENROLLMENT AND UN-ENROLLMENT OF MEMBERS</b></p> <p>The Department shall immediately notify the Provider through its designated representative in the Department of the date of effectivity of the enrollment and un-enrollment of members.</p>	

	The Provider shall notify HRMO of the designated representative for the enrollment and un-enrollment of members on the date of effectivity provided by the Department for billing purposes.	
<b>XI.</b>	<b>BID OFFERS</b>  The bid offer shall be quoted in Philippine pesos only. The Provider shall submit a price breakdown which shall include, but shall not be limited to, medical claims, administration costs, consultation costs, consultation fees and miscellaneous fees.	
<b>XII.</b>	<b>TERMS OF PAYMENT</b>  a. The Provider shall submit twelve (12) equal monthly billings, based on the annual premiums of the enrollment at the beginning of the year, one week after receipt of the Notice to Proceed (NTP).  b. The Department shall make monthly payments for the premiums by bank transfer from the Land Bank of the Philippines through a List of Due and Demandable Accounts Payable (LDDAP) on the first week of each month subject to the following:  1. The payment for January 2018 shall be upon the release of Notice of Cash Allocation (NCA) from the Department of Budget and Management (DBM). 2. The billings for November and December 2018 shall be subject to adjustment based on the actual enrollment and un-enrollment of members to avoid over payment.	
<b>XIII.</b>	<b>SUSPENSION OF SERVICES</b>  a. The Provider shall not unilaterally suspend services due to late payment of premiums for reasons beyond the Department's control.  b. The Provider shall give thirty (30) days' notice by registered mail to the Department of any intention to suspend services.  c. In case of suspension, services shall be restored immediately after the payment of all past due premiums.	
<b>XIV.</b>	<b>CONTRACT DURATION</b>  This Local Healthcare Coverage of DFA Personnel shall be for a period of one (1) year, which shall begin on 01 January 2018 and end on 31 December 2018.	

	<p>Coverage becomes effective on the date of enrolment, but not before the effective date of the present contract.</p> <p>The contract enters into effect on 01 January 2018 at 00:00 hour for a period of twelve (12) months.</p>	
<b>XV.</b>	<p><b>EXTENSION OF CONTRACT</b></p> <p>Should no new contract on local healthcare coverage for the following year be awarded by the end of this contract term, the Department has the option to extend the contract for three (3) months under the same terms and conditions without any surcharge or extension fee.</p> <p>Under Republic Act 9184 otherwise known as the Government Procurement Act, no contract shall be extended for more than one (1) year.</p>	
<b>XVI.</b>	<p><b>INTERPRETATION OF THE HEALTHCARE COVERAGE</b></p> <p>In case of conflict between the Terms of Reference of the Contract and the standard healthcare or insurance policy of the Provider, the Terms of Reference shall prevail.</p>	

**Note:**

Bidder must state compliance to each of the provisions in the Terms of Reference/Technical Specifications, as well as to the Schedule to Requirements. The **STATEMENT OF COMPLIANCE** must be signed by the authorized representative of the Bidder, with proof of authority to sign and submit the bid for and in behalf of the Bidder concerned. If the Bidder is a joint venture, the representative must have authority to sign for and in behalf of the partners to the joint venture.

Conformé:

[Signature/s]

[Name of Bidder's Authorized Representative/s]

[Position]

[Date]

LOCAL HEALTHCARE COVERAGE  
SCHEDULE OF BENEFITS

**Annex B**

I.	<b>ANNUAL BENEFIT LIMIT (ABL)</b>		<b>REMARKS</b>
	<i>Single</i>	PhP 1,500,000.00	
	<i>Duo</i>	PhP 2,000,000.00	Shared limit; PhP 1,700,000.00 individual limit
	<i>Group/Family</i>	PhP 3,000,000.00	Shared limit; PhP 1,700,000.00 individual limit
			All benefits, except Financial Assistance and Maximum Benefit Utilization, shall be subject to ABL.
II.	<b>CO-PAYMENT TERMS</b>		
	Deductible	PhP 1,000.00	
	Co-Insurance	90/10	All in-patient healthcare and medical expenses
	Maximum Out-of Pocket Limit	PhP 75,000.00	Cumulative
			All benefits shall be subject to MOPL
III.	<b>BENEFITS</b>		
A.	<b>IN-PATIENT BENEFITS</b>		In addition to PhilHealth
	Room and Board	Open Private (single occupancy)	
	All Covered Medical Expense Limits	as charged	
B.	<b>MATERNITY BENEFITS</b>	as charged	co-insurance Includes out-patient services, such as pre- and post-natal consultations and laboratory tests Actual delivery
C.	<b>OUT-PATIENT BENEFITS</b>		In addition to PhilHealth, when applicable
	Annual Benefit (per person)	PhP 300,000.00	
D.	<b>ANNUAL PHYSICAL EXAM</b>	PhP 15,000.00	Principal members only; shall be availed at any hospital or clinic accredited by the Provider
E.	<b>OUT-PATIENT PRESCRIBED MEDICINES</b>	PhP 150,000.00	Shared limit; includes prescribed vitamins and minerals
F.	<b>EMERGENCY CARE</b>	as charged	Includes all items and services as needed in the treatment of the patient
G.	<b>DENTAL BENEFITS (minor and major)</b>	PhP 5,000.00	Shared limit
H.	<b>OPTICAL BENEFITS</b>	PhP 5,000.00	Shared limit; error of refraction, eyeglasses and contact lens as prescribed
I.	<b>FINANCIAL ASSISTANCE (for principal members)</b>		
	Loss of Life Indemnity	PhP 1,000,000.00	
	Additional Indemnity for Loss of Life by Accident	PhP 1,000,000.00	
	Accidental Disability and Dismemberment (long scale)	PhP 1,000,000.00	Maximum amount
J.	<b>OTHER BENEFITS</b>		
	Maximum Benefits Utilization	PhP 500,000.00	First 10 members to exceed ABL are entitled to additional benefit of PhP 500,000.00

# **Exclusion List (Local Coverage)**

## **Annex C**

### **EXCLUSIONS**

#### **FINANCIAL ASSISTANCE**

#### **For Loss of Life Indemnity, Additional Indemnity for Loss of Life by Accident, and Accidental Disability and Dismemberment Benefit**

No benefits are payable if the death or loss results from suicide or intentionally self-inflicted injury, while sane or insane

#### **BENEFITS (In-patient, Out-patient)**

Subject to the Terms of Reference, no benefits are payable for the following:

- treatment arising from or is in any way connected with attempted suicide or any injury or illness inflicted upon one's self
- treatment in nature clinics, health spas and nursing homes
- charges for residential stays in a hospital, which are arranged wholly or partially for domestic reasons, where treatment is not required, or where the hospital has effectively become the place of domicile or permanent abode
- treatment needed because of, or relating to, infertility or any type of fertility treatment, including complications arising out of such treatment, with the exception of the investigation of infertility to the point of diagnosis
- treatment by way of the intentional termination of pregnancy, unless two medical practitioners certify in writing that the pregnancy was to endanger the life or mental ability of the mother
- sex change operations or any treatment needed to prepare for or recover from these operations (e.g., psychological counselling) including complications arising out of such treatment
- treatment that arises from, or is any way connected with injury, sickness or disability as a result of taking part in a sporting activity on a professional basis, solo scuba-diving, or scuba-diving at depths below 30 meters unless the diver is PADI qualified (or equivalent) for that depth
- expenses relating to any form of plastic, cosmetic or reconstructive surgery treatment, including aesthetic dental and medical procedures, unless it is of medical necessity as a direct result of the patient having an accident or because of other surgery, which in itself would have been covered under the policy.
- Developmental disorders including functional disorders of the mind, such as but not limited to Attention-Deficit Disorder (ADD)/Attention-Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders, Central Auditory

Processing Disorder (CAPD), Cerebral Palsy, Down Syndrome, Neural Tube Defects, and Mental Retardation.

- Sexually transmitted diseases, genital warts, AIDS and AIDS related diseases.
- Illness, injury or death attributable to the member's own misconduct, gross negligence, intemperance or participation in the commission of a crime, violation of law or ordinance.
- Any treatment which are not recommended and performed by a Physician as being medically necessary including any charges for non-medical services such as telephone, radio, television, extra be, extra food, toilet articles and the like, private duty nurse or physician.
- Except when conducting official business or in the line of duty, the following cases are also excluded in the coverage:
  - Injuries arising from war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or undeclared), mutiny, riot, civil commotion, strike, civil war, rebellion, revolution, insurrections, conspiracy, military or usurped power, martial law or state of siege, or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege, seizure, quarantine or customs regulations; or nationalization by or under the order of any government or public or local authority; or any weapon or instrument employing atomic fission or radioactive force whether in time of peace or war.
  - Ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.





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## Bid Form

---

Date: \_\_\_\_\_  
Invitation to Bid<sup>20</sup> N<sup>o</sup>: PB-GS-10-2017

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 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:<sup>21</sup>

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.

---

<sup>20</sup>If ADB, JICA and WB funded projects, use IFB.

<sup>21</sup>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 Bid<sup>22</sup> 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)

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<sup>22</sup>If ADB, JICA and WB funded projects, use IFB.

**For Goods Offered From Within the Philippines**

Name of Bidder \_\_\_\_\_ . Invitation to Bid<sup>23</sup> Number . Page . of \_\_\_\_.

1	2	3	4	5	6	7	8	9	10
Item	Description	Country of origin	Quantity	Unit price EXWper item	Cost of local labor, raw material, and component <sup>2</sup>	Total price EXWper 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

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<sup>23</sup>If ADB, JICA and WB funded projects, use IFB.

## Contract Agreement Form

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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 Contractor*] of [*city and country of Contractor*] (hereinafter called “the Contractor”) 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 Contractor 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 Contractor as hereinafter mentioned, the Contractor 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 Contractor 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 Contractor).

## Omnibus Sworn Statement

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REPUBLIC OF THE PHILIPPINES )  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

### AFFIDAVIT

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

1. **Select one, delete the other:**

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

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

2. **Select one, delete the other:**

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

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

3. *[Name of Bidder]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. *[Name of Bidder]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

*If a sole proprietorship:* I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC

Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

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

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

7. [Name of Bidder] complies with existing labor laws and standards; and
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].
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.<sup>24</sup>
10. [Name of Bidder] can be reached through contact number \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_ day of \_\_, 20\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Bidder's Representative/Authorized Signatory

**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 \_\_\_\_\_.

\* This form will not apply for WB funded projects.

\_\_\_\_\_  
<sup>24</sup>GPPB Resolution No. 22-2013



## Bank Guarantee Form for Advance Payment

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To: *[name and address of PROCURING ENTITY]*  
*[name of Contract]*

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends Clause 10 of the General Conditions of Contract to provide for advance payment, *[name and address of Contractor]* (hereinafter called the "Contractor") shall deposit with the PROCURING ENTITY a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of *[amount of guarantee in figures and words]*.

We, the *[bank or financial institution]*, as instructed by the Contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the PROCURING ENTITY on its first demand without whatsoever right of objection on our part and without its first claim to the Contractor, in the amount not exceeding *[amount of guarantee in figures and words]*.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between the PROCURING ENTITY and the Contractor, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid and in full effect from the date of the advance payment received by the Contractor under the Contract until *[date]*.

Yours truly,

Signature and seal of the Guarantors

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*[name of bank or financial institution]*

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*[address]*

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*[date]*

REPUBLIC OF THE PHILIPPINES )  
CITY OF \_\_\_\_\_ ) S.S.  
X-----X

**BID SECURING DECLARATION**  
**Invitation to Bid No. PB-GS-10-2017**

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

I/We<sup>2</sup>, 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 and undertake 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 from 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/Highest Rated and Responsive Bid, and I/we have furnished the performance security and signed the Contract.

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

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

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

## Annex A

### STANDARD CHECKLIST OF ELIGIBILITY, TECHNICAL DOCUMENTS AND FINANCIAL COMPONENT OF THE DEPARTMENT'S PUBLIC BIDDING (FOR GOODS OR GENERAL SUPPORT SERVICES)

	<b>ELIGIBILITY AND TECHNICAL DOCUMENTS (TECHNICAL COMPONENT)</b>	<b>TAB/LABEL</b>
	<b>OMNIBUS SWORN STATEMENT</b> (in the prescribed form, duly notarized in accordance with the 2004 Rules on Notarial Practice).	<b>A</b>
1	In the case of a corporation, partnership, cooperative or joint venture, the Omnibus Sworn Statement shall be accompanied by a <b>notarized Secretary's Certificate (Authority of the Signatory)</b> .	<b>A.1</b>
2.	<b>Certificate of PhilGEPS Registration (Platinum Member)</b>	<b>B</b>
3	<b>Statement and Copy of all its ongoing government and private contracts</b> within the prescribed number of years, as indicated in the Invitation to Bid, including contracts awarded but not yet started, if any, as required in the Bidding Documents.	<b>C</b>
4	Copy of the <b>SINGLE LARGEST COMPLETED CONTRACT (SLCC)</b> together with <u>Certificate of Final Acceptance/Completion</u> of the project from the bidder's client OR <u>official receipt(s)</u> of the bidder for the contract, as described and required in the Bidding Documents  If the SLCC is covered by a non-disclosure agreement, the bidder shall submit, in lieu of the copy of the actual contract, an equivalent document which may include a letter or certification issued by the bidder's client(s) stating the existence of a non-disclosure agreement, name of the contract or the type of Goods delivered or Services performed, the duration of the contract, the indicative value of the contract and remaining obligation (if any), the duration of the contract, and whether such project or undertaking has been successfully delivered/performed by the bidder and accepted by the client.	<b>D</b>  <b>D.1</b>
5	<b>Net Financial Contracting Capacity (NFCC)</b> that is <i>at least equal</i> to the Approved Budget for the Contract (ABC).	<b>E</b>
6	<b>FOR JOINT VENTURES</b>  <b>Notarized Joint Venture Agreement (JVA)</b> in case the joint venture is already in existence, specifying the extent of ownership or interest of each partner. Provided that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%). In case of corporations or partnerships,	<b>F</b>

	<p>the person executing such sworn statement shall submit proof that he/she was duly authorized to sign and execute such sworn statement for and on behalf of the entity.</p> <p style="text-align: center;">or</p> <p><b>Duly Notarized Statements from all the potential joint venture partners</b> stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful and that they will enter into a JVA within 10 days from receipt of Notice of Award. In addition, such sworn statement must disclose the nationality and the location of the principal office as well as extent of ownership or interest of each partner entity. In case of corporations or partnerships, the person executing such sworn statement shall submit proof that he/she was duly authorized to sign and execute such sworn statement for and on behalf of the entity.</p>	
7	<p><b>Bid Security</b>, issued in favor of the DFA, valid for a period as stated in the BID DATA SHEET, in <u>any</u> of the acceptable forms:</p> <p>(a) <b>Cash or cashiers/manager’s check</b> issued by a universal or commercial bank (<b>2% of the ABC</b>).;</p> <p style="text-align: center;">OR</p> <p>(b) <b>Bank draft/guarantee or irrevocable letter of credit</b> 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 (<b>2% of the ABC</b>);</p> <p style="text-align: center;">OR</p> <p>(c) <b>Surety bond callable upon demand</b> issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security (<b>5% of the ABC</b>)</p> <p style="text-align: center;">OR</p> <p>(d) <b>Any combination of the foregoing</b> (Proportionate to share of form with respect to total amount of security)</p> <p style="text-align: center;">OR</p> <p>(e) <b>BID SECURING DECLARATION</b> (in the prescribed form as contained in the Bidding Documents).</p>	<b>G</b>
8	<p><b>STATEMENT OF COMPLIANCE</b> with all the <u>Technical Specifications /Terms of Reference</u>, as described as well as the <u>Schedule of Requirements</u>. (As enumerated and specified in Sections VI and VII, respectively, of the Bidding Documents)</p>	<b>H</b>
	<b>FINANCIAL COMPONENT</b>	

1	<b>Financial Bid Form</b> (indicating the bidder's bid price)	<b>A</b>
2	<b>Price Schedule or Breakdown of Bidder's Financial Bid</b>	<b>B</b>

LOCAL HEALTHCARE COVERAGE  
SCHEDULE OF BENEFITS

**Annex B**

I.	<b>ANNUAL BENEFIT LIMIT (ABL)</b>		<b>REMARKS</b>
	<i>Single</i>	PhP 1,500,000.00	
	<i>Duo</i>	PhP 2,000,000.00	Shared limit; PhP 1,700,000.00 individual limit
	<i>Group/Family</i>	PhP 3,000,000.00	Shared limit; PhP 1,700,000.00 individual limit
			All benefits, except Financial Assistance and Maximum Benefit Utilization, shall be subject to ABL.
II.	<b>CO-PAYMENT TERMS</b>		
	Deductible	PhP 1,000.00	
	Co-Insurance	90/10	All in-patient healthcare and medical expenses
	Maximum Out-of Pocket Limit	PhP 75,000.00	Cumulative
			All benefits shall be subject to MOPL
III.	<b>BENEFITS</b>		
A.	<b>IN-PATIENT BENEFITS</b>		In addition to PhilHealth
	Room and Board	Open Private (single occupancy)	
	All Covered Medical Expense Limits	as charged	
B.	<b>MATERNITY BENEFITS</b>	as charged	co-insurance Includes out-patient services, such as pre- and post-natal consultations and laboratory tests Actual delivery
C.	<b>OUT-PATIENT BENEFITS</b>		In addition to PhilHealth, when applicable
	Annual Benefit (per person)	PhP 300,000.00	
D.	<b>ANNUAL PHYSICAL EXAM</b>	PhP 5,000.00	Principal members only; shall be availed at any hospital or clinic accredited by the Provider
E.	<b>OUT-PATIENT PRESCRIBED MEDICINES</b>	PhP 150,000.00	Shared limit; includes prescribed vitamins and minerals
F.	<b>EMERGENCY CARE</b>	as charged	Includes all items and services as needed in the treatment of the patient
G.	<b>DENTAL BENEFITS (minor and major)</b>	PhP 5,000.00	Shared limit
H.	<b>OPTICAL BENEFITS</b>	PhP 5,000.00	Shared limit; error of refraction, eyeglasses and contact lens as prescribed
I.	<b>FINANCIAL ASSISTANCE (for principal members)</b>		
	Loss of Life Indemnity	PhP 1,000,000.00	
	Additional Indemnity for Loss of Life by Accident	PhP 1,000,000.00	
	Accidental Disability and Dismemberment (long scale)	PhP 1,000,000.00	Maximum amount
J.	<b>OTHER BENEFITS</b>		
	Maximum Benefits Utilization	PhP 500,000.00	First 10 members to exceed ABL are entitled to additional benefit of PhP 500,000.00

# **Exclusion List (Local Coverage)**

## **Annex C**

### **EXCLUSIONS**

#### **FINANCIAL ASSISTANCE**

#### **For Loss of Life Indemnity, Additional Indemnity for Loss of Life by Accident, and Accidental Disability and Dismemberment Benefit**

No benefits are payable if the death or loss results from suicide or intentionally self-inflicted injury, while sane or insane

#### **BENEFITS (In-patient, Out-patient)**

Subject to the Terms of Reference, no benefits are payable for the following:

- treatment arising from or is in any way connected with attempted suicide or any injury or illness inflicted upon one's self
- treatment in nature clinics, health spas and nursing homes
- charges for residential stays in a hospital, which are arranged wholly or partially for domestic reasons, where treatment is not required, or where the hospital has effectively become the place of domicile or permanent abode
- treatment needed because of, or relating to, infertility or any type of fertility treatment, including complications arising out of such treatment, with the exception of the investigation of infertility to the point of diagnosis
- treatment by way of the intentional termination of pregnancy, unless two medical practitioners certify in writing that the pregnancy was to endanger the life or mental ability of the mother
- sex change operations or any treatment needed to prepare for or recover from these operations (e.g., psychological counselling) including complications arising out of such treatment
- treatment that arises from, or is any way connected with injury, sickness or disability as a result of taking part in a sporting activity on a professional basis, solo scuba-diving, or scuba-diving at depths below 30 meters unless the diver is PADI qualified (or equivalent) for that depth
- expenses relating to any form of plastic, cosmetic or reconstructive surgery treatment, including aesthetic dental and medical procedures, unless it is of medical necessity as a direct result of the patient having an accident or because of other surgery, which in itself would have been covered under the policy.
- Developmental disorders including functional disorders of the mind, such as but not limited to Attention-Deficit Disorder (ADD)/Attention-Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders, Central Auditory

Processing Disorder (CAPD), Cerebral Palsy, Down Syndrome, Neural Tube Defects, and Mental Retardation.

- Sexually transmitted diseases, genital warts, AIDS and AIDS related diseases.
- Illness, injury or death attributable to the member's own misconduct, gross negligence, intemperance or participation in the commission of a crime, violation of law or ordinance.
- Any treatment which are not recommended and performed by a Physician as being medically necessary including any charges for non-medical services such as telephone, radio, television, extra be, extra food, toilet articles and the like, private duty nurse or physician.
- Except when conducting official business or in the line of duty, the following cases are also excluded in the coverage:
  - Injuries arising from war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or undeclared), mutiny, riot, civil commotion, strike, civil war, rebellion, revolution, insurrections, conspiracy, military or usurped power, martial law or state of siege, or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege, seizure, quarantine or customs regulations; or nationalization by or under the order of any government or public or local authority; or any weapon or instrument employing atomic fission or radioactive force whether in time of peace or war.
  - Ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.







Contact us at:

**DFA –BAC SECRETARIAT**

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Pasay City 1300 Philippines  
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