



**Republika ng Pilipinas**  
Republic of the Philippines  
**Kagawaran ng Tanggulang Pambansa**  
Department of National Defense

# **BIDDING DOCUMENTS**

**FOR THE**

## **DND-PN PROCUREMENT OF ONE (1) UNIT MULTI-PURPOSE AMPHIBIAN AIRCRAFT**

**PHILIPPINE NAVY PROCUREMENT PROJECT  
(DND-BAC # PN-2018-\_\_\_\_\_)**

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



**Republika ng Pilipinas**  
Republic of the Philippines  
**Kagawaran ng Tanggulang Pambansa**  
Department of National Defense

**INVITATION TO BID**  
**FOR THE SUPPLY AND DELIVERY OF**  
**ONE (1) UNIT MULTI-PURPOSE AMPHIBIAN AIRCRAFT**  
DND-BAC # PN-2018-\_\_\_\_\_

1. The Department of National Defense-Philippine Navy, through the AFP Modernization Act Trust Fund intends to apply the sum of **ONE BILLION THREE HUNDRED THIRTY THREE MILLION THREE HUNDRED THIRTY THREE THOUSAND THREE HUNDRED THIRTY THREE PESOS AND THIRTY THREE CENTAVOS (PhP1,333,333,333.33)** being the Approved Budget for the Contract (ABC) to payments under the contract for the Supply and Delivery of One (1) Unit Multi-Purpose Amphibian Aircraft. Bids received in excess of the ABC shall be automatically rejected at bid opening.
2. The DND-PN now invites bids for the procurement of One (1) Unit Multi-Purpose Amphibian Aircraft. Delivery of the Goods is required within **seven hundred thirty (730) calendar days** from the receipt of Contract and Notice to Proceed. Bidders should have completed, within the last 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.
3. Bidding will be conducted through **open competitive bidding** procedures using a non-discretionary "pass/fail" criterion as specified in the 2016 Revised 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.

4. Interested bidders may obtain further information from DND-Bids and Awards Committee 1 Secretariat and inspect the Bidding Documents at the address given below from 8:00 AM to 5:00 PM, Monday to Friday excluding holidays.
5. A complete set of Bidding Documents may be purchased by interested Bidders starting **September 21, 2018** from the address below *and upon payment of the applicable fee for the Bidding Documents, pursuant to the latest Guidelines issued*

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by the GPPB, in the amount of **SEVENTY FIVE THOUSAND PESOS (Php75,000.00).**

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

6. The DND-PN will hold a **Pre-Bid Conference** on **October 02, 2018** to start at **11:30 AM** at DND-BAC Conference Room, Basement, Left Wing, DND Bldg., Camp General Emilio Aguinaldo, Quezon City, which shall be open to prospective bidders.
7. Bids must be duly received by the BAC Secretariat at the address below on or before **October 16, 2018 at 09:30 AM**. All Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in **ITB** Clause 18.

**Bid opening** shall be on **October 16, 2018 at 09:30 AM** at DND-BAC Conference Room, Basement, Left Wing, DND Bldg., Camp General Emilio Aguinaldo, Quezon City. Bids will be opened in the presence of the bidders' representatives who choose to attend at the address below. In case the said date of bid opening falls on a holiday or a fortuitous event or was announced as a non-working day, the bid opening will be held on the next working Tuesday or Thursday, as the case may be. Late bids shall not be accepted.

8. The HOPE reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract at any time prior to contract award in accordance with Section 41 of RA 9184 and its IRR, without thereby incurring any liability to the affected bidder or bidders. Further, the HOPE reserves the same right, if the funds/allotments for said program/project/activity have been withheld or reduced through no fault of its own.
9. For further information, please refer to:  
DND BAC 1 Secretariat  
Basement, Left Wing  
DND Building, Camp General Emilio Aguinaldo,  
Quezon City, Philippines 1110  
Telephone No: (632)911-6001 local 8414  
Telefax No: (632)421-3531  
Email: dndbacsecretariat5626@yahoo.com

**(Sgd.) ASEC MANUEL FELINO V RAMOS**  
*Chairperson, DND Bids and Awards Committee 1*

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

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## **A. General**

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

- 1.1. The Procuring Entity named in the **BDS** invites bids for the supply and delivery of the Goods as described in
- 1.2.
- 1.3.
- 1.4.
- 1.5.
- 1.6.
- 1.7. Section **VII. Technical Specifications.**
- 1.8. 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 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 suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:
  - (a) defines, for purposes of this provision, the terms set forth below as follows:
    - (i) “corrupt practice” means 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 supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the **GCC** Clause 3.

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

- 4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) 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;
  - (e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid;
  - (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid; or
  - (g) A Bidder who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.
- 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 (HoPE),

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;
- (d) If the Bidder is a cooperative, to all its officers, directors, and controlling shareholders or members; and
- (e) If the Bidder is a joint venture (JV), the provisions of items (a), (b), (c), or (d) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

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

## 5. Eligible Bidders

- 5.1. Unless otherwise provided in the **BDS**, the following persons shall be eligible to participate in this bidding:
- (a) Duly licensed Filipino citizens/sole proprietorships;
  - (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
  - (c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
  - (d) Cooperatives duly organized under the laws of the Philippines; and
  - (e) Persons/entities forming themselves into a Joint Venture (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 JV 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 RA 9184 and its IRR allow foreign bidders to participate;
  - (b) Citizens, corporations, or associations of a country, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;
  - (c) When the Goods sought to be procured are not available from local suppliers; or
  - (d) When there is a need to prevent situations that defeat competition or restrain trade.
- 5.3. Government owned or –controlled corporations (GOCCs) 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 attached agencies of the Procuring Entity.
- 5.4. Unless otherwise provided in the **BDS**, the Bidder must have completed a Single Largest Completed Contract (SLCC) similar to the Project and the value of which, adjusted, if necessary, by the Bidder to current prices using the Philippine Statistics Authority (PSA) 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)(ii).

- 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:

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

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

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

If the prospective bidder opts to submit a committed Line of Credit, it must be at least equal to ten percent (10%) of the ABC to be bid. If issued by a foreign universal or commercial bank, it shall be confirmed or authenticated by a local universal or commercial bank.

## 6. Bidder's Responsibilities

- 6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in
- 6.2.
- 6.3.
- 6.4.
- 6.5.
- 6.6.
- 6.7.
- 6.8.
- 6.9. Section VIII. Bidding Forms as required in **ITB** Clause 12.1(b)(iii).
- 6.10. 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 10.4.
  - (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 HoPE 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 and its IRR in relation to other provisions of RA 3019;
- (j) Complying with existing labor laws and standards, in the case of procurement of services; Moreover, bidder undertakes to:
  - (i) Ensure the entitlement of workers to wages, hours of work, safety and health and other prevailing conditions of work as established by national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable.

In case there is a finding by the Procuring Entity or the DOLE of underpayment or non-payment of workers' wage and wage-related benefits, bidder agrees that the performance security or portion of the contract amount shall be withheld in favor of the complaining workers pursuant to appropriate provisions of Republic Act No. 9184 without prejudice to the institution of appropriate actions under the Labor Code, as amended, and other social legislations.

- (ii) Comply with occupational safety and health standards and to correct deficiencies, if any.

In case of imminent danger, injury or death of the worker, bidder undertakes to suspend contract implementation pending clearance to proceed from the DOLE Regional Office and to comply with Work Stoppage Order; and

- (iii) Inform the workers of their conditions of work, labor clauses under the contract specifying wages, hours of work and other benefits under prevailing national laws, rules and regulations; or collective bargaining agreement; or arbitration award, if and when applicable, through

posting in two (2) conspicuous places in the establishment's premises; and

- (k) Ensuring that it 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.

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

- 6.11. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
- 6.12. 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.
- 6.13. 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. However, the Procuring Entity shall ensure that all information in the Bidding Documents, including bid/supplemental bid bulletin/s issued, are correct and consistent.
- 6.14. 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.
- 6.15. 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.
- 6.16. The Bidder should note that the Procuring Entity will accept bids only from those that have paid the applicable 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 submit the documentary requirements under **ITB** Clause 12 and comply with the eligibility criteria specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.
- 8.3. The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

## **B. Contents of Bidding Documents**

### **9. Pre-Bid Conference**

- 9.1. (a) If so specified in the **BDS**, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.  
  
(b) The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids, but not earlier than seven (7) calendar days from the posting of the invitation to bid/bidding documents in the PhilGEPS website. 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 as recorded in the minutes of the pre-bid conference and the Supplemental/Bid Bulletin. The minutes of the pre-bid conference shall be recorded and prepared not later than five (5) calendar days after the pre-bid conference. The minutes shall be made available to prospective bidders not later than five (5) days upon written request.



- 9.3 Decisions of the BAC amending any provision of the bidding documents shall be issued in writing through a Supplemental/Bid Bulletin at least seven (7) calendar days before the deadline for the submission and receipt of bids.

## **10. Clarification and Amendment of Bidding Documents**

- 10.1. Prospective bidders may request for clarification on and/or interpretation of any part of the Bidding Documents. 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. The BAC shall respond to the said request by issuing a Supplemental/Bid Bulletin, to be made available to all those who have properly secured the Bidding Documents, at least seven (7) calendar days before the deadline for the submission and receipt of Bids.
- 10.3. Supplemental/Bid Bulletins may also 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.
- 10.4. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted in the PhilGEPS and the website of the Procuring Entity concerned, if available, and at any conspicuous place in the premises of the Procuring Entity concerned. It shall be the responsibility of all Bidders who have properly secured 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.

### **C. Preparation of Bids**

## **11. Language of Bids**

The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be 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 purposes of interpretation of the bid.

## 12. Documents Comprising the Bid: Eligibility and Technical Components

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

(a) Eligibility Documents –

### Class “A” Documents:

- (i) PhilGEPS Certificate of Registration and Membership in accordance with Section 8.5.2 of the IRR, except for foreign bidders participating in the procurement by a Philippine Foreign Service Office or Post, which shall submit their eligibility documents under Section 23.1 of the IRR, provided, that the winning bidder shall register with the PhilGEPS in accordance with section 37.1.4 of the IRR.
- (ii) Statement of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid; and Statement of the Bidder's SLCC similar to the contract to be bid, in accordance with ITB Clause 5.4, within the relevant period as provided in the **BDS**. The two statements required shall indicate for each contract the following:
  - (ii.1) name of the contract;
  - (ii.2) date of the contract;
  - (ii.3) contract duration;
  - (ii.4) owner's name and address;
  - (ii.5) kinds of Goods;
  - (ii.6) For Statement of Ongoing Contracts - amount of contract and value of outstanding contracts;
  - (ii.7) For Statement of SLCC - amount of completed contracts, adjusted by the Bidder to current prices using PSA's consumer price index, if necessary for the purpose of meeting the SLCC requirement;

- (ii.8) date of delivery; and
- (ii.9) end user's acceptance or official receipt(s) or sales invoice issued for the contract, if completed, which shall be attached to the statements.
- (iii) NFCC computation in accordance with ITB Clause 5.5 or a committed Line of Credit from a universal or commercial bank.

Class "B" Document:

- (iv) If applicable, the Joint Venture Agreement (JVA) in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners in accordance with Section 23.1(b) of the IRR.

(b) Technical Documents –

- (i) Bid security in accordance with **ITB** Clause 18. If the Bidder opts to submit the bid security in the form of:
  - (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 25.3 of the IRR of RA 9184 and using the form prescribed in
- (iv)
- (v)
- (vi)
- (vii)
- (viii)
- (ix)
- (x)

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

### **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 applicable Price Schedules, in accordance with **ITB** Clauses 15.1 and 15.4;
  - (b) If the Bidder claims preference as a Domestic Bidder, a certification from the DTI 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 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 monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.

## **14. Alternative Bids**

- 14.1 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.
- 14.2 Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder's participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

## **15. Bid Prices**

- 15.1. The Bidder shall complete the appropriate Schedule of Prices 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 Schedule of Prices. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Schedule of Prices, 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 zero (0) or a dash (-) for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be accomplished.
- 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);
  - (ii) The cost of all customs duties and sales and other taxes already paid or payable;
  - (iii) The cost of transportation, insurance, and other costs incidental to delivery of the Goods to their final destination; and
  - (iv) 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**.
- (c) For Services, based on the form which may be prescribed by the Procuring Entity, in accordance with existing laws, rules and regulations

15.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to **ITB** Clause 0.

All bid prices for the given scope of work in the contract as awarded shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Upon the recommendation of the Procuring Entity, price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and

Development Authority in accordance with the Civil Code of the Philippines, and upon approval by the GPPB. 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 *Bangko Sentral ng Pilipinas* (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 Bidder shall submit a Bid Securing Declaration or any form of Bid Security in the amount stated in the **BDS**, which shall be not less

than the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Not Less than the Percentage of the ABC)
<p>(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.</p> <p><i>For biddings conducted by LGUs, the Cashier's/Manager's Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	
<p>(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.</p> <p><i>For biddings conducted by LGUs, Bank Draft/Guarantee, or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	<p>Two percent (2%)</p>
<p>(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.</p>	<p>Five percent (5%)</p>

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, within ten (10) calendar days from receipt of the Notice of Award, and commits to pay the corresponding amount as fine, and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as provided in the guidelines issued by the GPPB.

- 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 request for reconsideration and/or protest, or upon the lapse of the reglementary period to file a request for reconsideration or protest. Without prejudice on its forfeiture, bid securities shall be returned only after the Bidder with the Lowest Calculated Responsive Bid (LCRB) 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.
- 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) has a finding against the veracity of any of the documents submitted 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 LCRB;
  - (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. This shall also be observed for each lot in the case of lot procurement.

- 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 addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 19.4. Each and every page of the Bid Form, including the Schedule of Prices, under Section VIII hereof, shall be signed by the duly authorized representative/s of the Bidder. Failure to do so shall be a ground for the rejection of the bid.
- 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 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 1.8; 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. Bid envelopes that are not properly sealed and marked, as required in the bidding documents, shall not be rejected, but the Bidder or its duly authorized representative shall acknowledge such condition of the bid as submitted. The BAC or the Procuring Entity shall assume no responsibility for the misplacement of the contents of the improperly sealed or marked bid, or for its premature opening.

## **D. Submission and Opening of Bids**

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

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

### **22. Late Bids**

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to **ITB** Clause 21, shall be declared “Late” and shall not be accepted by the Procuring Entity. The BAC shall record in the minutes of bid submission and opening, the Bidder’s name, its representative and the time the late bid was submitted.

### **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 and properly identified in accordance with ITB Clause 20, 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. The Letter of Withdrawal must be executed by the duly authorized representative of the Bidder identified in the Omnibus Sworn Statement, a copy of which should be attached to the letter.

- 23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 23.1 shall be returned unopened to the Bidders. A Bidder, who has acquired the bidding documents, 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 bids in public, immediately after the deadline for the submission and receipt of bids, as specified in the **BDS**. In case the Bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the Bids submitted and reschedule the opening of Bids on the next working day or at the soonest possible time through the issuance of a Notice of Postponement to be posted in the PhilGEPS website and the website of the Procuring Entity concerned.
- 24.2. Unless otherwise specified in the **BDS**, the BAC shall open the first bid envelopes and determine each Bidder's compliance with the documents prescribed in **ITB** Clause 12, 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".
- 24.3. 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.

- 24.4. 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.
- 24.5. All members of the BAC who are present during bid opening shall initial every page of the original copies of all bids received and opened.
- 24.6. In the case of an eligible foreign bidder as described in **ITB** Clause 5, the following Class “A” Documents may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned, which shall likewise be uploaded and maintained in the PhilGEPS in accordance with Section 8.5.2 of the IRR:
- (a) Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or CDA for cooperatives;
  - (b) Mayor’s/Business permit issued by the local government where the principal place of business of the bidder is located; and
  - (c) Audited Financial Statements showing, among others, the prospective bidder’s total and current assets and liabilities stamped “received” by the Bureau of Internal Revenue or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two years from the date of bid submission.
- 24.7. Each partner of a joint venture agreement shall likewise submit the requirements in **ITB** Clause 12.1(a)(i). Submission of documents required under **ITB** Clauses 12.1(a)(ii) to 12.1(a)(iii) by any of the joint venture partners constitutes compliance.
- 24.8. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price (per lot, if applicable, and/or including discount, if any), bid security, findings of preliminary examination, and whether there is a withdrawal or modification; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.
- 24.8 The bidders or their duly authorized representatives may attend the opening of bids. The BAC shall ensure the integrity, security, and confidentiality of all submitted bids. The Abstract of Bids as read and the minutes of the bid opening shall be made available to the public upon written request and payment of a specified fee to recover cost of materials.

- 24.9 To ensure transparency and accurate representation of the bid submission, the BAC Secretariat shall notify in writing all bidders whose bids it has received through its PhilGEPS-registered physical address or official e-mail address. The notice shall be issued within seven (7) calendar days from the date of the bid opening.

## **E. Evaluation and Comparison of Bids**

### **25. Process to be Confidential**

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

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

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

### **27. Domestic Preference**

- 27.1. Unless otherwise stated in the **BDS**, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:
- (a) The preference shall be applied when the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder.
  - (b) For evaluation purposes, the lowest Foreign Bid shall be increased by fifteen percent (15%).
  - (c) In the event that the lowest bid offered by a Domestic Bidder does not exceed the lowest Foreign Bid as increased, then the Procuring Entity shall award the contract to the Domestic Bidder at the amount of the lowest Foreign Bid.
  - (d) If the Domestic Bidder refuses to accept the award of contract at the amount of the Foreign Bid within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid,

subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.

- 27.2. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI 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 0, in order to determine the Lowest Calculated Bid.
- 28.2. The Lowest Calculated Bid shall be determined in two steps:
- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
  - (b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 28.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. The BAC shall consider the following in the evaluation of bids:
- (a) Completeness of the bid. Unless the **BDS** allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, Schedule of Prices, 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 zero (0) or a dash (-) for the said item would mean that it is being offered for free to the Procuring Entity, except those required by law or regulations to be provided for; and
  - (b) Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications. 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 be based on the bid price quoted in the Bid Form, which includes the Schedule of Prices.
- 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.
- 28.7. If so indicated pursuant to **ITB** Clause 1.2, Bids are being invited for individual lots or for any combination thereof, provided that all Bids and combinations of Bids shall be received by the same deadline and opened and evaluated simultaneously so as to determine the Bid or combination of Bids offering the lowest calculated cost to the Procuring Entity. Bid prices quoted shall correspond to all items specified for each lot and to all quantities specified for each item of a lot. Bid Security as required by **ITB** Clause 18 shall be submitted for each contract (lot) separately. The basis for evaluation of lots is specified in BDS Clause 28.3.

## **29. Post-Qualification**

- 29.1. The BAC shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid 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 five (5) calendar days from receipt by the bidder of the notice from the BAC that it submitted the Lowest Calculated Bid, the Bidder shall submit its latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS) and other appropriate licenses and permits required by law and stated in the **BDS**.

Failure to submit any of the post-qualification requirements on time, or a finding against the veracity thereof, shall disqualify the bidder for award. Provided in the event that a finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the bid security in accordance with Section 69 of the IRR of RA 9184.

- 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, which shall be completed within a period of twelve (12) calendar days.
- 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 LCRB, and recommend to the HoPE 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 with a fresh period 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 LCRB is determined for recommendation for contract award.
- 29.6. Within a period not exceeding fifteen (15) calendar days from the determination by the BAC of the LCRB and the recommendation to award the contract, the HoPE or his duly authorized representative shall approve or disapprove the said recommendation.
- 29.7. In the event of disapproval, which shall be based on valid, reasonable, and justifiable grounds as provided for under Section 41 of the IRR of RA 9184, the HoPE shall notify the BAC and the Bidder in writing of such decision and the grounds for it. When applicable, the BAC shall conduct a post-qualification of the Bidder with the next Lowest Calculated Bid. A request for reconsideration may be filed by the bidder with the HoPE in accordance with Section 37.1.3 of the IRR of RA 9184.

### **30. Reservation Clause**

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

ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

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

- (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
- (b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
- (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
  - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the HoPE;
  - (ii) If the project is no longer necessary as determined by the HoPE; 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 LCRB refuses, without justifiable cause to accept the award of contract, and no award is made in accordance with Section 40 of the IRR of RA 9184.

## **F. Award of Contract**

### **31. Contract Award**

- 31.1. Subject to **ITB** Clause 29, the HoPE or its duly authorized representative 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 duly received by the Bidder or its representative 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 following documents within ten (10) calendar days from receipt of the Notice of Award:
    - (i) Valid JVA, if applicable; or
    - (ii) In the case of procurement by a Philippine Foreign Service Office or Post, the PhilGEPS Registration Number of the winning foreign Bidder;
  - (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, as provided in Section 37.3 of the IRR of RA 9184.
- 31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in
- 31.5.
- 31.6.
- 31.7.
- 31.8. 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, 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 (e.g., bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;
  - (d) Performance Security;
  - (e) Notice of Award of Contract; and
  - (f) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

### 33. Performance Security

- 33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- 33.2. The Performance Security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount not less than the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)

<p><i>For biddings conducted by the LGUs, the Cashier's/Manager's Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	
<p>(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.</p> <p><i>For biddings conducted by the LGUs, the Bank Draft/Guarantee or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i></p>	
<p>(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.</p>	<p>Thirty percent (30%)</p>

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 have a fresh period to 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 recommendation of 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, if necessary.

**34. Notice to Proceed**

Within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority, the Procuring Entity shall issue the Notice to Proceed (NTP) together with a copy or copies of the approved contract to the successful Bidder. All notices called for by the

terms of the contract shall be effective only at the time of receipt thereof by the successful Bidder.

### **35. Protest Mechanism**

Decisions of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the IRR of RA 9184.

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



## Bid Data Sheet

ITB Clause	
1.1	<p>The Procuring Entity is <b>Department of National Defense / Philippine Navy</b>.</p> <p>The name of the Contract is <b>Acquisition of One (1) Unit Multi-Purpose Amphibian Aircraft for the Philippine Navy</b>.</p> <p>The identification number of the Contract is _____.</p>
1.8	<p>The lot(s) and reference is/are: <b>DND-BAC # PN-2018-_____ : DND-PN Acquisition of One (1) Unit Multi-Purpose Amphibian Aircraft for the Philippine Navy</b></p>
2	<p>The Funding Source is:</p> <p>The Government of the Philippines (GOP) through <b>AFP Modernization Act Trust Fund</b> in the amount of <b>ONE BILLION THREE HUNDRED THIRTY THREE MILLION THREE HUNDRED THIRTY THREE THOUSAND THREE HUNDRED THIRTY THREE PESOS AND THIRTY THREE CENTAVOS (PhP1,333,333,333.33)</b>. The name of the Project is: <b>Acquisition of One (1) Unit Multi-Purpose Amphibian Aircraft for the Philippine Navy</b>.</p>
3.1	No further instructions.
5.1	No further instructions.
5.2	<i>Foreign bidders may participate in this Project in view of the following circumstance: “When the goods sought to be procured are not available from local suppliers” [ITB Clause 5.2 (c)]; Or “When there is a need to prevent situations that defeat competition or restrain trade” [ITB Clause 5.2 (d)].</i>
5.4	<p>The Bidder must have completed, within the last five (5) years, a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.</p> <p style="text-align: center;"><b>Or</b></p> <p>a) Completed at least two (2) similar contracts, the aggregate amount of which should be equivalent to at least “fifty percent (50%)” of the ABC for this Project; and</p> <p>b) The largest of these similar contracts must be equivalent to at least twenty five percent 25% of the ABC as required above.</p> <p>For this purpose, similar contracts shall refer to <b>Manufacture and Supply of a Maritime Surveillance Aircraft</b>.</p>
6.3	The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
7	No further instructions.
8.1	Subcontracting is allowed except for the supply, installation and

	<p>commissioning of the following items:</p> <ul style="list-style-type: none"> <li>- Airframe</li> <li>- Electrical System</li> </ul> <p>Further, the supplier must disclose the subcontractors during the Bid Opening to be validated during the Post Qualification of the following components:</p> <ul style="list-style-type: none"> <li>- Powerplant</li> <li>- Sensors</li> <li>- Avionics System</li> <li>- Mission Essential Equipment</li> <li>- Floats (if applicable)</li> </ul> <p>Subcontracting for the equipment/systems mentioned above which were not disclosed during the bid opening shall not be allowed.</p>
<b>8.2</b>	<p>Subcontractors must submit the following eligibility requirements:</p> <ul style="list-style-type: none"> <li>- Company registration</li> <li>- Latest Audited Financial Statement</li> <li>- Latest Tax Clearance per EO 398</li> <li>- Existing Subcontracting Agreement or equivalent</li> </ul> <p>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.</p>
<b>9.1</b>	<p>The Procuring Entity will hold a <b>Pre-bid Conference</b> for this Project on <b>October 02, 2018 at 10:00 AM</b> at the <b>DND-BAC Conference Room, Basement, Left Wing, DND Bldg., CGEA, Quezon City</b></p>
<b>10.1</b>	<p>The Procuring Entity's address is: DND-BAC Secretariat 1, Department of National Defense, Basement, Left Wing, DND Bldg., Camp General Emilio Aguinaldo, Quezon City <i>Contact person: Head, DND BAC Secretariat</i> <i>Telefax number: (02) 421-3531</i> <b>Website: <a href="http://www.dnd.gov.ph">www.dnd.gov.ph</a></b></p>
<b>11.</b>	<p>The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in <b>English</b>. 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 purposes of interpretation of the bid.</p>
<b>12.1(a)</b>	<p><b>Note:</b> Clause 19.4 of the Instruction to bidders: The bid, except for un-amended printed literature, shall be signed, and each and</p>

every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.  
Below is the complete list of Eligibility and Technical Proposal documents to be submitted **Properly TABBED** as indicated. Please refer to Section VIII for the prescribed sample forms.

TAB	ELIGIBILITY DOCUMENTS CLASS "A"	Form
<p><b>I. LEGAL DOCUMENTS:</b> <i>(In case of a Joint Venture, each member of the JV shall submit the required Legal Document as provided in TAB A as provided below or its appropriate equivalent documents. For foreign bidders, the equivalent document/s issued by the appropriate authority in the country of origin of the bidder concerned must be presented. If said document has no appropriate equivalent, a <b>Certificate of Inexistence of Appropriate Foreign Equivalent</b> may be submitted.)</i></p>		
A	<p><b>PhilGEPS Certificate of Registration and Membership (Platinum) in accordance with Section 8.5.2 of the IRR, RA 9184 or in lieu thereof, the following may be submitted:</b></p> <ol style="list-style-type: none"> <li>1. <b>Registration Certificate or its equivalent from:</b> <ul style="list-style-type: none"> <li>• Securities and Exchange Commission, for Corporation and Partnership; or</li> <li>• Department of Trade and Industry (DTI), for sole proprietorship; or</li> <li>• Cooperative Development Authority, for cooperatives</li> </ul> </li> <li>2. Mayor's Permit or its equivalent issued by the City or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas</li> <li>3. Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by BIR.</li> <li>4. Audited financial statements, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.</li> </ol> <p>For foreign bidders, the audited financial statements shall be prepared in accordance</p>	1

	with International Financial Reporting Standards.	
<b>II. TECHNICAL DOCUMENTS:</b>		
<b>B</b>	<p><b>Duly signed Statement of all on-going Government and Private contracts including contracts awarded but not yet started</b>, if any, whether similar or not similar in nature and complexity to the contract to be bid. (Projects with Notice of Awards are considered on-going projects)</p> <p>The bidder may make a reservation under oath in a notarized document not to disclose the name of its client on the ground of an existing confidentiality agreement but must disclose the amount, status, and name of the project for purposes of validating the NFCC, subject to the full disclosure during post-qualification. In this connection, the bidder may keep the name of the client from the statement of ongoing contracts.</p>	2
<b>C</b>	<p><b>Duly signed Statement of Single Largest Completed Contract (SLCC) similar to the contract to be bid</b> within a period of five (5) years from the date of submission and opening of bids, the value of which must be equivalent to at least fifty percent (50%) of the ABC.</p> <p><i>Or</i></p> <p>a) Completed at least two (2) similar contracts, the aggregate amount of which should be equivalent to at least fifty percent (50%) of the ABC for this Project; and</p> <p>b) The largest of these similar contracts must be equivalent to at least twenty five percent (25%) of the ABC.</p> <p>For this purpose, similar contracts shall refer to <b>Manufacture and Supply of Maritime Surveillance Aircraft</b>.</p> <p>The bidder may make a reservation under oath in a notarized document not to disclose the name of its client on the ground of an existing confidentiality agreement but must disclose the amount, status, and name of the project for purposes of validating the contents of the statement of single largest similar completed contract, subject to the full</p>	3

	disclosure during post-qualification. In this connection, the bidder may keep the name of the client from the statement of single largest similar completed contract.	
<b>III. FINANCIAL DOCUMENTS</b>		
<b>D</b>	<p>Duly signed NFCC Computation in accordance with ITB Clause 5.5; <i>or</i></p> <p>A bidder may submit a committed Line of Credit from a local Universal or Commercial Bank, in lieu of its NFCC computation which must be at least equal to 10% of the ABC to be bid.</p>	4
<b>ELIGIBILITY REQUIREMENTS CLASS "B"</b>		
<b>E</b>	<p>Valid <b>Joint Venture Agreement (JVA)</b>, in case the joint venture is already in existence, if applicable; <i>or</i></p> <p><b>Duly notarized undertaking or agreement</b> from all potential joint venture partners to enter and abide by the provisions of the JVA in the instance that the bid is successful.</p> <p>Failure to enter into a joint venture in the event of a contract award shall be ground for the forfeiture of the bid security. In both instances, authority of the representative for each partner shall be submitted during bid opening.</p> <p>In case JVA is not applicable, the bidder must submit a statement stating that JVA is not applicable in lieu of the foregoing.</p>	5
<b>TECHNICAL DOCUMENTS</b>		
<b>F.</b>	<p><b>Duly notarized Affidavit of Bid Securing Declaration, or any form of Bid Security</b>, in an amount not less than the required percentage of the ABC in accordance with the following schedule:</p> <ol style="list-style-type: none"> <li>1) Cash, or cashier's / manager's check issued by a Universal or Commercial Bank equivalent to two percent (2%) of the ABC; <i>or</i></li> <li>2) Bank draft/guarantee or irrevocable letter of credit issued by a Universal</li> </ol>	6

	<p>or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank equivalent to two percent (2%) of the ABC; or</p> <p>3) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security equivalent to five percent (5%) of the ABC.</p>	
<b>G</b>	<p><b>Duly signed Statement of Conformity with the Schedule of Requirements and Technical Specifications</b>, as enumerated and specified in Section VI and Section VII of the Bidding Documents with the following:</p> <ul style="list-style-type: none"> <li>- Copy of Aircraft Functional Test Flight Procedure</li> <li>- Certificate of Airworthiness issued by either the FAA or EASA or equivalent internationally recognized Classification Society for all aircraft configuration</li> </ul>	
<b>H</b>	<p>Notarized <b>Omnibus Sworn Statement</b> in accordance with Section 25.2(a)(viii) and Section 25.3 of the 2016 Revised IRR of RA 9184, and using the form prescribed in Section VIII (Bidding Forms).</p>	7
<b>I</b>	<p>Duly notarized Secretary's Certificate or Board Resolution or Special Power of Attorney of the authorized Representative of the Bidder or other appropriate forms of authority.</p>	
<b>J</b>	<p>Certification that the aircraft being offered is being used by the country of origin or at least two other countries</p>	
<b>K</b>	<p>Certificate of Availability of Spares for the next 30 years</p>	
<b>L</b>	<p>OEM Certificate declaring that the proponent is the sole/authorized manufacturer of the aircraft</p>	
<b>M</b>	<p>Certification that the aircraft and its components to be delivered are brand new (<b>Brand new means the aircraft has not been utilized for more than 30hrs</b>)</p>	
<b>12.1(a)i</b>	<p>The bidder's SLCC similar to the contract to be bid should have</p>	

<b>i)</b>	been completed within <i>the last five (5) years</i> prior to the deadline for the submission and receipt of bids.		
<b>13.1</b>	The <b>Financial Proposal Envelope</b> shall contain the following complete list of documents: <b>One (1) original and nine (9) photocopies shall be submitted.</b>		
	<b>TAB</b>	<b>FINANCIAL PROPOSAL DOCUMENTS</b>	<b>Form</b>
	<b>A.</b>	Duly signed Financial Bid Form. Price Proposal. Bid Prices and Schedule of Requirements/Bill of Quantities with corresponding price for each item and the applicable Price Schedules.	<b>8</b>
	<b>B.</b>	Duly signed itemized Price Proposal for Goods offered.	<b>8A 8B</b>
<b>13.1(b)</b>	No further instructions.		
<b>13.1(c)</b>	No additional requirements.		
<b>13.2</b>	The ABC is <b>ONE BILLION THREE HUNDRED THIRTY THREE MILLION THREE HUNDRED THIRTY THREE THOUSAND THREE HUNDRED THIRTY THREE PESOS AND THIRTY THREE CENTAVOS (PhP1,333,333,333.33)</b> . Any bid with a financial component exceeding this amount shall not be accepted.		
<b>15.4(a)(i v)</b>	No incidental services are required.		
<b>15.4(b)</b>	The price of the Goods shall be quoted <b>DAP – Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City.</b>		
<b>16.1(b)</b>	The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.		
<b>16.3</b>	Payment shall be made in <i>Philippine pesos</i> .		
<b>17.1</b>	Bids will be valid for a period of <b>One Hundred Twenty (120) Calendar Days</b> after the Bid Opening Date.		
<b>18.1</b>	Duly notarized Affidavit of Bid Securing Declaration, or any form of Bid Security, in an amount not less than the required percentage of the ABC in accordance with the following schedule:  1. Cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit in an amount of not less than <b>PhP 26,666,666.66</b> equivalent to 2% of ABC; or  2. Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security in the amount of not less than <b>PhP 66,666,666.66</b> equivalent to 5% of ABC.		
<b>18.2</b>	The bid security shall be valid for a period of <b>One Hundred Twenty (120) Calendar Days</b> after the Bid Opening date.		
<b>20.1</b>	The <b>original</b> of the Bid Securing Declaration, Omnibus Sworn Statement and Joint Venture Agreement must be submitted and included in the folder marked "Original".  <b>Original or Certified True Copy</b> of the Authorization of		

	Representative/s (Special Power of Attorney or Board Resolution/ Secretary's Certificate or other appropriate forms of authority) must also be submitted and included in the folder marked "Original".
<b>20.3</b>	Each Bidder shall submit <b>ten (10) copies</b> of the first and second components of its bid, one (1) copy of which shall be marked "Original".  Original copy means the copy than contains originally signed Joint Venture Agreement, Subcontracting Agreement, Omnibus Sworn Statement, Bid Securing Declaration, if applicable, Secretary's Certificate or Special Power of Attorney.
<b>21</b>	The address for submission of bids is:  <b>The Chairperson, DND BAC 1 Department of National Defense, Camp General Emilio Aguinaldo, Quezon City</b>  The deadline for submission of bids is <b>October 16, 2018</b> at <b>10:00 a.m.</b>
<b>24.1</b>	The place of bid opening is  <b>DND Conference Room, Basement, Left Wing, DND Bldg, Camp General Emilio Aguinaldo, Quezon City</b>  The date and time of bid opening is <b>October 16, 2018</b> at <b>10:00 a.m.</b>
<b>24.2</b>	No further instructions.
<b>24.3</b>	No further instructions.
<b>27.1</b>	No further instructions.
<b>28.3 (a)</b>	<b>Grouping and Evaluation of Lots –</b>  Partial bid is not allowed. The goods are grouped in a single lot and the lot shall not be divided into sub-lots for the purpose of bidding, evaluation, and contract award.
<b>28.4</b>	No further instructions.



<b>29.2</b>	<p>Within five (5) calendar days from receipt by the bidder of the notice from the BAC that the bidder has the Lowest Calculated Bid, the Bidder shall submit to the BAC the following documentary requirements:</p> <table border="1" data-bbox="347 342 1331 1323"> <thead> <tr> <th data-bbox="347 342 454 421"><b>TAB</b></th> <th data-bbox="454 342 1198 421"><b>POST-QUALIFICATION DOCUMENTS</b></th> <th data-bbox="1198 342 1331 421"><b>Form No.</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="347 421 454 875"><b>A</b></td> <td data-bbox="454 421 1198 875">                     Latest income and business tax returns per Revenue Regulations 3-2005 filed through the Electronic Filing and Payments System (EFPS).                      Only tax returns filed and taxes paid through the BIR Electronic Filing and Payments System (EFPS) or its equivalent in case of foreign bidders shall be accepted.                       NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission;                 </td> <td data-bbox="1198 421 1331 875"></td> </tr> <tr> <td data-bbox="347 875 454 949"><b>B</b></td> <td data-bbox="454 875 1198 949">                     Manufacturer's / Supplier's / Distributor's / Contractor's Profile;                 </td> <td data-bbox="1198 875 1331 949"></td> </tr> <tr> <td data-bbox="347 949 454 1323"><b>C</b></td> <td data-bbox="454 949 1198 1323">                     Other appropriate licenses to include but not limited to:                     <ul style="list-style-type: none"> <li>- Copy of Aircraft Functional Test Flight Procedure</li> <li>- Certificate of Airworthiness issued by FAA or EASA or equivalent internationally recognized Classification Society for all aircraft configuration</li> </ul> </td> <td data-bbox="1198 949 1331 1323"></td> </tr> </tbody> </table> <p>Note: When, during the opening of bids, the bidder submitted the PhilGEPS Certificate of Registration, all eligibility documents shall form part of the Post Qualification Documents, and vice versa.</p>	<b>TAB</b>	<b>POST-QUALIFICATION DOCUMENTS</b>	<b>Form No.</b>	<b>A</b>	Latest income and business tax returns per Revenue Regulations 3-2005 filed through the Electronic Filing and Payments System (EFPS). Only tax returns filed and taxes paid through the BIR Electronic Filing and Payments System (EFPS) or its equivalent in case of foreign bidders shall be accepted.  NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission;		<b>B</b>	Manufacturer's / Supplier's / Distributor's / Contractor's Profile;		<b>C</b>	Other appropriate licenses to include but not limited to: <ul style="list-style-type: none"> <li>- Copy of Aircraft Functional Test Flight Procedure</li> <li>- Certificate of Airworthiness issued by FAA or EASA or equivalent internationally recognized Classification Society for all aircraft configuration</li> </ul>	
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<b>B</b>	Manufacturer's / Supplier's / Distributor's / Contractor's Profile;												
<b>C</b>	Other appropriate licenses to include but not limited to: <ul style="list-style-type: none"> <li>- Copy of Aircraft Functional Test Flight Procedure</li> <li>- Certificate of Airworthiness issued by FAA or EASA or equivalent internationally recognized Classification Society for all aircraft configuration</li> </ul>												
<b>32.4(f)</b>	No additional requirement												
<b>33</b>	To guarantee the faithful performance by the winning bidder of its obligations under the contract, in accordance with the Bidding Documents, it shall post a performance security prior to the signing of the contract.												
<b>34.2</b>	The effective date of the Contract shall be upon receipt/ acknowledgement of the Notice to Proceed (NTP) by the supplier, which date shall not be later than seven (7) calendar days from the issuance of the NTP.												

## ***Section IV. General Conditions of Contract***

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## 1. Definitions

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

- (a) “The Contract” means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) “The Contract Price” means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) “The Goods” means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) “The Services” means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) “GCC” means the General Conditions of Contract contained in this Section.
- (f) “SCC” means the Special Conditions of Contract.
- (g) “The Procuring Entity” means the organization purchasing the Goods, as named in the **SCC**.
- (h) “The Procuring Entity’s country” is the Philippines.
- (i) “The Supplier” means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the **SCC**.
- (j) The “Funding Source” means the organization named in the **SCC**.
- (k) “The Project Site,” where applicable, means the place or places named in the **SCC**.
- (l) “Day” means calendar day.
- (m) The “Effective Date” of the contract will be the date of signing the contract, however the Supplier shall commence

performance of its obligations only upon receipt of the Notice to Proceed and copy of the approved contract.

- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the HoPE 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 suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
  - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
  - (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
  - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

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

### **4. Governing Law and Language**

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

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

## 5. Notices

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

## 6. Scope of Contract

- 6.1. The Goods and Related Services to be provided shall be as specified in
- 6.2.
- 6.3.
- 6.4.
- 6.5. Section VI. Schedule **of Requirements.**
- 6.6. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the **SCC**.

## 7. Subcontracting

- 7.1. Subcontracting of any portion of the Goods, if allowed in the **BDS**, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. If subcontracting is allowed, the Supplier may identify its subcontractor during contract implementation. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, subcontractors must submit the documentary requirements under **ITB** Clause 12

and comply with the eligibility criteria 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. Procuring Entity's Responsibilities

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

## 9. Prices

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with **GCC** Clause 29.

## 10. Payment

- 10.1. Payments shall be made only upon a certification by the HoPE to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in **GCC** Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the **SCC** provision for **GCC** Clause 6.6, and upon fulfillment of other obligations stipulated in this Contract.



- 10.3. Pursuant to **GCC** Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier. Payments shall be in accordance with the schedule stated in the **SCC**.
- 10.4. Unless otherwise provided in the **SCC**, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.
- 10.5. Unless otherwise provided in the **SCC**, payments using Letter of Credit (LC), in accordance with the Guidelines issued by the GPPB, is allowed. For this purpose, the amount of provisional sum is indicated in the **SCC**. All charges for the opening of the LC and/or incidental expenses thereto shall be for the account of the Supplier.

## **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. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.
- 11.3. For Goods supplied from abroad, unless otherwise indicated in the **SCC**, the terms of payment shall be as follows:
  - (a) On Contract Signature: Fifteen Percent (15%) 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%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the **SCC** provision on Delivery and Documents.
  - (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt, the

Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

## 12. Taxes and Duties

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

## 13. Performance Security

- 13.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the **ITB** Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
  - (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
  - (b) The Supplier has no pending claims for labor and materials filed against it; and
  - (c) Other terms specified in the SCC.
- 13.5. In case of a reduction of the contract value, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

## 14. Use of Contract Documents and Information

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information

furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

- 14.2. Any document, other than this Contract itself, enumerated in **GCC** Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

## 15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the

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

16.2.

16.3.

16.4.

16.5.

16.6.

- 16.7. 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 Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

- 16.8. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery,

and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.

- 16.9. 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.
- 16.10. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to **GCC** Clause 5.
- 16.11. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

## **17. Warranty**

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the **SCC**. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total Contract Price or other such amount if so specified in the **SCC**. The said amounts shall only be released after the lapse of the warranty period specified in the **SCC**; provided, however, that the Supplies delivered are free from patent

and latent defects and all the conditions imposed under this Contract have been fully met.

- 17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the **SCC** and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in **GCC** Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

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

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in
- 18.2.
- 18.3.
- 18.4.

### 18.5. Section VI. Schedule of Requirements.

- 18.6. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under **GCC** Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.7. Except as provided under **GCC** Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to **GCC** Clause 19, unless an extension of time is agreed upon pursuant to **GCC** Clause 29 without the application of liquidated damages.

## **19. Liquidated Damages**

Subject to **GCC** Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, 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 may rescind or terminate the Contract pursuant to **GCC** Clause 23, without prejudice to other courses of action and remedies open to it.

## **20. Settlement of Disputes**

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, 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 Supplier any monies due the Supplier.

## **21. Liability of the Supplier**

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the **SCC**.
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the

total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **22. Force Majeure**

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

## **23. Termination for Default**

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
  - (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contact price;
  - (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased; or

- (c) The Supplier fails to perform any other obligation under the Contract.
- 23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under **GCC** Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.
- 23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

## **24. Termination for Insolvency**

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

## **25. Termination for Convenience**

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



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

## 26. Termination for Unlawful Acts

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

## 27. Procedures for Termination of Contracts

- 27.1. The following provisions shall govern the procedures for termination of this Contract:
- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
  - (b) Upon recommendation by the Implementing Unit, the HoPE shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
    - (i) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
    - (ii) the extent of termination, whether in whole or in part;

- (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
- (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the HoPE a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the HoPE shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Supplier's verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The HoPE 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 HoPE; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

## **28. Assignment of Rights**

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

## **29. Contract Amendment**

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

### **30. Application**

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

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

### **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.

For foreign-assisted projects, the Special Conditions of Contract to be used is provided in Section IX-Foreign-Assisted Projects.

### Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is <b>Department of National Defense / Philippine Navy</b>
1.1(i)	The Supplier is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The Funding Source is  The Government of the Philippines (GOP) through <b>AFP Modernization Act Trust Fund</b> in the amount of <b>ONE BILLION THREE HUNDRED THIRTY THREE MILLION THREE HUNDRED THIRTY THREE THOUSAND THREE HUNDRED THIRTY THREE PESOS AND THIRTY THREE CENTAVOS (PhP1,333,333,333.33)</b> .
1.1(k)	The Delivery Site is: <b>Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City, Philippines.</b>
2.1	No further instructions.
5.1	The Procuring Entity's address for Notices is:  DND-BAC 1 Secretariat Basement, Left Wing DND Bldg. Camp General Emilio Aguinaldo Quezon City, Philippines 1110 Telephone No. (632) 911-6001 local 8414 Telefax: (632) 421-3531 The Supplier's address for Notices is: _____
6.6	<b>Delivery and Documents -</b> For purposes of the Contract, "EXW", "FOB", "FCA", "CIF", "CIP", "DDP", "DAP" 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:  For foreign Suppliers: The delivery terms applicable to the Contract is <b>DAP</b> , delivered at <b>Hangar 1, Headquarters Naval Air Group, Naval Base Heracleo Alano, Sangley Point, Cavite City, Philippines</b> . In accordance with INCOTERMS subject to Section 17 RA 10349 on customs duties, nothing shall prevent the Department of National Defense from applying other delivery terms other than the INCOTERMS whichever is more appropriate.  For domestic Suppliers: The delivery terms applicable to the Contract is delivered at <b>Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City, Philippines</b> . Risk and title will pass from the Supplier 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 Supplier in accordance with the terms specified in Section VI. Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are as follows:

For Goods supplied from within the Philippines or by domestic Suppliers:

Upon shipment, the supplier shall notify the procuring entity and the insurance company by cable the full details of the shipment, including contract number, description of the goods, quantity, vessel bill of lading number, and date, port of loading, date of shipment, port of discharge etc.

The Supplier shall likewise deliver the following documents to the Procuring Entity upon shipment:

- i. Original and four copies of the Supplier’s Invoice showing GOODS’ description, quantity, unit price, and total amount;
- ii. Original and four copies of the negotiable, clean shipped on board Bill of Lading/Air Waybill marked “freight pre-paid” and five copies of the non-negotiable bill of lading/air waybill;

Upon delivery to the delivery site, the supplier shall notify the procuring entity and present the following documents as applicable with the documentary requirements of any letter of credit issued:

- i. Four copies of the Supplier’s Invoice showing GOODS’ description, quantity, unit price, and total amount;
- ii. Four copies of the negotiable, clean shipped on board Bill of Lading/Air Waybill marked “freight pre-paid” and five copies of the non-negotiable bill of lading/air waybill;
- iii. Original Supplier’s Factory Inspection Report;
- iv. Original and four copies of the Manufacturer’s and/or Supplier’s warranty certificate;
- v. Original and four copies of the Manufacturer’s manual of proof and inspection;
- vi. Original and four copies of the Certificate of Origin (for imported GOODS);
- vii. Delivery receipt detailing number and description of items received signed by the procuring entity’s representative at the delivery site;
- viii. Certificate and four copies of Final Acceptance/Inspection Report signed by the procuring entity’s representative at delivery site;

- ix. Four copies of permanent export license for controlled military items, if the GOODS is a controlled military items in the originating country;
- x. Four copies of the invoice receipt for property signed by the procuring entity's representative at delivery site; and
- xi. Certificate and four copies of Pre-delivery Inspection by the procuring entity

For purposes of this Clause the PROCURING ENTITY's Representative at the Delivery Site is the **COMMANDER, NAVAL AIR GROUP**

**Incidental Services –**

The Supplier is required to provide all of the following services, including additional services, if any, as specified in the **Schedule of Requirements:**

- (a) performance and/or supervision of on-site assembly and/or pre-delivery inspection of the goods at the supplier's factory;
- (b) supervision of the final inspection and acceptance test of the goods at the delivery site;
- (c) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (d) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (e) Performance and/or supervision or maintenance and/or repair of the Supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract;
- (f) **Training of the procuring entity's personnel** as specified in Sections VI and VII of the Bidding Documents. The supplier is required to provide necessary requirements to the students for the entire duration of the training, including but not limited to the following: pre-departure expenses to include processing of necessary documentation requirements including VISA (if applicable), airfare tickets to and from the Philippines to the country of the training facility (if abroad), meals, billeting expenses, students' support for incidental expenses (international rate), students' insurance while on training, local transportation expenses to and from the training venue, expenses for the training venue, trainer aircraft and simulator training and its operating expenses to be used for the aircrew training, mission essential equipment training expenses, instructional training package (training materials, facilities to include availability of internet usage), and availability of instructors.

- (g) Accommodate at least six (6) observers from the Procuring Entity during the assembly and installation of aircraft power plant at the supplier's plant. The winning proponent shall shoulder all expenses of the observers' travel, accommodation, meals and allowances, may it be local or abroad.

The Contract price for the GOODS shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

**Spare Parts -**

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

- (a) Such spare parts as the PROCURING ENTITY may elect to Purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under this Contract; and
- (b) In the event of termination of production of the spare parts, an advance notification should be given to the PROCURING ENTITY of the pending termination, in sufficient time to permit the PROCURING ENTITY to procure needed requirements.

The spare parts required for the first five (5) years after delivery must be included in the list to be submitted together with the Technical Envelope eligibility in conformity with Section VII of the Bidding Documents and the costs thereof are included in the Contract Price.

The Supplier shall carry sufficient inventories to assure adequate stock supply of consumable spares for the GOODS for a period of thirty (30) years.

Other spare parts and components causing unscheduled downtime/Aircraft on Ground (AOG) shall be supplied as promptly as possible, but in no case shall be more than thirty (30) calendar days subject to the prevailing premiums upon placement of the order.

**Packaging -**

The Supplier shall provide such packaging of the GOODS as 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 Supplier
- 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 Supplier in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery. The GOODS remain at the risk and title of the Supplier until their final acceptance by the PROCURING ENTITY.

The insurance includes the indemnification in the amount of One Million Pesos (P1,000,000.00) per personnel during the conduct of the Post Qualification of Goods and Equipment, Pre-Delivery Inspection, TIAC and training. The amount of premium shall be shouldered by the winning proponent.

**Transportation -**

Where the Supplier is required under Contract to deliver the GOODS DAP, transport of the GOODS to the port of destination or such other named place of destination in the Philippines, as shall be specified in this contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be inclusive of the Contract Price.

	<p>Where the Supplier is required under this Contract to transport the GOODS to a specified place of destination within the Philippines, defined as the delivery Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be inclusive of the Contract Price.</p> <p>Where the Supplier is required under contract to deliver the goods DAP, Goods are to be transported on carriers of Philippines registry. In the event that no carrier which is not of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment, the period of delay will be considered force majeure 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 DAP Deliveries. In the case of GOODS supplied from within the Philippines or supplied by domestic Supplier 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>          The Supplier shall indemnify the PROCURING ENTITY against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the GOODS or any part thereof.          The Supplier shall provide complete listing of Contractor, Sub-contractor and Third Party Intellectual Properties developed under the contract, which should be owned by the DND.</p>
10.4	No further instructions.
10.5	<p>The PROCURING ENTITY shall open the irrevocable L/C in favor of the Supplier in accordance with the terms provided below in an Authorized Government Depository Bank after the approval of the Contract by the Secretary of National Defense and the issuance of the Notice of Cash Allocation by the Secretary of Budget and Management, to wit:</p> <p>(a) <u>Mode of Transmission</u>: Full cable telex/S.W.I.F.T;</p> <p>(b) <u>Advising and/or Confirmation</u>: L/C may be advised and/or confirmed by any bank to be identified by the Supplier, at the latter's sole expense;</p> <p>(c) <u>Payee Bank</u>: The L/C draft (if any) shall be drawn on the</p>

	<p>confirming bank;</p> <p>(d) <u>Beneficiary</u>: [Insert name and address of Supplier with Point of Contact;</p> <p>(e) <u>Currency and Amount of L/C</u>: L/C shall be in Philippine Pesos</p> <p>(f) <u>Expiration Date</u>: <b>730 calendar days</b> from date of receipt of Notice to Proceed (NTP)</p> <p>(g) <u>Payment Scheme Documentary Requirements</u>: Payment shall be made upon delivery, acceptance and submission or presentation of the following documents:</p> <ul style="list-style-type: none"><li>i. Supplier's invoice showing GOODS' description, quantity, unit price, and total amount;</li><li>ii. Negotiable, clean shipped on board Bill of Lading marked "Freight Pre-Paid" and/or "Non-Negotiable Bill of Lading" or "Airway Bill";</li><li>iii. Packing List;</li><li>iv. Manufacturer's and/or Supplier's Warranty Certificate;</li><li>v. Certificate of Origin (for imported GOODS);</li><li>vi. Delivery Receipt detailing number and description of items received signed by the Procuring Entity's representative at the Project Site;</li><li>vii. Certificate of Acceptance Inspection by the Procuring Entity's Pre Delivery Inspection (PDI) Team;</li><li>viii. Copy of Warranty Security as per SCC Clause 17; and</li><li>ix. Written Advice of Payment by the Secretary, Department of National Defense or his duly authorized official.</li><li>x. The L/C shall be payable at sight.</li></ul> <p>(h) <u>Description of Goods</u>: <b>Refer to Section VI. Schedule of Requirements</b></p> <p>(i) <u>Delivery Terms</u>: <b>DAP – Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City, Philippines</b></p> <p>(j) <u>Latest Date of Delivery</u>: <b>730 calendar days</b> from the date of receipt of the Notice to Proceed</p> <p>(k) <u>Shipment</u>: one-time shipment; trans-shipment is acceptable. Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be</p>
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	<p>considered <i>force majeure</i> in accordance with GCC Clause 22</p> <p>(l) <u>Negotiability</u>: The L/C shall be irrevocable; freely negotiable</p> <p>(m) <u>Liquidated Damages</u>: Liquidated damages shall be imposed in accordance with Clause 17 of the Contract.</p> <p>(n) Ten percent (10%) of the total contract price as retention money shall be set aside which can be claimed only by the contractor after the expiration of warranty or upon submission of a special bank guarantee equivalent to the retention money.</p> <p>(o) <u>Other Instructions</u>:</p> <p>i. The cost of the opening, as well as advising, confirmation, extension, and/or amendment, if any, of the L/C, and other bank charges shall be for the account of the Supplier;</p> <p>ii. The L/C must be in English; and</p> <p>ii. No boycott or restrictive language</p>
11.3	<p>The terms of payment shall be as follows:</p> <p>(a) <b>Fifteen Percent (15%)</b> as advance payment after the contract signing</p> <p>(b) <b>Final payment of 75% and 10% shall be retained as retention money</b> after the final acceptance</p>
13.4(c)	<p>No further instructions.</p>
16.1	<p>The inspections and tests that will be conducted are:</p> <p>(a) Pre-Delivery Inspection and Test Flight at the Supplier's facility in <u>state address</u> prior to the shipment of the GOODS to the Philippines to be conducted by at least ten (10) members coming from Technical Inspection and Acceptance Committee (TIAC), Technical Working Group (TWG), end-user representative composed of technical experts for aircraft performance. The costs include all expenses related to the travel such as but not limited to pre-departure expenses, airfares, travel insurance, board and lodging and meals shall be to the account of the Supplier.</p> <p>(b) Final Inspection and Test Flight at PROCURING ENTITY's facilities in <b>Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City, Philippines</b> after the delivery of the GOODS to the Philippines to be conducted by Functional Check Pilots of the PROCURING ENTITY and the SUPPLIER.</p> <p>(c) Final Acceptance at the PROCURING ENTITY's facilities in <b>Headquarters Naval Air Group, 1898 Avenue, Naval</b></p>

	<p><b>Base Cavite, Sangley Point, Cavite City, Philippines,</b> after the GOODS' arrival to be conducted by the Technical Inspection and Acceptance Committee (TIAC) in accordance with the procedure specified in Section VII Technical Specifications. The PROCURING ENTITY shall issue the following documents after the successful completion of the Final Acceptance Test:</p> <ul style="list-style-type: none"> <li>i. Certificate of Final Acceptance by the TIAC together with the Certification that the GOODS delivered passed the Pre-Final Acceptance Test and Evaluation issued by the Project Management Team;</li> <li>ii. GHQ MFO Inspection Report;</li> <li>iii. SAO Acceptance Report;</li> <li>iv. Advice of Payment from the Secretary of National Defense.</li> </ul> <p>(d) All costs relative to the initial inspection and testing shall be borne by the SUPPLIER. All costs relative to the final inspection and testing as discussed above shall be borne by the SUPPLIER, to include but not limited to, the costs and expenses incurred by the PROCURING ENTITY's representative in attending said testing such as travel, and board and lodging expenses.</p> <p>(e) The SUPPLIER shall furnish to the inspectors all the reasonable facilities and assistance, including access to drawing and production date at no charge to the PROCURING ENTITY.</p> <p>(f) The PROCURING ENTITY may reject any GOODS or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected GOODS or parts thereof or make alterations necessary to meet the specifications at no cost to the PROCURING ENTITY, and shall repeat the test and/or inspection, at no cost to the PROCURING ENTITY, upon giving a notice pursuant to Clause 5.</p> <p>(g) The SUPPLIER agrees that neither the execution of a test and/or inspection of the GOODS or any part thereof, nor the attendance by the PROCURING ENTITY or its representative, shall release the SUPPLIER from any warranties or other obligations under this Contract.</p>
17.3	<p>Three (3) years warranty or 1200 hours flying time whichever comes first on the aircraft and its mission essential equipment and three (3) years for spare parts, tools and ground support equipment from the issuance of the Certificate of Final Acceptance. Warranties must also cover the aircraft sub-</p>

	<p>components, subsystems and support systems as prescribed by the OEM's policy.</p> <p>The standard warranty for equipment/system subcontracted from other OEMs is three (3) years, unless, otherwise, the OEM of such equipment/system subcontracted has higher warranty period than three (3) years, the latter shall be applied.</p>
<p>17.4 and 17.5</p>	<p>The period for correction of defects in the warranty period is thirty (30) calendar days.</p> <p>The warranty should cover any and all defects that may be discovered during the warranty period of three (3) years or 1200 hrs flight time whichever comes first. The proponent is required to provide a temporary replacement unit or to replace the whole system itself immediately or not later than thirty (30) calendar days, which will be used until the equipment is repaired in the proponent's facility at no cost to the PN.</p>
<p>21.1</p>	<p><b>Non-Disclosure Agreement</b></p> <p>The supplier shall execute a non-disclosure agreement in favor of the Philippine Government wherein the supplier shall warrant that all information and communication, whether oral or written, secured in the course of negotiation with the Department of National Defense/Armed Forces of the Philippines (DND/AFP) shall not divulged or disclosed to any other person or entity, without the express written consent of the DND/AFP. It includes non-disclosure of, but not limited, to the following: a) Terms of Reference, and b) Technical Specification of the Project.</p>
<p>22.2</p>	<p>For purposes of this Contract the terms "<i>force majeure</i>" and "fortuitous event" may be used interchangeably. In this regard, a fortuitous event or <i>force majeure</i> shall be interpreted to mean an event which the Supplier could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions, <b>restrictions on ITAR / regulated military items</b>; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Supplier. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.</p>

## Section VI. Schedule of Requirements

The delivery schedule expressed as days/weeks/months stipulates hereafter a delivery date which is the date of delivery to the project site.

Item Nr	Description	Qty	Delivery Period
1	<b>Pre-Delivery Inspection</b>		
	Pre-delivery Inspection		One month before the delivery of the aircraft
2	<b>Aircraft</b>		
	Multi-Purpose Amphibian Aircraft and MEEs as defined in Sec VII. Technical Specifications	1 Aircraft	Within 730 calendar days after issuance of NTP
3	<b>Training</b>		
	Conversion to Type Training Course as specified in Sec VII. Technical Specifications	1 Lot	Within 730 calendar days after issuance of NTP
	Operational Conversion Training as specified in Sec VII. Technical Specifications	1 Lot	Within 365 days after the delivery of the aircraft
4	<b>Integrated Logistics Support</b>		
	<b>ILS Package</b> as specified in Sec VII. Technical Specifications	1 Lot	Within 730 calendar days after issuance of NTP
5	<b>Warranty</b>		
	Warranty Program of three (3) years or 1200 hrs flight time whichever comes first for the aircraft and its mission essential equipment	1 Aircraft	Upon delivery and acceptance of the aircraft

	In-country accredited repair facility or field service mechanic/technician	1	Shall be available during the warranty period
<b>6</b>	<b>After Sales Services</b>	1 Lot	Shall commence after the final acceptance of the aircraft

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Signature of the Bidder



## ***Section VII. Technical Specifications***

## **STATEMENT OF COMPLIANCE TO TECHNICAL SPECIFICATIONS**

The bidder must state in the last column **“Comply”** or **“Not Comply”** against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of **“Comply”** or **“Not Comply”** must be supported by evidence in a Bidders Bid and cross-reference to that evidence. Evidence shall be in the form of manufacturer’s un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, sample, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of **ITB** Clause 3.1(a)(ii) and/or **GCC** Clause 2.1(a)(ii).

## **CLARIFICATION AND SETTLEMENT OF CONFLICTING INTERPRETATION OF THE TECHNICAL SPECIFICATIONS**

All clarifications regarding the technical specifications stipulated in this section will be clarified by the members of the Project Management Team (PMT) /Technical Working Group (TWG); the Philippine Navy MPAA Acquisition Project Technical Specifications will be referred to. In cases of conflicting interpretations, the nature and purpose of the equipment will be the basis of interpretation. The main basis for technical specifications and requirements is the nature and purpose of the equipment and its intended use as determined by the doctrinal application of the end-users represented herein by the Project Management Team.

<b>SPECIFICATIONS</b>	<b>Comply / Not Comply</b>	<b>Maker / Brand</b>
<b>1. GENERAL REQUIREMENTS</b>		
1.1. One (1) unit Multi-Purpose Amphibian Aircraft		
1.2. <b>Brand new</b> aircraft with brand new systems and components <i>((Brand new means the aircraft has not been utilized for more than 30hrs))</i>		
1.3. <b>Twin engine</b> aircraft for enhanced safety		
1.4. <b>Dual Pilot Control</b> System		
1.5. Certified Single-Pilot Instrument Flight Rules ( <b>SPIFR</b> )		
1.6. Utilized for naval or maritime operations by the country of origin or by at least two other countries		
1.7. With <b>Automatic Flight Control System (AFCS) / Autopilot</b>		
1.8. <b>Short Takeoff and Landing (STOL)</b> capable		
1.9. <b>Cruising Speed</b> of at least <b>150 knots</b> in full mission configuration		
1.10. <b>Payload</b> of at least <b>1,500 kgs</b> in amphibian configuration		
1.11. <i>Payload = (standard empty weight + fuel weight) - maximum gross weight</i>		
1.12. <b>Endurance</b> of at least <b>6 hours</b>		
1.13. <b>Range</b> of at least <b>900 NM</b>		
1.14. Can takeoff and land at <b>Sea State 3 condition</b>		
<b>2. AIRFRAME</b>		
<b>2.1.</b> Must be <b>marinised</b> including components for enhance corrosion control due to prolonged over seawater operation.		
<b>2.2.</b> Must be <b>certified to be rigid enough / crashworthy</b> to initially protect the aircrew during emergency landing.		
<b>2.3. Exterior</b> a. Must have grounding points b. Must have picketing points c. Must have airframe hour meter d. Finishing and painting must be in accordance with Philippine Navy specifications		
<b>2.4. Interior</b> <b>a. Doors</b> 1) must be configured for safe parajump operations and air drop of SAR equipment 2) must be large enough for quick loading of patients and cargoes  <b>b. Window</b> - must have observation windows (bubble type or equivalent) on both sides suitable for DSLR camera with telephoto lens, and digital		

handheld video camera operation		
<p><b>2.5. Cockpit</b></p> <ul style="list-style-type: none"> <li>a. Must have a dual seat cockpit layout / configuration with all flight essential controls, instruments (including standby), and displays provided to both stations</li> <li>b. Must permit either pilot, from any point in any mission, to independently conduct an instrument meteorological conditions (IMC) approach to minimum instrument flight rules (IFR)</li> <li>c. Cockpit layout must provide Data Management System (DMS) displays and controls to both pilots</li> <li>d. Adjustable pilots seats with harness type seat belts</li> </ul>		
<p><b>2.6. Cabin</b></p> <ul style="list-style-type: none"> <li>a. Must be reconfigurable for multi-role mission capabilities to include but not limited to tactical transport of troops and logistic supplies, airdrop and paradrop of loads or cargoes, Casualty Evacuation (CASEVAC) and Medical Evacuation (MEDEVAC), Search and Rescue Operations (SAR), and Humanitarian Assistance and Disaster Relief Operations (HADR).</li> <li>b. Fully air conditioned cabin</li> <li>c. With mini lavatory for personal necessities</li> <li>d. Sensor Operator (SENSO) Crew station: The sensor operator from a seated position:                         <ul style="list-style-type: none"> <li>1) Must have a dedicated console configured with all required primary and backup controls to allow the operation of sensors, display(s) and communication equipment, and input and retrieval of data from the DMS.</li> <li>2) must be able to monitor passengers</li> <li>3) must be able to conduct a visual search outside the aircraft through an observation window</li> </ul> </li> <li>e. Fitted for but not with another control station designated for future TACCO DMS station</li> <li>f. Reconfigurable for MEDEVAC Mission ready to receive attendant basic life support system</li> <li>g. All aircraft configurations must be certified by a Classification Society internationally recognized such as FAA, EASA or its equivalent.</li> </ul>		
<b>3. POWERPLANT</b>		
3.1. Two (2) Brand New Turbine Engines (interchangeable)		

3.2. Full Authority Digital Electronic Control (FADEC)		
3.3. Should be designed for operations in tropical country (operates effectively in hot & high altitude environments)		
3.4. One-engine-inoperative (OEI) capability, sufficient to allow a safe immediate recovery to the nearest practical landing site		
<b>4. FUEL SYSTEM</b>		
4.1. Shall be compatible with Jet-A1 Fuel		
4.2. Equipped with extended/long range tanks		
<b>5. LANDING GEAR / UNDERCARRIAGE SYSTEM</b>		
Must be able to perform runway and water take off and landing		
<b>6. ELECTRICAL AND AVIONICS SYSTEM</b>		
<b>6.1. Electrical</b>		
<ul style="list-style-type: none"> <li>a. Two (2) self-cooled starter generators</li> <li>b. Must have voltage regulators</li> <li>c. Instrument lights with dimming switch</li> <li>d. Must have a load shed system in case of power loss</li> <li>e. Should have a central warning system for all applicable aircraft systems (aural, light and message)</li> </ul>		
<b>6.2. Avionics</b>		
<ul style="list-style-type: none"> <li>a. Must be brand new and newly calibrated</li> <li>b. Shall have a fully integrated navigation and avionics system with <b>multifunctional glass cockpit displays</b></li> <li>c. Outputs from Aircrafts mission sensors must be displayed on the Multi-Function Displays (MFD)</li> <li>d. Instruments should be certified for IFR Flights.</li> <li>e. Instruments should have a reversionary mode in case of equipment failure from either pilot side</li> </ul>		
<b>6.3. Navigation Equipment</b>		
- Must be integrated with the aircraft data management system but is capable of stand-alone operation in case of DMS failure		
<b>6.3.1. Standby Magnetic Compass</b>		
<b>6.3.2. Standby Airspeed Indicator</b>		
<b>6.3.3. Standby Attitude Indicator</b>		
<b>6.3.4. Standby Altimeter</b>		
<b>6.3.5. Standby Turn &amp; Bank Indicator</b>		
<b>6.3.6. Global Positioning System</b>		
<b>6.3.7. Radar Altimeter</b>		
<b>6.3.8 Traffic Collision Avoidance System</b>		
<b>6.3.9. Tactical Air Navigation</b>		

<p><b>6.4. Communications Equipment</b> - Capable of monitoring at least five (5) radios at the same time</p>		
<p><b>6.4.1. x2 VHF Comm/Nav Radio –</b> a. AM Freq Range -118.00 to 151.975 MHz (25 KHz frequency spacing) b. FM Freq Range -30.00 to 79.95 MHz (25 KHz frequency spacing) c. Must be integrated with the GPS</p>		
<p><b>6.4.2. x1 HF / SBB Radio</b> - 2 to 30 MHz (1 KHz frequency spacing)</p>		
<p><b>6.4.3. x1 V/UHF Radio with ground receiver</b> (wide band) a. with advance encryption system capability for voice and data b. must cover Marine Band - For interoperability with Navy vessels having the frequency range of at least 30.00 to 300.00 MHz</p>		
<p><b>6.4.4. Internal Communication System</b> - Designed for eight crew with dedicated headsets having noise cancellation feature</p>		
<p><b>6.4.5. ICS Loud Speaker</b> - Designed for cabin public address</p>		
<p><b>6.4.6. External Jack</b> - Designed for communication between the pilots and the ground crew</p>		
<p><b>6.4.7. Tactical Data Link</b> a. Fitted for but not with TDL 16 (upgraded version) b. Can permit the two-way exchange of tactical data as well as command and control information with other TDL-equipped AFP units</p>		
<p><b>6.4.8. Video Downlink</b> a. Must be able to transfer EO/IR data in real time to downlink ground stations/receivers b. Must be compatible with PN existing downlink receivers</p>		
<p><b>7. MISSION ESSENTIAL SYSTEMS</b></p>		
<p><b>8.1. Data Management System</b> a. It is essential that data from systems be integrated and displayed by a tactical computer. b. Capable of accepting pre-flight mission data entered manually and/or from a Data Transfer Module (DTM) c. Can display and control processing instructions to be loaded at initial system start-up manually and/or via a DTM</p>		

<ul style="list-style-type: none"> <li>d. Can recover tactical data and process instructions for in-flight system re-initialization</li> <li>e. Can select mission data and sensor imagery in a mass storage device for post-mission playback and analysis</li> <li>f. Must continuously display the aircraft's position, speed, heading and altitude</li> <li>g. Must be approved for use in specified aircraft by any authorized aviation authority</li> </ul>		
<p><b>8.2. Sensors</b></p>		
<p>7.2.1 <b>EOIR</b></p> <ul style="list-style-type: none"> <li>a. Must be retractable</li> <li>b. Must be among the latest models</li> <li>c. Must have Multi-Sensor Imaging/Lasing Payload Option (laser designator)</li> <li>d. Must have stabilizer and target locking capability</li> <li>e. Must have a geo-locating feature</li> <li>f. With eyesafe laser range finder</li> <li>g. Capable to search, detect, classify, and identify vessels of interest (including submarine masts and periscopes) in ambient light conditions ranging from direct unobscured sunlight to overcast starlight in maritime environmental conditions to include fog/haze, rain, drizzle and high humidity</li> <li>h. Passively detect any Fast Patrol Boat (FPB)/ fishing boat sized vessel at a minimum range of 15 nm in unobscured conditions</li> <li>i. Can provide imagery to classify by platform type any fishing boat sized vessel at a minimum range of 5 nm in unobscured condition</li> <li>j. Can provide imagery to identify a platform at a slant range of 1,000ft in obscured conditions</li> <li>k. Should be compact and high definition</li> </ul>		
<p>7.2.2 <b>AIS</b></p> <ul style="list-style-type: none"> <li>a. Able to interface with the aircraft's Data Management System for information display and correlation.</li> <li>b. Can be incorporated as a function of the radar (Optional)</li> </ul>		
<p>7.2.3 <b>RADAR</b></p> <ul style="list-style-type: none"> <li>a. Inverse Synthetic-aperture radar (ISAR) imaging and Range Profiling</li> <li>b. X-Band Active Electronically Scanned Array (AESA) antenna technology</li> </ul>		

<ul style="list-style-type: none"> <li>c. Simultaneous Multi-mode operations (weather, air and surface surveillance)</li> <li>d. With capabilities to include but not limited to Ground Surveillance and Mapping; Moving target detection; Automatic Detection and Scanning; Oil Slick detection; Land Mass discrimination, turbulence detection and weather detection</li> <li>e. Must be optimized for over-water surveillance, detection, classification and tracking of surface vessels, exposed periscope masts, life rafts, and aircraft, throughout the operating range of the aircraft</li> <li>f. Able to detect and track targets from a minimum detectable target range of 100 yards to a maximum range of at least 120nm, at the service ceiling of 10,000 ft ASL, through 360 degrees</li> <li>g. Capable of over-land surveillance of coastline and interior geographic feature</li> <li>h. Has no or minimal moving parts</li> <li>i. Must be compact and lightweight (not more than 40kgs)</li> </ul>		
<p>7.2.4 <b>IFF / SIF</b></p> <ul style="list-style-type: none"> <li>a. Must consist of both a transponder and interrogator capable of modes 1, 2, 3, C and 4 (1,2,3 modes are SIF; 1,2,4,5 modes are military IFF)</li> <li>b. Transponder shall be capable of responding to mode S interrogations.</li> <li>c. The interrogator shall be capable of interrogating modes in combination, decode response codes for the interrogated modes and interface with the DMS for numeric decoded display and tracking on the operators' displays.</li> <li>d. The interrogator shall present a distinctive alert in response to emergency, identification, communication failure, hijack, and operator modes and codes.</li> <li>e. Must be approved for use in specified aircraft by FAA or authorized aviation authority</li> </ul>		
<b>8. UTILITY EQUIPMENT</b>		
8.1. <b>x4 Stretchers</b> for MEDEVAC		
8.2. <b>Seats</b> with safety belt for at least 19 passengers excluding pilots		
8.3. <b>Detachable static line</b> for parajump operations		



8.4. <b>Lashings and nets</b> during cargo transport		
8.5. <b>Basic Fixed Wing SAR Kit</b> to include but not limited to dye markers and flares.		
<b>9. EMERGENCY AND PROTECTION SYSTEM</b>		
<b>11.1. Fire Detector and Extinguisher</b> a. Built-in at the engine compartment for each engine b. Must have Two (2) portable fire extinguishers that are located at the cockpit and one (1) at the cabin		
11.2. <b>Life Raft</b> – able to accommodate 20 pax		
11.3. <b>Emergency Locator Transmitter</b> – ICAO compliant		
<b>11.4. Crew and Troop Seats</b> a. Certified Crashworthy b. Certified Energy absorbing		
11.5. <b>Oxygen System</b> for aircrew		
<b>10. DIAGNOSTIC SYSTEM</b>		
Must be equipped with health and usage monitoring system capable of providing comprehensive diagnostics for aircraft systems analysis / maintenance		
<b>11. TRAINING</b>		
a. Must have a conversion to type training to be conducted at the OEM training facility of the Supplier. Accommodations and other related expenses shall be shouldered by the Supplier as specified in the Sec VI: Special Conditions of the Contract to include but not limited to: <ul style="list-style-type: none"> <li>• pre-departure expenses,</li> <li>• travel expenses,</li> <li>• subsistence / meal allowance – at least three times a day</li> <li>• students’ per diem support (international rate)</li> <li>• mobility requirements relative to training</li> </ul>		
b. Must have an in-country operational conversion training relative to the aircraft missions and operations		
c. Must include all other training necessary for the operation and maintenance of the aircraft and its mission essential equipment other than the specified below.		
<b>11.1. Conversion to Type Training</b>		
11.1.1 x6 Pilot in Command		
11.1.2 x2 Instructor Pilot (from the 6 PICs)		
11.1.3 x2 Maintenance Test Pilot (from the 6 PICs)		
11.1.4 x2 Maintenance Officer		
11.1.5 x2 Avionics Officer		
11.1.6 x6 Mechanical Technician		
11.1.7 x2 Mechanical Quality Assurance Inspector		

(from the 6 MTs)		
11.1.8 x3 Avionics Technician		
11.1.9 x2 Avionics Quality Assurance Inspector (from the 6 ATs)		
11.1.10 x4 Sensor Operator		
<b>11.2. In-Country Operational Conversion Training</b>		
11.2.1 Water Landing Proficiency		
11.2.2 Undercarriage Reconfiguration (if applicable)		
<b>12. INTEGRATED LOGISTICS SUPPORT</b>		
<b>12.1. ILS Plan</b>		
<p>a. The ILS shall cover at least three (3) years or 1200 hours flying time from the time of delivery and acceptance whichever comes first equivalent to at least 15% of the ABC. As such, the proponent shall specifically explain it in its ILS Plan and shall consider the following:</p> <ol style="list-style-type: none"> <li>1) Spare parts requirements for scheduled and unscheduled maintenance;</li> <li>2) Tools and ground support equipment; and,</li> <li>3) After-sales services</li> </ol> <p>b. All items in the ILS must be delivered NOT later than the delivery date of the first aircraft to be delivered.</p>		
<b>12.2. Supply Support</b>		
<p>Must be made available locally through the establishment of Basic Ordering Agreement on the following:</p>		
<b>12.3. Life Cycle Management Information</b>		
<p>The supplier must provide:</p> <ol style="list-style-type: none"> <li>a. at least a 30-year life cycle cost of the aircraft including all its systems</li> <li>b. information /references/software regarding Mean Time Between Failures (MTBF), lead time, shelf life, total life, repairable cycle assets, as well as information for repair and overhaul of components to include repair turn-around time and cost.</li> <li>c. readily available fast moving items (as determined by the ILS Plan) at the authorized repair facilities in the country three years after aircraft delivery.</li> </ol>		
<b>12.4. Support Equipment and Structures</b>		

<p>a. The supplier must provide a <b>hangar</b> equipped with necessary facilities and system for the maintenance and operation of the aircraft on the location identified by the end-user.</p> <ol style="list-style-type: none"> <li>1) able to accommodate up to three (3) aircraft of same type at any one time.</li> <li>2) .must have provisions for Offices and Billeting for ten (10) Officers and ten (10) crew</li> <li>3) must have materiel storage and maintenance sections for intermediate level repair of aircraft to include the necessary equipment needed for repair</li> <li>4) must have the appropriate wash facility or equipment for the maintenance of aircraft</li> <li>5) must have water refilling stations needed for the wash facility</li> <li>6) must have training, planning and debriefing stations</li> </ol> <p>b. The Supplier must submit /provide a standard design architectural and engineering plan to be approved by the end-user prior construction.</p>		
<p><b>12.5. Storage Procedures</b></p> <p>The supplier must provide information on the proper storage procedures of sensitive components and spares.</p>		
<p><b>12.6. Spares</b></p> <p>The supplier must provide:</p> <ol style="list-style-type: none"> <li>a. Spares sufficient for three (3) years of operation at an annual utilization rate of 400 hours</li> <li>b. Spares shall include all Scheduled Mandatory Inspection (SMI), packed in kit, that will be rendered for the first 1200 hours</li> <li>c. Must also include all fast moving spares expected for unscheduled repairs such as but not limited to batteries, oleos, wheels, bulbs, etc.</li> <li>d. Must include a one (1) float engine</li> </ol>		
<p><b>12.7. Tools</b></p> <p>The supplier must provide:</p> <ol style="list-style-type: none"> <li>a. tools needed to render organizational and intermediate level maintenance (both for scheduled and unscheduled maintenance inspections)</li> <li>b. Special tools with attendant software (if applicable): jack and weighing equipment;</li> </ol>		

<p>adapters; disassembly tools for engines and system components; calibration tools; lifting system; pullers; balance set; pressing tool set; engine hoist; speed testers; spray gun for compressor washing; special wrenches; bore scope tool; compressor wash unit; bench test equipment; analyzers; alignment tools; and, data access kits; and, tools/equipment for periodic maintenance</p> <p>c. All other special tools necessary for the operation and maintenance of the aircraft and its mission essential equipment.</p> <p>d. All special tools and test equipment in each maintenance level must be identified and provided by the Contractor together with their technical manuals and appropriate training on their use for the prospective trainers and operators.</p>		
<p><b>12.8. Ground Support Equipment</b></p> <p>The supplier must provide:</p> <p>a. Equipment needed to render organizational and intermediate level maintenance (both for scheduled and unscheduled maintenance inspections) composed of but not limited to the following or its equivalent: tripod jack; service platforms; trolleys; tie down lines; anchoring equipment; fenders; and engine holders</p> <p>b. All other ground support equipment necessary for the operation and maintenance of the aircraft and its MEE such as aircraft tow cart, towing bar, EPU, and the likes.</p>		
<p><b>12.9. Publications and Manuals</b></p> <p>a. The supplier must provide all attendant publications and manuals relative to aircraft and its subsystems and spares, tools and GSEs and the likes. (two 2 hard copies and two (2) soft copy format)</p> <p>b. One laptop dedicated for the IETP.</p>		
<b>QUALITY ASSURANCE</b>		
<p>Project Monitoring Tool</p> <p>a. The contractor shall develop and provide a Program Master Schedule showing all major program milestones and deliverables.</p> <p>b. The contractor's management with executive responsibilities shall review the quality system at defined interval sufficient to ensure its continuing suitability and effectiveness in satisfying the</p>		

<p>requirements and the contractor's stated quality policy and objectives. Records of such reviews shall be maintained.</p> <ul style="list-style-type: none"> <li>c. The contractor's QA department shall be responsible for the release of production drawings, documentation and test reports.</li> <li>d. Must facilitate a project management review with the DAO and PMT every two months after the NTP.</li> </ul>		
<p><b>Certification</b>                  The builder must have a certification or be certified by a Classification Society internationally recognized such as FAA, EASA or its equivalent.</p>		
<p><b>Test and Trials</b></p> <ul style="list-style-type: none"> <li>a. The quality of the aircraft and proof of performance shall be established by test and trials as specified in Sec VI: Special Conditions of the Contract.</li> <li>b. The Supplier shall also provide test parameters for the sub systems included and sophisticated sensors to ensure its full functionality</li> <li>c. More so, the manufacturer shall bear all expenses relative to inspection and test.</li> <li>d. Functional Check Flight (FCF) to be conducted according to Aircraft Manual (must conform with the technical specification of the project as minimum requirement)</li> <li>e. The equipment and components/sub-assembly elements shall be delivered with factory acceptance test reports. The factory acceptance test shall be performed under the supervision of the contractor.</li> </ul>		
<p><b>Acceptance</b>                  The final acceptance shall be done at <b>Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City, Philippines.</b></p>		
<p><b>After Sales</b></p> <ul style="list-style-type: none"> <li>a. After-sales services shall include a field service representative for airframe and powerplant, avionics, and other systems maintenance and repair for a period of three (3) years to be stationed at Headquarters Naval Air Group.</li> <li>b. Shall include supply of spares, field assistance, repair and overhaul of component systems, and technical support. Technical support shall include field service, query and answering, defect investigation, service bulletins, and defect/ maintenance data collection</li> <li>c. The OEM shall also assure availability of spares for the duration of the total life span of the aircraft.</li> </ul>		

## END OF TECHNICAL 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 0 with the requirements of the Bidding Documents and the format set out in this Section.

When requested in the BDS, the Bidder should provide the **Bid Security**, either in the form included hereafter or in another form acceptable to the Entity, pursuant to **ITB** Clause 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.

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**Form 1**







**Statement of Completed Similar Contracts**

**Business Name:**

**Business Address:**

Name of Contract/ Project Cost	a. Owner's Name b. Address c. Telephone Nos.	Nature of Work	Bidders Role		a. Date Awarded b. Date Started c. Date of Completion	Value of Works
			Description	%		
Note: 1. <b>Bidders may not disclose the Contracting Party for Contracts covered by Confidentiality Agreement whether Foreign or Local.</b>  2. The following documents shall be presented for verification of the above statement during Post-Qualification:  2.1 Notice of Award OR Notice to Proceed issued by the End user OR its equivalent; 2.2 Copy of actual contract or its equivalent; and 2.3 Certificate of Completion OR End-user's Acceptance OR Proof of payment					Total	

Submitted by: \_\_\_\_\_  
 (Printed Name and Signature)

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

**NET FINANCIAL CONTRACTING CAPACITY (NFCC)  
STATEMENT**

The Chairman, DND BAC  
Department of National Defense  
Camp General Emilio Aguinaldo  
Quezon City, Philippines

THIS IS TO CERTIFY that the attached computation of the **Net**  
**Financial Contracting Capacity (NFCC)** of

\_\_\_\_\_,  
*[Name of Bidder]*  
amounting to \_\_\_\_\_  
*(Amount in Words)*

(US\$/PhP \_\_\_\_\_) as part of our submitted Class "A" Eligibility Documents

(Financial) in the procurement of \_\_\_\_\_ is  
*(Name of Project)*

true and correct.

That this document is submitted in lieu of a commitment from a licensed bank to extend to this Company a credit line if awarded the contract, or a cash deposit certificate as required by Sec 23.11.1(3) of IRR-A of RA 9184.

Yours faithfully,

\_\_\_\_\_  
*(Name and Signature of Representative)*

\_\_\_\_\_  
*(Designation)*

\_\_\_\_\_  
*(Name of Firm)*

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_, affiant exhibited to me his Competent Evidence of Identity No. \_\_\_\_\_  
issued on \_\_\_\_\_ at \_\_\_\_\_, Philippines.

Notary Public  
Until 31 December 20\_\_\_\_  
PTR No. \_\_\_\_\_  
Issued at: \_\_\_\_\_

Issued on: \_\_\_\_\_  
TIN No. \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_.

**NET FINANCIAL CONTRACTING CAPACITY (NFCC)  
COMPUTATION:**

- A. Current Assets : \_\_\_\_\_
- B. Current Liabilities : \_\_\_\_\_
- C. Project Costs:
  - 1) Outstanding : \_\_\_\_\_
  - 2) Ongoing : \_\_\_\_\_
  - 3) To Be Started : \_\_\_\_\_

*Note:*  $K = 15$

NFCC = \_\_\_\_\_  
[(Current Assets minus Current Liabilities) \* (K)] **minus** (the value of all outstanding works or projects under ongoing contracts, including awarded contracts yet to be started).

\_\_\_\_\_  
*(Place and Date)*

\_\_\_\_\_  
*(Name and Signature of Representative)*

\_\_\_\_\_  
*(Designation)*

\_\_\_\_\_  
*(Name of Firm)*

**JOINT VENTURE AGREEMENT**

KNOW ALL MEN BY THESE PRESENTS:

That this JOINT VENTURE AGREEMENT is entered into By and Between \_\_\_\_\_ of legal age, \_\_\_\_\_, (Civil Status) owner/proprietor of \_\_\_\_\_ and a resident of \_\_\_\_\_.

- and -

\_\_\_\_\_ of legal age, \_\_\_\_\_, (Civil Status) owner/proprietor of \_\_\_\_\_ and a resident of \_\_\_\_\_.

THAT both parties agree to be jointly and severally liable for the entire agreement.

THAT both parties agree to join together their manpower, equipment, and what is needed to facilitate the Joint Venture to participate in the Eligibility, Bidding and Undertaking of the here-under stated project/s to be conducted by the Department of National Defense:

\_\_\_\_\_  
(Name of Project)

THAT both parties agree that \_\_\_\_\_ and/or \_\_\_\_\_, shall be the Official Representative of the Joint Venture, and is granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Joint Venture in the bidding as fully and effectively and the Joint Venture may do and if personally present with full power of substitution and revocation.

THAT this Joint Venture Agreement shall remain in effect only for the above stated Project/s until terminated by both parties.

Done this \_\_\_\_\_ day of \_\_\_\_\_, in \_\_\_\_\_.

\_\_\_\_\_  
(Name and Signature of JV Partner)

\_\_\_\_\_  
(Name and Signature of JV Partner)

(JURAT)

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

**Form 6**

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**BID SECURING DECLARATION FORM**

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**REPUBLIC OF THE PHILIPPINES)**  
**CITY OF \_\_\_\_\_) S.S.**

X-----X

**BID SECURING DECLARATION**  
**Invitation to Bid:** *[Insert Reference number]*

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



I/We<sup>1</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 that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.
3. I/We understand that this Bid Securing Declaration shall cease to be valid on the following circumstances:
  - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
  - (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
  - (c) I am/we are declared the bidder with the Lowest Calculated 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

<sup>1</sup> Select one and delete the other. Adopt the same instruction for similar terms throughout the document.

and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. \_\_\_\_\_ and his/her Community Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_ at \_\_\_\_\_.

Witness my hand and seal this \_\_\_ day of [month] [year].

**NAME OF NOTARY PUBLIC**

Serial No. of Commission \_\_\_\_\_  
Notary Public for \_\_\_\_\_ until \_\_\_\_\_  
Roll of Attorneys No. \_\_\_\_\_  
PTR No. \_\_\_\_\_ [date issued], [place issued]  
IBP No. \_\_\_\_\_ [date issued], [place issued]

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

**Form 7**

**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 or authorized representative 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, or authorized representative of *[Name of Bidder]*, I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for *[Name of the Project]* of the *[Name of the Procuring Entity]*, as shown in the attached duly notarized *Special Power of Attorney*;

*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 to participate, submit the bid, and to sign and execute the ensuing contract for *[Name of the Project]* of the *[Name of the Procuring Entity]*, as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)]*;

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:* The owner or sole proprietor is 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.

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 \_\_\_\_\_.

Witness my hand and seal this \_\_\_ day of [month] [year].

**NAME OF NOTARY PUBLIC**

Serial No. of Commission \_\_\_\_\_  
Notary Public for \_\_\_\_\_ until \_\_\_\_\_  
Roll of Attorneys No. \_\_\_\_\_  
PTR No. \_\_\_\_\_ [date issued], [place issued]  
IBP No. \_\_\_\_\_ [date issued], [place issued]

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

\* This form will not apply for WB funded projects

**Bid Form**

Date: \_\_\_\_\_  
 Invitation to Bid<sup>2</sup> N<sup>o</sup>: \_\_\_\_\_

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>3</sup>

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

(if none, state "None")

<sup>2</sup> If ADB, JICA and WB funded projects, use IFB.

<sup>3</sup> Applicable only if the Funding Source is the ADB, JICA or WB.

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 Calculated Bid 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.

We likewise certify/confirm that the undersigned, *[for sole proprietorships, insert: as the owner and sole proprietor or authorized representative of Name of Bidder, has the full power and authority to participate, submit the bid, and to sign and execute the ensuing contract, on the latter's behalf for the Name of Project of the Name of the Procuring Entity] [for partnerships, corporations, cooperatives, or joint ventures, insert: is granted full power and authority by the Name of Bidder, to participate, submit the bid, and to sign and execute the ensuing contract on the latter's behalf for Name of Project of the Name of the Procuring Entity].*

We acknowledge that failure to sign each and every page of this Bid Form, including the attached Schedule of Prices, shall be a ground for the rejection of our bid.

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>4</sup> Number \_\_\_\_. Page \_\_\_\_\_ of \_\_\_\_.

1	2	3	4	5	6
Item	Description	Country of origin	Quantity	Unit price Delivered At Place (DAP)	Total Price delivered DAP (col 4 x 5)

\_\_\_\_\_  
[signature]

\_\_\_\_\_  
[in the capacity of]

Duly authorized to sign Bid for and on behalf of  
\_\_\_\_\_

<sup>4</sup> If ADB, JICA and WB funded projects, use IFB.



**For Goods Offered From Within the Philippines**

Name of Bidder \_\_\_\_\_, Invitation to Bid<sup>5</sup> Number \_\_. Page  
 \_\_\_\_\_ of \_\_\_\_.

1	2	3	4	5	6	7	8	9	10
Item	Description	Country of origin	Quantity	Unit price EXW per item	Transportation and Insurance and all other costs incidental to delivery, per item	Sales and other taxes payable if Contract is awarded, per item	Cost of Incidental Services, if applicable, per item	Total Price, per unit (col 5+6+7+8)	Total Price delivered Final Destination (col 9) x (col 4)

\_\_\_\_\_  
*[signature]*

\_\_\_\_\_  
*[in the capacity of]*

Duly authorized to sign Bid for and on behalf of  
 \_\_\_\_\_

<sup>5</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 Supplier] of [city and country of Supplier] (hereinafter called “the Supplier”) of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., [brief description of goods and services] and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of [contract price in words and figures] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:

- (a) the Supplier’s Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g. bidder’s response to clarifications on the bid), including corrections to the bid resulting from the Procuring Entity’s bid evaluation;
- (b) the Schedule of Requirements;
- (c) the Technical Specifications;
- (d) the General Conditions of Contract;
- (e) the Special Conditions of Contract;
- (f) the Performance Security; and
- (g) the Entity’s Notice of Award.

3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract

4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for the Entity)

Signed, sealed, delivered by \_\_\_\_\_ the \_\_\_\_\_ (for the Supplier).

## **Section IX. Post Qualification, Inspection, Test and Acceptance Checklists**

### **I. Post Qualification Evaluation**

The Post Qualification (PQ) Team shall conduct post qualification evaluation and tests (as may be practically necessary), in order to verify, validate, and ascertain whether all statements made and the documents submitted comply with the provisions set forth in this bidding documents.

#### **A. Supplier's Legal Documents Verification Checklist**

During post qualification, following original copies shall be verified, inspected and certified:

<b>TAB</b>	<b>ELIGIBILITY DOCUMENTS CLASS "A"</b>	<b>Comply / Not Comply</b>	<b>Findings</b>
<b>A</b>	<p><b>PhilGEPS Certificate of Registration and Membership (Platinum) in accordance with Section 8.5.2 of the IRR, RA 9184 or in lieu thereof, the following may be submitted:</b></p> <p><b>5. Registration Certificate or its equivalent from:</b></p> <ul style="list-style-type: none"> <li>• Securities and Exchange Commission, for Corporation and Partnership; or</li> <li>• Department of Trade and Industry (DTI), for sole proprietorship; or</li> <li>• Cooperative Development Authority, for cooperatives</li> </ul> <p><b>6. Mayor's Permit or its equivalent issued by the City or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas</b></p> <p><b>7. Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by BIR.</b></p> <p><b>8. Audited financial statements, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized</b></p>		

	<p>institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.</p> <p>For foreign bidders, the audited financial statements shall be prepared in accordance with International Financial Reporting Standards.</p>		
<b>II. TECHNICAL DOCUMENTS:</b>			
<b>B</b>	<p><b>Duly signed Statement of all on-going Government and Private contracts including contracts awarded but not yet started</b>, if any, whether similar or not similar in nature and complexity to the contract to be bid. (Projects with Notice of Awards are considered on-going projects)</p> <p>The bidder may make a reservation under oath in a notarized document not to disclose the name of its client on the ground of an existing confidentiality agreement but must disclose the amount, status, and name of the project for purposes of validating the NFCC, subject to the full disclosure during post-qualification. In this connection, the bidder may keep the name of the client from the statement of ongoing contracts.</p>		
<b>C</b>	<p><b>Duly signed Statement of Single Largest Completed Contract (SLCC) similar to the contract to be bid</b> within a period of five (5) years from the date of submission and opening of bids, the value of which must be equivalent to at least fifty percent (50%) of the ABC.</p> <p>Or</p> <p>b) Completed at least two (2) similar contracts, the aggregate amount of which should be equivalent to at least fifty percent (50%) of the ABC for this Project; and</p> <p>c) The largest of these similar contracts must be equivalent to at least twenty five percent (25%) of the ABC.</p> <p>For this purpose, similar contracts shall refer to <b>Manufacture and Supply of Maritime Surveillance Aircraft</b>.</p> <p>The bidder may make a reservation</p>		

	under oath in a notarized document not to disclose the name of its client on the ground of an existing confidentiality agreement but must disclose the amount, status, and name of the project for purposes of validating the contents of the statement of single largest similar completed contract, subject to the full disclosure during post-qualification. In this connection, the bidder may keep the name of the client from the statement of single largest similar completed contract.		
<b>III. FINANCIAL DOCUMENTS</b>			
<b>D</b>	Duly signed NFCC Computation in accordance with ITB Clause 5.5; <i>or</i> A bidder may submit a committed Line of Credit from a local Universal or Commercial Bank, in lieu of its NFCC computation which must be at least equal to 10% of the ABC to be bid.		
<b>ELIGIBILITY REQUIREMENTS CLASS "B"</b>			
<b>E</b>	Valid <b>Joint Venture Agreement (JVA)</b> , in case the joint venture is already in existence, if applicable. or <b>Duly notarized undertaking or agreement</b> from all potential joint venture partners to enter and abide by the provisions of the JVA in the instance that the bid is successful. Failure to enter into a joint venture in the event of a contract award shall be ground for the forfeiture of the bid security. In both instances, authority of the representative for each partner shall be submitted during bid opening. In case JVA is not applicable, the bidder must submit a statement stating that JVA is not applicable in lieu of the foregoing.		
<b>TECHNICAL DOCUMENTS</b>			
<b>F.</b>	<b>Duly notarized Affidavit of Bid Securing Declaration, or any form of Bid Security</b> , in an amount not less than the required percentage of the ABC in accordance with the following schedule:		

	<p>1) Cash, or cashier's / manager's check issued by a Universal or Commercial Bank equivalent to two percent (2%) of the ABC; or</p> <p>2) 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 equivalent to two percent (2%) of the ABC; or</p> <p>3) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security equivalent to five percent (5%) of the ABC.</p>		
<b>G</b>	<p><b>Duly signed Statement of Conformity with the Schedule of Requirements and Technical Specifications</b>, as enumerated and specified in Section VI and Section VII of the Bidding Documents with the following:</p> <ul style="list-style-type: none"> <li>- Copy of Functional Test Flight Procedure</li> <li>- Certificate of Airworthiness issued by appropriate aviation authority in the country of origin</li> </ul>		
<b>H</b>	<p>Notarized <b>Omnibus Sworn Statement</b> in accordance with Section 25.2(a)(viii) and Section 25.3 of the 2016 Revised IRR of RA 9184, and using the form prescribed in Section VIII (Bidding Forms).</p>		
<b>I</b>	<p>Duly notarized Secretary's Certificate or Board Resolution or Special Power of Attorney of the authorized Representative of the Bidder or other appropriate forms of authority.</p>		
<b>J</b>	<p>Certification that the aircraft being offered is being used by the country of origin or at least two countries</p>		
<b>K</b>	<p>Certificate of Availability of Spare for the next 30 years</p>		
<b>L</b>	<p>Manufacturer's Certificate</p>		

<b>TAB</b>	<b>FINANCIAL PROPOSAL DOCUMENTS</b>		
<b>A.</b>	Duly signed Financial Bid Form. Price Proposal. Bid Prices and Schedule of Requirements/Bill of Quantities with corresponding price for each item and the applicable Price Schedules.		
<b>B.</b>	Duly signed itemized Price Proposal for Goods offered.		

**B. Supplier's Facility Post Qualification Checklist**

During post qualification, following shall be inspected from the proponent:

**Facility Inspection**

Following shall also be inspected:

✓ **Organizational Structure**

	PASS	FAIL
Company should have a well-constructed facility consisting of different departments for manufacturing, repair and overhaul		
Company personnel are employed based on the organizational set-up with their appropriate qualifications		

✓ **Capability**

	PASS	FAIL
-For manufacturing, repair, & overhaul		
-Company should have ILS support program		
-Capable to support ground equipment requirement		
-Capable to provide common tools, special tools & depot level tools & equipment		
-Capable to provide products operation & maintenance training		

✓ **Quality Control**

	PASS	FAIL
-Quality control program		
-Sub-contractors of the company should comply with the company quality standards		
-Quality control on sub-contractors' products		
-Must have material stress testing equipment		
-Total quality program exist in the company		

✓ **Tools, Equipment & Calibration**

	PASS	FAIL
- Contracting company or its sub-contractors		



should have an engine test cell		
-Company should have a complete ground support equipment for their products		
-Adequate tooling & test equipment to facilitate service to include after sales service		
-Calibration program for tools, equipment, & instruments		
-Complete tooling package		
-Company should exhibit equipment calibration		
-Tools and calibration equipment should be in serviceable condition		
-Should have a calibration monitoring program		
-Tool cribbing should be in orderly manner		

✓ **Data Controls & Manuals**

	PASS	FAIL
-Company should have maintained operating manuals for goods, tools & equipment		
-Company should have a computerized& hard copy monitoring system		
-Product data should be stored properly and updated		
-Manuals should have a regular updating / revision period		
-All established and approved procedures for controlling revisions in manuals should be in OEM specifications		

✓ **Procurement &Receiving**

	PASS	FAIL
-Proper procedure on stocks, ordering,& releasing of products		
-Standard illustrated parts catalog should be given to the customers for easy parts identification and ordering		
-Company should certify all services to be rendered for repair, overhaul, warranty claim and/or modification		
-All products for release to customers should undergo a quality control procedure		

✓ **Materials/Stores**

	PASS	FAIL
-Company should have proper supply system/procedure for serviceable and unserviceable parts		
-Shelf life policy should be observed to spare parts		
-Shelved items should be within life limits		

-Availability of warehouses		
-Storage room should be protected from corrosion, heat & have a conducive storage condition		

✓ **Records**

	PASS	FAIL
-Company should have a product recording system		
-Company should present the computer- based information system for its product monitoring		

✓ **Shops**

	PASS	FAIL
- Each workstation should be equipped with proper tooling & equipment		
- Serviceable and unserviceable components are properly segregated		
-Equipped with safety gears/gadgets		
- Each workstation should have proper/updated manuals		
- Each workstation should have adequate tools		
- Each workstation religiously use its manuals		
-Workstations are clean and orderly		
- Products & equipment labeling are observed		
-Safety program is existing/being implemented		

✓ **Safety & Security**

	PASS	FAIL
-Company should have safety program		
-Equipped with fire prevention gadgets/ equipment		
-Environmental controls should be in generally accepted standards		
-Facility should have a strict security system		

✓ **Engineering**

	PASS	FAIL
-The equipment should be engineered in international standards		
-Should have a program on research & development		

✓ **Working Conditions**

	PASS	FAIL
Facility should have a conducive working condition		
a. Well ventilated		
b. Properly illuminated		
c. Noise-controlled environment		
d. Proper rotation of personnel is observed		

### C. Aircraft Post Qualification Checklist/ Procedures

During post qualification, following shall be inspected from a similar type aircraft to be provided by the proponent. For the mission essential equipment, inspect for its capacity to provide and install in the Amphibian Aircraft:

ITEM	SPECIFICATIONS	Comply / Not Comply	Findings
<b>1</b>	<b>GENERAL REQUIREMENTS</b>		
1.1	<b>One (1)</b> unit Multi-Purpose Amphibian Aircraft		
1.2	<b>Brand new</b> aircraft with brand new systems and components <i>(Brand new means the aircraft has not been utilized for more than 30hrs)</i>		
1.3	<b>Twin engine</b> aircraft for enhanced safety		
1.4	<b>Dual Pilot Control</b> System		
1.5	Certified Single-Pilot Instrument Flight Rules ( <b>SPIFR</b> )		
1.6	Utilized for naval or maritime operations by the country of origin or by at least two other countries		
1.7	With <b>Automatic Flight Control System</b> (AFCS) / Autopilot		
1.8	<b>Short Takeoff and Landing</b> (STOL) capable		
1.9	<b>Cruising Speed</b> of at least <b>150 knots</b> in full mission configuration		
1.10	<b>Payload</b> of at least <b>1,500 kgs</b> in amphibian configuration <i>Payload = (standard empty weight + fuel weight) – maximum gross weight</i>		
1.11	<b>Endurance</b> of at least <b>6 hours</b>		
1.12	<b>Range</b> of at least <b>900 NM</b>		
1.13	Can operate on sea conditions of up to <b>Sea State 3</b>		
<b>2</b>	<b>AIRFRAME</b>		
	<ul style="list-style-type: none"> <li>a. <b>Marinised airframe and components</b> should be protected against corrosion for prolonged over-water operation.</li> <li>b. The airframe must be certified to be rigid enough to initially protect the aircrew during emergency landing.</li> </ul>		
2.1	<b>Exterior</b> <ul style="list-style-type: none"> <li>a. Must have Grounding points</li> <li>b. Must have Airframe hour meter</li> <li>c. Finishing and painting in accordance with Philippine Navy specifications</li> </ul>		
2.2	<b>Interior</b>		

	<p><b>a. Doors</b></p> <p>3) must be configured for safe parajump operations and air drop of SAR equipment</p> <p>4) must be large enough for quick loading of patients and cargoes</p> <p><b>b. Window</b> - shall have observation windows (bubble type or equivalent) suitable to DSLR cameras with telephoto lens, and digital handheld video camera</p>		
	<p><b>2.2.1 Cockpit</b></p> <p>a. Must have a dual seat cockpit layout / configuration with all flight essential controls, instruments (including standby), and displays provided to both stations</p> <p>b. Must permit either pilot, from any point in any mission, to independently conduct an instrument meteorological conditions (IMC) approach to minimum instrument flight rules (IFR)</p> <p>c. Cockpit layout must provide Data Management System (DMS) displays and controls to both pilots</p>		
	<p><b>2.2.2 Cabin</b></p> <p>a. Must be reconfigurable for multi-role mission capabilities to include but not limited to tactical transport of troops and logistic supplies, airdrop and paradrop of loads or cargoes, Casualty Evacuation (CASEVAC) and Medical Evacuation (MEDEVAC), Search and Rescue Operations (SAR), and Humanitarian Assistance and Disaster Relief Operations (HADR).</p> <p>b. Fully air conditioned cabin</p> <p>c. With lavatory and crew rest area</p> <p>d. Sensor Operator (SENSO) Crew station - The sensor operator, from a seated position:</p> <p>4) Shall have a dedicated console configured with all required primary</p>		

	<p>and backup controls to allow the operation of sensors, display(s) and communication equipment, and input and retrieval of data from the DMS.</p> <p>5) Should be able to monitor passengers</p> <p>6) Should be able to conduct a visual search</p> <p>e. Fitted for but not with another control station designated for future TACCO DMS station</p> <p>f. Reconfigurable for MEDEVAC Mission ready to receive attendant basic life support system</p> <p>g. All aircraft configurations must be certified by a Classification Society internationally recognized such as FAA, EASA or its equivalent</p>		
<b>3</b>	<b>POWERPLANT</b>		
3.1	<p><b>Powerplant</b></p> <p>a. Two (2) Brand New Turbine Engines (interchangeable)</p> <p>b. Full Authority Digital Electronic Control (FADEC)</p> <p>c. Should be designed for operations in tropical country (operates effectively in hot &amp; high altitude environments)</p> <p>d. One-engine-inoperative (OEI) capability, sufficient to: allow a safe immediate recovery to the nearest practical landing site</p>		
<b>4</b>	<b>FUEL SYSTEM</b>		
	<p>a. Shall be compatible with fuel available in the AFP</p> <p>b. Equipped with extended/long range tanks</p>		
<b>5</b>	<b>LANDING GEAR / UNDERCARRIAGE SYSTEM</b>		
	Must be able to perform runway and water take off and landing		
<b>6</b>	<b>ELECTRICAL AND AVIONICS SYSTEM</b>		
6.1	<p><b>Electrical</b></p> <p>a. Two (2) self-cooled starter generators</p> <p>b. Must have voltage regulators</p> <p>c. Instrument lights with dimming switch</p> <p>d. Must have a load shed system in case of</p>		

	power loss e. Should have a central warning system (aural, light and message)		
6.2	<p><b>Avionics</b></p> <p>a. Must be brand new and newly calibrated</p> <p><b>b. Shall have a fully integrated navigation and avionics system with multifunctional glass cockpit displays</b></p> <p>c. Outputs from Aircrafts mission sensors must be displayed on the Multi-Function Displays (MFD)</p> <p>d. Instruments should be certified for IFR Flights.</p> <p>e. Instruments should have a reversionary mode in case of equipment failure from either pilot side</p>		
	<p><b>6.2.1 Navigation Equipment</b></p> <p>- Must be integrated with the aircraft data management system but is capable of stand-alone operation in case of DMS failure</p>		
	6.2.1.1 <b>Standby Magnetic Compass</b>		
	6.2.1.2 <b>Standby Airspeed Indicator</b>		
	6.2.1.3 <b>Standby Altimeter</b>		
	6.2.1.3 <b>Global Positioning System</b>		
	6.2.1.4 <b>Radar Altimeter</b>		
	6.2.1.5 <b>Traffic Collision Avoidance System</b>		
	6.2.1.6 <b>Tactical Air Navigation</b>		
	<p><b>6.2.2 Communications Equipment</b></p> <p>- Capable of monitoring at least five (5) radios at the same time</p>		
	<p>6.2.2.1 <b>x2 VHF Comm/Nav Radio –</b></p> <p>a. AM Freq Range -118.00 to 151.975 MHz (25 KHz frequency spacing)</p> <p>b. FM Freq Range -30.00 to 79.95 MHz (25 KHz frequency spacing)</p> <p>c. Must be integrated with the GPS</p>		
	<p>6.2.2.2 <b>x1 HF / SBB Radio</b></p> <p>- 2 to 30 MHz (1 KHz frequency spacing)</p>		
	<p>6.2.2.3 <b>x1 V/UHF Radio with ground receiver (wide band)</b></p> <p>a. with advance encryption system capability for voice and data</p> <p>b. must cover Marine Band - For inter-operability with Navy vessels having the frequency</p>		

		range of at least 30.00 to 300.00 MHz		
	6.2.2.4	<b>Internal Communication System</b> - Designed for eight crew with dedicated headsets having noise cancellation feature		
	6.2.2.5	<b>ICS Loud Speaker</b> - Designed for cabin public address		
	6.2.2.6	<b>External Jack</b> - Designed for communication between the pilots and the ground crew		
	6.2.2.7	<b>Tactical Data Link</b> a. Fitted for but not with TDL 16 (upgraded version) b. Can permit the two-way exchange of tactical data as well as command and control information with other TDL-equipped AFP units		
	6.2.2.8	<b>Video Downlink</b> a. Must be able to transfer EO/IR data in real time to downlink ground stations/receivers b. Must be compatible with PN existing downlink receivers		
<b>7</b>	<b>MISSION ESSENTIAL SYSTEMS</b>			
7.1	<b>Data Management System</b> a. It is essential that data from systems be integrated and displayed by a tactical computer. b. Capable of accepting pre-flight mission data entered manually and/or from a Data Transfer Module (DTM) c. Can display and control processing instructions to be loaded at initial system start-up manually and/or via a DTM d. Can recover tactical data and process instructions for in-flight system re-initialization e. Can select mission data and sensor imagery in a mass storage device for post-mission playback and analysis f. Must continuously display the aircraft's position, speed, heading and altitude g. Must be approved for use in specified aircraft by any authorized aviation authority			
7.2	<b>Sensors</b>			
	<b>7.2.1 EOIR</b>			

	<ul style="list-style-type: none"> <li>a. Must be retractable</li> <li>b. Must be among the latest models</li> <li>c. Must have Multi-Sensor Imaging/Lasing Payload Option</li> <li>d. Must have stabilizer and target locking capability</li> <li>e. Must have a geo-locating feature</li> <li>f. With eyesafe laser range finder</li> <li>g. Capable to search, detect, classify, and identify vessels of interest (including submarine masts and periscopes) in ambient light conditions ranging from direct unobscured sunlight to overcast starlight in maritime environmental conditions to include fog/haze, rain, drizzle and high humidity</li> <li>h. Passively detect any Fast Patrol Boat (FPB)/ fishing boat sized vessel at a minimum range of 15 nm in unobscured conditions</li> <li>i. Can provide imagery to classify by platform type any fishing boat sized vessel at a minimum range of 5 nm in unobscured condition</li> <li>j. Can provide imagery to identify a platform at a slant range of 1,000ft in obscured conditions</li> <li>k. Should be compact and high definition</li> </ul>		
	<p>7.2.2 <b>AIS</b></p> <ul style="list-style-type: none"> <li>a. Able to interface with the aircraft's Data Management System for information display and correlation.</li> <li>b. Can be incorporated as a function of the radar (Optional)</li> </ul>		
	<p>7.2.3 <b>RADAR</b></p> <ul style="list-style-type: none"> <li>a. Inverse Synthetic-aperture radar (ISAR) imaging and Range Profiling</li> <li>b. X-Band Active Electronically Scanned Array (AESA) antenna technology</li> <li>c. Simultaneous Multi-mode operations (weather, air and surface surveillance)</li> <li>d. With capabilities to include but not limited to Ground Surveillance and Mapping; Moving target detection; Automatic Detection and Scanning; Oil Slick detection; Land Mass discrimination, turbulence detection and weather detection</li> <li>e. Must be optimized for over-water</li> </ul>		



	<p>surveillance, detection, classification and tracking of surface vessels, exposed periscope masts, life rafts, and aircraft, throughout the operating range of the aircraft</p> <p>f. Able to detect and track targets from a minimum detectable target range of 100 yards to a maximum range of at least 120nm, at the service ceiling of 10,000 ft ASL, through 360 degrees</p> <p>g. Capable of over-land surveillance of coastline and interior geographic feature</p> <p>h. Has no or minimal moving parts</p> <p>i. Must be compact and lightweight (not more than 40kgs)</p>		
	<p><b>7.2.4 IFF / SIF</b></p> <p>a. Must consist of both a transponder and interrogator capable of modes 1, 2, 3, C and 4 (<i>1,2,3 modes are SIF; 1,2,4,5 modes are military IFF</i>)</p> <p>b. Transponder shall be capable of responding to mode S interrogations.</p> <p>c. The interrogator shall be capable of interrogating modes in combination, decode response codes for the interrogated modes and interface with the DMS for numeric decoded display and tracking on the operators' displays.</p> <p>d. The interrogator shall present a distinctive alert in response to emergency, identification, communication failure, hijack, and operator modes and codes.</p> <p>e. Must be approved for use in specified aircraft by FAA or authorized aviation authority</p>		
<b>8</b>	<b>UTILITY EQUIPMENT</b>		
8.1	<b>x4 Stretchers</b> for MEDEVAC		
8.2	<b>Seats</b> for at least 19 persons including 2 pilots		
8.3	<b>Detachable static line</b> for parajump operations		
8.4	<b>Lashings and nets</b> during cargo transport		
8.5	<b>Basic Fixed Wing SAR Kit</b> to include but not limited to dye markers and flares.		
<b>9</b>	<b>EMERGENCY AND PROTECTION SYSTEM</b>		
9.1	<p><b>Fire Detector and Extinguisher</b></p> <p>a. Built-in at the engine compartment for each engine</p> <p>b. Must have Two (2) portable fire</p>		

	extinguishers that are located at the cockpit and one (1) at the cabin		
9.2	<b>Life Raft</b> – able to accommodate 20 pax		
9.3	<b>Emergency Locator Transmitter</b> – ICAO compliant		
9.4	<b>Crew and Troop Seats</b> a. Certified Crashworthy b. Certified Energy absorbing		
9.5	<b>Oxygen System</b> for aircrew		
<b>11</b>	<b>DIAGNOSTIC SYSTEM</b>		
	Must be equipped with health and usage monitoring system capable of providing comprehensive diagnostics for aircraft systems analysis / maintenance		
<b>13</b>	<b>TRAINING</b>		
	a. Must have a conversion to type training to be conducted at the OEM training facility of the Supplier. Accommodations and other related expenses shall be shouldered by the Supplier as specified in the Sec VI: Special Conditions of the Contract to include but not limited to: <ul style="list-style-type: none"> <li>• pre-departure expenses,</li> <li>• travel expenses,</li> <li>• subsistence / meal allowance – at least three times a day</li> <li>• students’ per diem support (international rate)</li> <li>• mobility requirements relative to training</li> </ul> b. Must have an in-country operational conversion training relative to the aircraft missions and operations  c. Must include all other training necessary for the operation and maintenance of the aircraft and its mission essential equipment other than the specified below.		
13.1	Conversion to Type Training		
	13.1.1 x6 Pilot in Command		
	13.1.2 x2 Instructor Pilot (from the 6 PICs)		
	13.1.3 x2 Maintenance Test Pilot (from the 6 PICs)		
	13.1.4 x2 Maintenance Officer		
	13.1.5 x2 Avionics Officer		
	13.1.6 x6 Mechanical Technician		
	13.1.7 x2 Mechanical Quality Assurance		

	Inspector (from the 6 MTs)		
	13.1.8 x3 Avionics Technician		
	13.1.9 x2 Avionics Quality Assurance Inspector (from the 6 ATs)		
	13.1.10 x4 Sensor Operator		
13.2	In-Country Operational Conversion Training		
	13.2.1 Water Landing Proficiency		
	13.2.2 Undercarriage Reconfiguration (if applicable)		
<b>14</b>	<b>INTEGRATED LOGISTICS SUPPORT</b>		
14.1	<p>ILS Plan</p> <p>a. The ILS shall cover at least three (3) years or 1200 hours flying time from the time of delivery and acceptance whichever comes first equivalent to at least 15% of the ABC. As such, the proponent shall specifically explain it in its ILS Plan and shall consider the following:</p> <p>i. Spare parts requirements for scheduled and unscheduled maintenance; ii. Tools and ground support equipment; and,</p> <p>iii. After-sales services</p> <p>b. All items in the ILS must be delivered NOT later than the delivery date of the first aircraft to be delivered.</p>		
14.2	<p>Supply Support</p> <p>Must be made available locally through the establishment of Basic Ordering Agreement on the following:</p>		
	<p>14.2.1 Life Cycle Management Information</p> <p>The supplier must provide:</p> <p>a. at least a 30-year life cycle cost of the aircraft including all its systems</p> <p>b. information / references/software regarding Mean Time Between Failures (MTBF), lead time, shelf life, total life, repairable cycle assets, as well as information for repair and overhaul of components to include repair turn-around time and cost.</p> <p>c. readily available fast moving items (as determined by the ILS Plan) at the authorized repair facilities in the country three years after aircraft delivery.</p>		
	<p>14.2.2 Support Equipment and Structures</p> <p>a. The supplier must provide a <b>hangar</b> equipped with necessary facilities and system for the maintenance and operation of the aircraft on</p>		

		<p>the location identified by the end-user.</p> <ol style="list-style-type: none"> <li>1) able to accommodate up to three (3) aircraft of same type at any one time.</li> <li>2) must have provisions for Offices and Billeting for ten (10) Officers and ten (10) crew</li> <li>3) must have materiel storage and maintenance sections for intermediate level repair of aircraft to include the necessary equipment needed for repair</li> <li>4) must have the appropriate wash facility or equipment for the maintenance of aircraft</li> <li>5) must have water refilling stations needed for the wash facility</li> <li>6) must have training, planning and debriefing stations</li> </ol> <p>b. The Supplier must submit /provide a standard design architectural and engineering plan to be approved by the end-user prior construction.</p>		
	14.2.3	<p>Storage Procedures</p> <p>The supplier must provide information on the proper storage procedures of sensitive components and spares.</p>		
14.3	Spares	<p>The supplier must provide:</p> <ol style="list-style-type: none"> <li>a. Spares sufficient for three (3) years of operation at an annual utilization rate of 400 hours</li> <li>b. Spares shall include all Scheduled Mandatory Inspection (SMI), packed in kit, that will be rendered for the first 1200 hours</li> <li>c. Must also include all fast moving spares expected for unscheduled repairs such as but not limited to batteries, oleos, wheels, bulbs, etc.</li> <li>d. Must include a one (1) float engine</li> </ol>		
14.4	Tools	<p>The supplier must provide:</p> <ol style="list-style-type: none"> <li>a. tools needed to render organizational and intermediate level maintenance (both for scheduled and unscheduled maintenance inspections)</li> <li>b. Special tools with attendant software (if applicable): jack and weighing</li> </ol>		

	<p>equipment; adapters; disassembly tools for engines and system components; calibration tools; lifting system; pullers; balance set; pressing tool set; engine hoist; speed testers; spray gun for compressor washing; special wrenches; bore scope tool; compressor wash unit; bench test equipment; analyzers; alignment tools; and, data access kits; and, tools/equipment for periodic maintenance</p> <p>c. All other special tools necessary for the operation and maintenance of the aircraft and its mission essential equipment.</p> <p>d. All special tools and test equipment in each maintenance level must be identified and provided by the Contractor together with their technical manuals and appropriate training on their use for the prospective trainers and operators.</p>		
14.5	<p>Ground Support Equipment The supplier must provide:</p> <p>a. Equipment needed to render organizational and intermediate level maintenance (both for scheduled and unscheduled maintenance inspections) composed of but not limited to the following or its equivalent: tripod jack; service platforms; trolleys; tie down lines; anchoring equipment; fenders; and engine holders</p> <p>c. All other ground support equipment necessary for the operation and maintenance of the aircraft and its MEE such as aircraft tow cart, towing bar, EPU, and the likes.</p>		
14.7	<p>Publications and Manuals</p> <p>a. The supplier must provide all attendant publications and manuals relative to aircraft and its subsystems and spares, tools and GSEs and the likes. (two 2 hard copies and two (2) soft copy format)</p> <p>b. One laptop dedicated for the IETP.</p>		
<b>15</b>	<b>QUALITY ASSURANCE</b>		
15.1	<p>Project Monitoring Tool</p> <p>a. The contractor shall develop and provide</p>		

	<p>a Program Master Schedule showing all major program milestones and deliverables.</p> <p>b. The contractor's management with executive responsibilities shall review the quality system at defined interval sufficient to ensure its continuing suitability and effectiveness in satisfying the requirements and the contractor's stated quality policy and objectives. Records of such reviews shall be maintained.</p> <p>c. The contractor's QA department shall be responsible for the release of production drawings, documentation and test reports.</p> <p>d. Must facilitate a project management review with the DAO and PMT every two months after the NTP.</p>		
15.2	<p><b>Certification</b> The builder must have a certification or be certified by a Classification Society internationally recognized such as FAA, EASA or its equivalent.</p>		
15.3	<p><b>Test and Trials</b></p> <p>f. The quality of the aircraft and proof of performance shall be established by test and trials as specified in Sec VI: Special Conditions of the Contract.</p> <p>g. The Supplier shall also provide test parameters for the sub systems included and sophisticated sensors to ensure its full functionality</p> <p>h. More so, the manufacturer shall bear all expenses relative to inspection and test.</p> <p>i. Functional Check Flight (FCF) to be conducted according to Aircraft Manual (must conform with the technical specification of the project as minimum requirement)</p> <p>j. The equipment and components/sub-assembly elements shall be delivered with factory acceptance test reports. The factory acceptance test shall be performed under the supervision of the contractor.</p>		

15.4	<p>Acceptance</p> <p>The final acceptance shall be done at <b>Headquarters Naval Air Group, 1898 Avenue, Naval Base Cavite, Sangley Point, Cavite City, Philippines.</b></p>		
15.5	<p>After Sales</p> <ul style="list-style-type: none"> <li>a. After-sales services shall include a field service representative for airframe and powerplant, avionics, and other systems maintenance and repair for a period of three (3) years to be stationed at Headquarters Naval Air Group.</li> <li>b. Shall include supply of spares, field assistance, repair and overhaul of component systems, and technical support. Technical support shall include field service, query and answering, defect investigation, service bulletins, and defect/ maintenance data collection</li> <li>c. The OEM shall also assure availability of spares for the duration of the total life span of the aircraft.</li> </ul>		