



AUG 06 2019

## NOTICE OF AWARD

**MR. KIM BAEKNYUN**

Authorized Representative

**HANWHA SYSTEMS CO., LTD.**

Hanwha Building 13<sup>th</sup> Floor, 86 Cheonggyecheon-ro  
Jung-gu, Seoul, Korea

Dear **Mr. Baeknyun**:

This is to inform you that the proposal of **HANWHA SYSTEMS CO., LTD.** for the Del Pilar Class Frigate Upgrade Acquisition Project of the Philippine Navy, with a corresponding contract price in the amount of **ONE BILLION THREE HUNDRED FOUR MILLION TWO HUNDRED THOUSAND PESOS (PhP1,304,200,000.00)**, is hereby accepted.

You are hereby directed to provide, within ten (10) calendar days, the Performance Security in the form and amount stipulated in the Bidding Documents. Failure to provide the said performance security shall constitute sufficient ground for the cancellation of the award.

Be guided accordingly.

Truly yours,

**DELFIN N. LORENZANA**

Secretary



Conforme:

Date: 15 AUGUST 2019



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

**DND BIDS AND AWARDS COMMITTEE 1**  
**RESOLUTION NO. DND/PN-DPCFU-19-08**

***“A Resolution Declaring Hanwha Systems Co., Ltd. as the Single Calculated and Responsive Bidder (SCRB) for the Del Pilar Class Frigate Upgrade Acquisition Project of the Philippine Navy and Recommending the Issuance of a Notice of Award in its Favor”***

**WHEREAS**, on 28 August 2018, the Secretary of National Defense (SND) issued Acquisition Decision Memorandum (ADM) No. 2018-021 directing the procurement of key sensors and combat system of Del Pilar Class Frigate of the Philippine Navy with an Approved Budget for the Contract (ABC) amounting to PhP1,540,000,000.00, which shall be procured through Limited Source Bidding;

**WHEREAS**, after the conduct of necessary bidding procedures, the DND Bids and Awards Committee 1 (“Committee,” for brevity) conducted the Submission and Opening of Bid Envelopes (SOBE) for the project on 19 February 2019, where the following bidders were declared as eligible to bid for the project:

Name of Bidder	Financial Proposal	Rank
Ultra Electronics Limited Command and Control Systems	PhP1,284,999,999.80	LCB
Hanwha Systems Co., Ltd.	PhP1,304,200,000.00	2 <sup>nd</sup> LCB

**WHEREAS**, on 7 March 2019, the Committee issued Resolution No. DND/PN-DPCFU-19-04 approving the recommendations of the PQ Team that Ultra Electronics Limited Command and Control Systems (“Ultra,” for brevity) be declared as Post-Disqualified as its bid failed to comply with, and be responsive to the requirements and conditions specified in the Bidding Documents for the said project particularly in the Financial Requirement (NFCC Computation, Goods Offered from Within the Philippines) and Financial Proposal, upon careful examination, verification, validation and ascertainment of all statements and representations made, including all documents submitted in relation to its bids, and the conduct of post-qualification on the 2<sup>nd</sup> LCB, Hanwha Systems Co., Ltd;

**WHEREAS**, the Committee, in compliance with the provision of the 2016 Revised Implementing Rules and Regulations (RIRR) of Republic Act No. 9184 (R.A. 9184) issued in Resolution No. DND/PN-DPCFU-19-05 dated 7 March 2019 directing the TWG to conduct the post-qualification evaluation

on Hanwha Systems Co., Ltd. to determine the responsiveness of the submitted legal, technical and financial requirements;

**WHEREAS**, on 19 March 2019, the Committee resolved to deny the Motion for Reconsideration filed by Ultra upon the recommendation of the TWG through Resolution No. DND/PN-DPCFU-19-06;

**WHEREAS**, the PQ Team, headed by BGEN ADRIAN D SANCHEZ JR AFP, conducted the post-qualification on Hanwha Systems Co., Ltd. In Seoul, South Korea from 04-10 April 2019 at its head office and manufacturing plants to verify, validate and ascertain all statements and submitted documents during the SOBE;

**WHEREAS**, the PQ Team, headed by BGEN ARNOLD F FERNANDEZ AFP, conducted the post-qualification on Hanwha's subcontractor for Radar Electronic Support Measure (RESM), Elbit Systems, Ltd. (particularly Elbit Systems EW and SIGINT-Elisra Ltd.) in Tel Aviv-Yafo, Israel from 27 March to 03 April 2019 at its head office and manufacturing plants to verify, validate and ascertain all statements and submitted documents during the SOBE;

**WHEREAS**, the PQ Team, headed by CAPT ALAN M JAVIER PN (GSC), conducted the post-qualification on Hanwha's subcontractor for Hull Mounted SONAR (HMS), Wartsila ELAC Nautik GmbH in Kiel, Germany from 01 to 06 April 2019 at its head office and manufacturing plants to verify, validate and ascertain all statements and submitted documents during the SOBE;

**WHEREAS**, on 24 April 2019, the PQ Team presented its PQ report and found that Hanwha Systems Co., Ltd. complied with and is responsive to all the requirements set forth in the Bidding Documents and recommended to the Committee that it be declared as post-qualified and the Single Calculated and Responsive Bidder (SCRB) for the project and the subsequent issuance of the Notice of Award in favor of Hanwha Systems Co., Ltd.;


**NOW, THEREFORE**, we, the members of the DND Bids and Awards Committee 1, resolve, as it is hereby **RESOLVED**, to approve and adopt the following recommendations of the PQ Team:

- a) To declare Hanwha Systems Co., Ltd. as post-qualified;
- b) To declare Hanwha Systems Co., Ltd. as the Single Calculated and Responsive Bidder (SCRB) with a bid price in the amount of PhP1,304,200,000.00 for the Del Pilar Class Frigate Upgrade Acquisition Project of the Philippine Navy; and
- c) To recommend to the Secretary of National Defense the issuance of a Notice of Award in its favor.

*Jim*

**ISSUED**, this 24<sup>th</sup> day of April 2019 at the DND Bids and Awards Committee Conference Room, Left Wing Basement, DND Building, Camp General Emilio Aguinaldo, Quezon City.

  
**ASEC MANUEL FELINO V. RAMOS**  
Chairperson

  
**DIR DINNA ANNA LEE L. CARTUJANO**  
Member

  
**ATTY JUDITO ANGELO C. TADEO**  
Member

  
**BGEN ARNOLD F. FERNANDEZ AFP**  
Member

  
**BGEN ADRIAN D. SANCHEZ JR AFP**  
Alternate Member

  
**CAPT ALAN M. JAVIER (GSC) PN**  
Alternate Provisional Member