



JAN 21 2019

NOTICE OF AWARD

MR. JERUEL G. SANCHEZ
Authorized Representative
RHEINMETALL DENEL MUNITION (PTY.) LTD
Reeb Road, Firgrove, 7130 South Africa

Dear Mr. Sanchez:

This is to inform you that the proposal of RHEINMETALL DENEL MUNITION (PTY.) LTD for the Procurement of 187 Metric Tons of Propellant Powder covering a Multi-Year Obligational Contract for a period of three (3) years starting 2019, with a corresponding total contract price in the amount of TWO HUNDRED FOURTEEN MILLION TWENTY TWO THOUSAND EIGHT HUNDRED ELEVEN PESOS (PhP214,022,811.00), 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: Jan. 22, 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/GA-187MT-PP-MYOA-18-03

“A Resolution Declaring Rheinmetall Denel Munition (Pty) Ltd. of South Africa as the Single Calculated and Responsive Bidder (SCRB) for the Procurement of 187 Metric Tons of Propellant Powder of the Government Arsenal and Recommending the Issuance of a Notice of Award in its favor”

WHEREAS, the Department of Budget and Management (DBM) issued Multi-Year Obligational Authority (MYOA) # MYOA-BMB-D-18-0000019 dated 26 March 2018 for the Procurement of 187 Metric Tons of Propellant Powder Project for CYs 2019-2021 with a total Approved Budget for the Contract in the amount of PhP214,322,914.00;

WHEREAS, on 29 August 2018, the Secretary of National Defense (SND) issued Acquisition Decision Memorandum (ADM) No. 2018-027 directing the Procurement of 187 Metric Tons of Propellant Powder Project of the Government Arsenal (GA) with an Approved Budget for the Contract (ABC) in the amount of PhP214,322,914.00 in connection with MYOA-BMB-D-18-0000019, which shall be procured through Public Bidding;

WHEREAS, subsequent to compliance with the necessary procedures on procurement, the DND Bids and Awards Committee (“Committee,” for brevity) conducted the Pre-bid Conference for the project on 2 October 2018, which was attended by four (4) prospective bidders, namely: (1) Rheinmetall Denel Munition (Pty) Ltd (RDM), (2) Poongsan Corporation, (3) Armscor Global Defense Inc., and (4) MKE;

WHEREAS, the Committee conducted the Submission, Opening of Bids and Evaluation (SOBE) for the project on 18 October 2018 which was participated by RDM as the sole bidder and after a thorough evaluation of its eligibility requirement, said bidder was declared eligible and subsequently the Single Calculated Bidder (SCB) through Resolution No. DND/GA-187MT-PP-MYOA-18-01 for submitting a financial proposal of PhP214,022,811.00 which amount is within the ABC;

WHEREAS, the Committee, in compliance to the provision of the Revised Implementing Rules and Regulations (RIRR) of Republic Act No. 9184 (R.A. 9184) directed the TWG to conduct the post-qualification evaluation of RDM through Resolution No. DND/GA-187MT-PP-MYOA-18-02 dated 23 October 2018 to determine the responsiveness of the submitted legal, technical, and financial requirements;

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WHEREAS, the PQ Team, headed by DIR MARITA I YORO CESO III, conducted the post-qualification on RDM from 4-9 December 2018 at its Head Office and manufacturing plants in South Africa to verify, validate and ascertain all the submitted documents of RDM during the SOBE;

WHEREAS, on 17 December 2018, the PQ Team presented its PQ report and found that RDM complied with and is responsive to all the requirements set forth in the Bidding Documents and recommended to the BAC 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 RDM;

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

- a) to declare Rheinmetall Denel Munition (Pty) Ltd as post-qualified;
- b) to declare Rheinmetall Denel Munition (Pty) Ltd as the Single Calculated and Responsive Bidder (SCRB) for the Procurement of 187 Metric Tons of Propellant Powder Project of the Government Arsenal at a total contract price of PhP214,022,811.00 for a period of three (3) years, as follows:

Year	Amount
2019	PhP69,239,941.00
2020	PhP71,320,150.00
2021	PhP73,462,720.00

- c) to recommend to the Secretary of National Defense the issuance of a Notice of Award in its favor.

ISSUED, this 17th day of December 2018 at the DND BAC Conference Room, Basement, Left Wing, DND Building, Camp General Emilio Aguinaldo, Quezon City.


DIR MARITA I. YORO, CESO III
Vice-Chairperson


DIR DINNA ANNA LEE L. CARTUJANO
Member


ATTY JUDITO ANGELO C. TADEO
Member

BGEN CORNELIO H VALENCIA JR AFP
Alternate Regular Member


ENGR JOSE C. BOBADILLA
Alternate Provisional Member

DND Core Values: Patriotism, Professionalism, Good Governance