



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

DND SPECIAL BIDS AND AWARDS COMMITTEE
Camp General Emilio Aguinaldo, Quezon City

07 March 2016

SUPPLEMENTAL BID BULLETIN NR. DND-AFP/PAF-LRPA-16-03-002
PAF Acquisition of Long Range Patrol Aircraft

This Supplemental Bid Bulletin is issued to inform prospective bidders of the clarifications and amendments in the Bidding Documents for the Acquisition of Long Range Patrol Aircraft for the Philippine Air Force:

A. Response to the Clarifications and Requests of ELBIT System	
Reference: Sec. III. BDS-ITB Clause 8.2 (As stated by Elbit)	
Original Provision	“LEGAL DOCUMENTS: For foreign subcontractors, they should submit the foreign equivalent of the documents under TAB A & B. However, if there is no foreign equivalent document, the subcontractors shall issue a Certificate of No Equivalence.
Requested/ Suggested Revision/ Clarifications	Clearly, as stated, it is the intent of the Procuring Entity to allow Prospective Bidders to sub-contract some of the project requirements to other manufacturers/entities. Where such subcontracting does not necessarily correspond or devolve to a Joint Venture partnership with Prospective Bidders. Query: ➤ Relative to ITB Clause 8.3 (considering there were no noted comments/changes made in the BDS), please clarify if the disclosure of the Subcontractor by the Prospective Bidder is mandatory at this stage of the bidding.
Response	It is mandatory. The bidder shall disclose the name of the subcontractor during 1 st stage bidding subject to compliance with the required documents under the new ITB 8.2 SEC III BDS Tabs “A” to “G” as discussed in this Supplemental Bid Bulletin.

	<p>Considering that Tabs “A” and “B” cannot be complied with by foreign subcontractors, the same may be substituted by the appropriate foreign equivalent document. However, if there is no foreign equivalent document, the subcontractors shall issue a certificate of No Equivalence.</p> <p>If the documents to be submitted are in foreign language other than English, the same must be accompanied by a translation of the documents in English.</p> <p>The documents shall be translated by the relevant foreign government agency, the foreign agency authorized to translate documents, or registered translator in the foreign subcontractor’s country and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign subcontractor’s affairs in the Philippines.</p> <p>During the second stage of bidding, the bidder must still submit the requirements under Tabs G.1-6.7 of Item 13.2 (first envelope) of Section III (Bid Data Sheet) of the bidding documents (as discussed in the last part of this Supplemental Bid Bulletin), whether or not said bidder will change the subcontractor that it disclosed and identified during the bid submission (1st stage bidding),</p>
<p>2. Reference: Sec. III. BDS-ITB Clause 8.2 (As stated by Elbit)</p>	
<p>Original Provision (As stated by ELbit)</p>	<p>“LEGAL DOCUMENTS: For foreign subcontractors, they should submit the foreign equivalent of the documents under TAB A & B. However, if there is no foreign equivalent document, the subcontractors shall issue a Certificate of No Equivalence.</p>
<p>Requested/ Suggested</p> <p>Revision/ Clarifications</p>	<p>Must the Prospect Bidder declare and disclose each and every subcontracted work and correspondingly, the subcontracting party? Ergo, submitting for each of such subcontractor its equivalent documents for TAB A and B of the First Envelop and ISO Certificate?</p>
<p>Response</p>	<p>Portions of the goods to be subcontracted may be either the platform or sensor and this shall be disclosed by the bidder to the Procuring Entity during the first-stage bid submission. Likewise, the Bidder shall disclose the name of the subcontractor during the first stage bidding subject to compliance with the required documents under the new ITB 8.2 SEC III BDS Tabs “A” to “G” as discussed in this Supplemental Bid Bulletin.</p>

	<p>Considering that Tabs “A” and “B” cannot be complied with by a foreign subcontractor, the same may be substituted by appropriate foreign equivalent document. However, if there is no foreign equivalent document, the subcontractors shall issue a “Certificate of No Equivalence”.</p> <p>If the documents to be submitted are in foreign language other than English, the same must be accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency, the foreign agency authorized to translate documents, or registered translator in the foreign subcontractor’s country and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign subcontractor’s affairs in the Philippines.</p> <p>It must be emphasized that during the second stage of bidding, the bidder must still submit the requirements under Tabs G.1-6.7 of Item 13.2 (first envelope) of Section III (Bid Data Sheet) of the bidding documents (as discussed in the last part of this Supplemental Bid Bulletin), whether or not said bidder will change the subcontractor that it disclosed and identified during the bid submission (1st stage bidding),</p>	
<p>3. Reference: Sec. III. BDS-ITB Clause 8.2 (As stated by Elbit)</p>		
<p>Original Provision (As stated by Elbit)</p>	<p>“LEGAL DOCUMENTS: For foreign subcontractors, they should submit the foreign equivalent of the documents under TAB A & B. However, if there is no foreign equivalent document, the subcontractors shall issue a Certificate of No Equivalence.</p>	
<p>Requested/ Suggested Revision/ Clarifications</p>	<p>“We would like to respectfully put on notice that the inclusion of the appertaining documents in TAB C, D, E, F and G only confuses the reader, considering the ITB statement only refers to TAB A and B. Suggest deleting the irrelevant Tabs from the table.</p>	
<p>Response</p>	<p>The request cannot be granted. Section III, BDS-ITB Clause 8.2 is hereby amended</p>	
	<p style="text-align: center;">From</p>	<p style="text-align: center;">To</p>
	<p style="text-align: center;">Legal Documents: For foreign subcontractors, they should submit the</p>	<p style="text-align: center;">If the subcontracted part is either the platform or the sensor, said subcontractor must</p>

	<p align="center">foreign equivalent documents under Tabs A & B. However, if there is no foreign equivalent document, the subcontractors shall issue a Certificate of No Equivalence</p>	<p align="center">submit the following documents</p>												
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		business of the prospective bidder is located or its equivalent in the case of foreign bidder				documents in case of foreign subcontractor ..		
	C.	Tax Clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR				However, if there is no foreign equivalent document, the subcontractors shall issue a "Certificate of No Equivalence."		
	D.	Statement of all 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.				Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR.		
	E.	Statement of at least one similar completed largest contract within ten (10) years from the date of the opening of bids equivalent to at least 50% of the ABC.				Statement of all 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.		
						Statement of at least two (2) similar completed aircraft or airborne sensors' contract within ten (10) years prior to the date of the opening of bid, the aggregate		

				<p>amount of which must be equivalent to 50% of the ABC and the largest of these similar contracts must be equivalent to at least 25% of the ABC.</p>	
<p>F.</p>	<p>Latest Audited financial statements, stamped received by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission; or equivalent documents in case of foreign bidder, provided that the same is in accordance with International Financial Reporting Standards.</p>		<p>F.</p>	<p>Latest Audited financial statements, stamped received by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission; or equivalent documents in case of foreign subcontractor, provided that the same is in accordance with International Financial Reporting Standards.</p>	
<p>G.</p>	<p>NFCC Computation in accordance with ITB Clause 5.</p>		<p>G.</p>	<p>Affidavit of undertaking that the subcontractor shall be jointly and severally liable with the principal bidder to the extent of his participation in the project.</p>	

4. Reference: Reference: Sec. III. BDS-ITB Clause 8.2 (As stated by Elbit)

<p>Requested/ Suggested</p> <p>Revision/ Clarifications</p>	<p>Assume I am considering to choose between two subcontractors for one of the technical domains. Assuming both subcontractors has a technical solution which COMPLYs all requirements. However, I have not selected yet the one among the two because of commercial issues/price negotiation etc. In this case, referring to the previous question, do I have to submit any of the TABs in 8.2 for these contractors?</p>
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<p>Response</p>	<p>Yes, you have to make up your mind as to the name of your subcontractors and they should be disclosed during the first stage bidding.</p> <p>You must comply all the documents from Tabs “A” to “G” of the new Section III, BDS- ITB Clause 8.2 as discussed in this Supplemental Bid Bulletin. The requirements Tabs “A” and “B” may be substituted by the appropriate foreign equivalent document issued by the country of the foreign subcontractors. However, if there is no foreign equivalent document, the subcontractors shall issue a “Certificate of No Equivalence”.</p> <p>If the documents to be submitted are in foreign language other than English, the same must be accompanied by a translation of the documents in English.</p> <p>The documents shall be translated by the relevant foreign government agency, the foreign agency authorized to translate documents, or registered translator in the foreign subcontractor’s country and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign subcontractor’s affairs in the Philippines.</p> <p>It must be emphasized that during the second stage of bidding, the bidder must still submit the requirements under Tabs G.1-6.7 of Item 13.2 (first envelope) of Section III (Bid Data Sheet) of the bidding documents (as discussed in the last part of this Supplemental Bid Bulletin), whether or not said bidder will change the subcontractor that it disclosed and identified during the bid submission (1st stage bidding).</p>
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5. Reference: : Sec. III. BDS-ITB Clause 12.1 (As stated by Elbit)	
Original Provision (As stated by Elbit)	For foreign bidders, they should submit the foreign equivalent of the documents under TAB A & B. However, if there is no foreign equivalent document, the subcontractors shall issue a Certificate of No Equivalence.
Requested/ Suggested Revision/ Clarifications	Assume I have a subcontractors which I am to integrate in my solution. Please inform explicitly with TABs (as per Section III BDS, in 8.2) we have to submit. <ul style="list-style-type: none"> ➤ Is it no need to submit any? ➤ Is it only TAB A and B? ➤ Else?
Response	<p>All the documents from Tabs “A” to “G” of the new Section III, BDS- ITB Clause 8.2 must be complied and submitted during the first-stage bidding as discussed in this Supplemental Bid Bulletin.</p> <p>The requirements Tabs “A” and “B” may be substituted by the appropriate foreign equivalent document issued by the country of the foreign subcontractors. However, if there is no foreign equivalent document, the subcontractors shall issue a “Certificate of No Equivalence”</p> <p>If the documents to be submitted are in foreign language other than English, the same must be accompanied by a translation of the documents in English.</p> <p>The documents shall be translated by the relevant foreign government agency, the foreign agency authorized to translate documents, or registered translator in the foreign subcontractor’s country and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign subcontractor’s affairs in the Philippines.</p> <p>It must be emphasized that during the second stage of bidding, the bidder must still submit the requirements under Tabs G.1-6.7 of Item 13.2 (first envelope) of Section III (Bid Data Sheet) of the bidding documents (as discussed in the last part of this Supplemental Bid Bulletin), whether or not said bidder will change the subcontractor that it disclosed and identified during the bid submission (1st stage bidding),</p>

6. Reference: Sec. II. BDS-ITB Clause 12 (As stated by Elbit)	
Requested/ Suggested	For and in behalf of the Elbit Systems Ltd., proponent for the above-mentioned project, may I respectfully submit as a formal query as to whether changes in either the platform and/or sensors submitted as part of the required Technical Proposal during the First Stage and during the Second Stage is allowed, so long as all other relative documentary proof to support the changes made during the Second Stage is fully complied with. For example, submitting a particular sensor in the Technical Proposal submitted in the First Stage, then later on, in the Second Stage, changing the same in the Technical Proposal to again be submitted.
Revision/ Clarifications	
Response	Yes. The procedure is laid down in Items 24.4 of Section II (Instructions to Bidders) of the Bidding Documents.
B. Response to the Clarifications and Requests of Airbus Military	
1. Reference: : SECTION IV Article 11.2, Payment Plan	
Clarification/ Request	The Long Range Patrol Aircraft will be a complex version which will make the bidder incur in development costs. The payment plan proposed in the mentioned reference implies a negative cash flow that induces in financial costs that are avoidable either for the bidder and for the customer. Could this payment plan be more flexible.
Response	The final payment scheme/payment milestone will be crafted during the technical discussions.
2. Reference: Sec. IV, para 13, Performance Security	
Clarification/ Request	The Bidder can propose a contract in a different currency as per RFP requirements, but the amount will be converted into pesos with the exchange rate of the day of the opening of the bids. From that moment till 10 days until the receipt of the Notice of Award, day of opening of the letter of Credit, the bidder is unprotected against the exchange rate. Could any protection mechanism be included in the requirements? If not, this could impact in a price increase, decreasing the value for money rate
Response	For foreign denominated bids, the same shall be subject to the provisions of Appendix 10 (Guidelines on Procurements Involving Foreign-Denominated

	Bids, Contract Prices and Payment Using Letters of Credit) of the IRR of RA9184.
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C. Response to the Clarifications and Requests of Provincial Aerospace

Inquiry: Provincial Aerospace kindly requests an extension of the date of submission by seven (7) days to permit submission of documents on Monday 21 March 2016. The additional time is being requested in order for us to align our offer with the new information provided by SBB LRPA 16-03-001

Answer: The request can not be granted. The date of the submission and opening of bids shall be on 14 March 2016.

D. Additional Amendments to the Bidding Documents

Reference: Section III (Bid Data Sheet)- ITB Clause 13.1

Listed below are the additional documents to be included as **TAB “G”** in the **FIRST ENVELOPE** to be submitted during the **Second Stage of the Bidding Procedure**:

TAB	FIRST ENVELOPE
G	<p style="color: red;">Portions of the goods to be subcontracted, either the Platform or Sensor, and the name of the subcontractor, whether said subcontractor is the same subcontractor disclosed during the first stage or not, subject to submission of the the following documents:</p>
G.1	<p>Securities Exchange Commission, for Corporation or Partnership; or its equivalent documents in case of foreign subcontractor</p> <p>Department of Trade and Industry (DTI), for sole proprietorship; or its equivalent documents in case of foreign subcontractor</p> <p>Cooperative Development Authority, for Cooperatives or its equivalent documents in case of foreign subcontractor</p>

<p>G.2</p>	<p>Mayor’s Permit issued by the city or municipality where the principal place of business of the prospective subcontractor is located or its equivalent documents in case of foreign subcontractor..</p> <p>However, if there is no foreign equivalent document, the subcontractors shall issue a “Certificate of No Equivalence.”</p>
<p>G.3</p>	<p>Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR.</p>
<p>G.4.</p>	<p>Statement of all 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.</p>
<p>G.5</p>	<p>Statement of at least two (2) similar completed aircraft or airborne sensors’ contract within ten (10) years prior to the date of the opening of bid, the aggregate amount of which must be equivalent to 50% of the ABC and the largest of these similar contracts must be equivalent to at least 25% of the ABC.</p>
<p>G.6</p>	<p>Latest Audited financial statements, stamped received by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from bid submission; or equivalent documents in case of foreign subcontractor, provided that the same is in accordance with International Financial Reporting Standards.</p>
<p>G.7</p>	<p>Affidavit of undertaking that the subcontractor shall be jointly and severally liable with the principal bidder to the extent of his participation in the project.</p>

Please be guided accordingly.

(Original Signed)
ASEC ROY O DEVERATURDA
Chairperson, DND SBAC