



**Philippine International Trading Corporation
BIDS & AWARDS COMMITTEE I**

MINUTES OF THE PRE-BID CONFERENCE
SUPPLY AND DELIVERY OF BRAND NEW 10,562 ROUNDS GRENADE, HAND
FRAGMENTATION AND 8,535 ROUNDS GRENADE, RIFLE FRAGMENTATION FOR THE
PHILIPPINE ARMY (PA)

BID REF. NO. MPG-B1-2019-017
25 January 2019, 5th Floor Conference Room

There being a quorum, Chair convened the meeting at 9:00 A.M.

In attendance are:

FOR PITC BAC-I	FOR PROPONENT – PA
Atty. Ma. Victoria C. Magcase, Chairperson	As per attached attendance sheet
Atty. Ma. Gudelia C. Guese, Vice-Chair	
Christabelle P. Ebriega, Member	
Myra T. Alvarez, Member	
David A. Inocencio, Member	
PITC TWG/BAC Secretariat (as per attached attendance Sheet)	
BIDDERS	
As per attached attendance sheet	

HIGHLIGHTS OF PROCEEDINGS

- Chair welcomed everyone to the Pre-Bid Conference for the above-mentioned procurement project. Afterwhich, Chair introduced the BAC Members and the PA's End-User's Representatives.
- Chair acknowledged the presence of Armscor Global Defense, Inc. the only prospective Bidder:
- Chair informed Bidder that PITC has been tapped by the PA to undertake this project for them.
- Chair also informed Bidder that there are two (2) items involved in this project. A Bidder can bid for one or both of the items.
- Chair informed that to be able to participate in this bid project, prospective Bidder should have a single largest contract similar to the contract to be bid within the last five (5) years from the date of submission and receipt of bids amounting to at least twenty five percent (25%) of the ABC of this project.

"Similar" contract shall mean "Ammunition".
- Chair explained that the first part of the Bidding Documents is the Instructions to Bidders which should be read by the Bidders at their own good time. What will be discussed in this pre-bid conference are the documents that are required to be submitted on Bid Opening Day.
- Chair started to discuss the Envelope System:
 - **Envelope System:** The system of submission is a two envelope system wherein **Envelope 1** will contain the eligibility and technical documents and **Envelope 2** will only contain the Financial Bid.

- **Number of Copies:** All documentary submission must come in three sets. These will be placed in 3 folders marked: "original", "duplicate" and "triplicate".
- **Sealing/Markings** The two envelopes will then be placed in a master envelope. The master envelope will then be sealed and marked in accordance with the instructions stated in the Bidding Documents.

ENVELOPE I – ELIGIBILITY & TECHNICAL DOCUMENTS

<u>Class "A" Eligibility Documents for Local Manufacturers</u>	<u>Chair's Instructions</u>
SEC/DTI Registration Certificate	<p>For Corporation, submission will be the SEC Registration Certificate.</p> <p>For the Sole Proprietorship a copy of valid and current DTI business registration valid and current.; and</p> <p>For Cooperatives a copy of valid and current Cooperative Development Authority (CDA)</p>
Business Permit issued by the city or municipality where the place of business is located OR the equivalent document for Exclusive Economic Zones or Areas.	<p>Armcor to submit a Valid and Current Mayor's Permit</p> <p>In case of recently expired Mayor's / Business Permits, said permit shall be submitted together with the official receipt as proof that the Bidder has applied for renewal with the period prescribed by the concerned local government units, provided that the renewed permit shall be submitted as a post-qualification requirement.</p>
Valid and Current Tax Clearance	<p>Armcor must submit their valid and current Tax Clearance issued by the Accounts Receivable Monitoring Division of the BIR.</p> <p>Chair informed Armcor that PITC does not accept any provisional Tax Clearance, renewal certificate or claim stub because the GPPB has already issued a ruling that only the Tax Clearance itself is acceptable.</p> <p>Chair advised Armcor to only transact with legitimate employees of BIR.</p>
Audited Financial Statements for 2017 and 2016	<p>Submission will be the 2017-2016 Audited Financial Statements comprising of: Independent Auditor's Report, Balance Sheet and Income Statements, all page of which must have the stamp "Received" by the BIR.</p>
Valid and Current PhilGEPS Certificate of Registration and Membership (Platinum Registration).	<p>In lieu of the above eligibility documents, Armcor can submit their valid and current PhilGEPS Platinum Registration and Member together with the attached Annex "A".</p> <p>As flashed on the screen, Chair pointed to Annex "A" which enumerates the documents that a registered platinum member submits to PhilGEPS.</p> <p>Should there be any documents that has expired already, i.e. its Tax Clearance, Armcor should submit on bid opening day its valid and current Tax clearance, together with their PhilGEPS Platinum Certificate and Annex "A".</p>

<u>Class "A" Eligibility Documents for Foreign Manufacturers</u>	<u>Chair's Instructions</u>
Valid and Current Certificate License/Authority to Conduct/Operate Business	Submission is a valid and current Certificate/license/Authority to Conduct/Operate Business issued by the regulatory authority in the country where the Bidder is based.
Valid and Current Tax Clearance	<p>Armcor must submit their valid and current Tax Clearance issued by the Accounts Receivable Monitoring Division per Executive Order 398, Series 2005, as finally reviewed and approved by the BIR.</p> <p>Chair informed Armcor that PITC does not accept any provisional Tax Clearance, renewal certificate or claim stub because the GPPB has already issued a ruling that only the Tax Clearance itself is acceptable.</p> <p>Chair advised Armcor to only transact with legitimate employees of BIR.</p>
Corporate Financial Statements or Annual Report for 2017 or 2016	<p>Submission will be the Corporate Financial Statement or Annual Report for 2017 or 2016.</p> <p>As discussed earlier the PhilGEPS Platinum Certificate can substitute the 3 eligibility documents as long as documents listed in Annex "A" are still current and valid. If not, Bidder has to submit the valid and current one on the Bid Opening day.</p>
"Class B Document" Annex III (For Joint Venture)	<ul style="list-style-type: none"> ➤ Armcor to submit a copy of Joint Venture Agreement in case joint venture is already in existence; or ➤ Copy of Protocol/ Undertaking of Agreement to enter into Joint Venture signed by all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful. <p>Submission shall be within (10) calendar days from receipt by the bidder of the notice from the BAC that the bidder is the Lowest Calculated and Responsive Bid [Sec 37.1.4 (a) (i) of the 2016 Revised IRR of RA 9184].</p>
For Local JV Partner	<p>Aside from the JVA or JVP, the local partner shall also submit the four (4) mandatory documents as follows:</p> <ol style="list-style-type: none"> 1. Registration Certificate from the Securities and Exchange Commission (SEC) for corporation, or from Department Trade of Industry (DTI) for Sole Proprietorship, or from Cooperative Development Authority (CDA) for cooperatives; 2. Business Permit issued by the city or municipality where the place of business is located OR the equivalent document for Exclusive Economic Zones or Areas;

	<p>3. Valid and Current Tax Clearance issued by Philippines' Bureau of Internal Revenue (BIR) Accounts Receivable Monitoring Division per Executive Order 398, Series of 2005;</p> <p>4. 2017 and 2016 Audited Financial Statements comprising of: Independent Auditor's Report, Balance Sheet and Income Statements, all page of which must have the stamp "Received" by the BIR.</p>
For Foreign JV Partner	<ul style="list-style-type: none"> ➤ Valid and Current Certificate/ license/ authority to conduct business issued by the regulatory authority in the country where bidder is based. ➤ Valid and Current Tax Clearance issued by Philippines' Bureau of Internal Revenue (BIR) Accounts Receivable Monitoring Division per Executive Order 398, Series of 2005. ➤ Corporate Financial Statement or Annual Report for 2017 or 2016.

<u>Technical Documents</u>	<u>Chair 's Instructions</u>
Annex IV Bid Security	<p>Chair enumerated the types of Bid Security acceptable to PITC. These are:</p> <p style="padding-left: 40px;">Bid Securing Declaration</p> <ul style="list-style-type: none"> • A form is provided for as Annex IV. • Armscor to check the box pertaining to the item being bid for. <p>Armscor should use the form provided by PITC because it is complete in contents.</p> <p>In order not to miss out on anything, Chair advised Armscor to photocopy the form or scan it, and then have the authorized representative sign the form and submit it notarized.</p> <p>The other forms of Bid Security are:</p> <ul style="list-style-type: none"> • Cash or Manager's Check issued by the local commercial/universal bank equivalent to at least 2% of the ABC; • A Bank Draft / Bank Guaranty or Letter of Credit issued by a local commercial/universal bank equivalent to 2% of the ABC. Issued by a local commercial or Universal Bank. • Surety Bond issued by a bonding company authorized by the Insurance Commission. <p>In case Armscor will opt for a Surety Bond, Armscor has to submit a Certification from the Insurance Commission that the bonding company is authorized to issue Surety Bond. In addition to this, the Surety Bond should contain all the 14</p>

	<p>grounds for the forfeiture of the Bid Security and it be written on Bond Itself.</p> <p>Chair advised Armscor to show the 14 grounds to their bonding company so that the latter can include or type them on the copy of the bond itself.</p> <p>The fourteen (14) grounds is found in Clause 12.1 (b) (i) (c) (c.2) (i) to (xiv) of the Bid Data Sheet.</p>
<p>Technical Bid Form Annex V-A for Item No. 1 (8 pages) Annex V-B for Item No. 2 (5 pages)</p>	<p>Chair reminded Armscor that each item has own TBF.</p> <p>As the Technical Bid Form for was flashed on the screen, Chair's instructions are as follows:</p> <ul style="list-style-type: none"> • Armscor to use the Bid Form. They shall not retype or alter it; • Armscor to put the word "Comply" on all the line item on the column "Bidder's Statement of Compliance"; • All pages must be signed by the authorized representative/s of Armscor. <p>Chair reminded Armscor that if there are any blanks left out unfiled, the TBF will fail because it will mean that the Bidder cannot comply with the technical specifications.</p>
<p>Technical Specifications Annex V-A1 for Item No. 1 (2 pages) Annex V-B1 for Item No. 2 (2 pages)</p>	<ul style="list-style-type: none"> • Armscor's authorized representative/s to sign the "Conforme" box provided on all pages of these Annexes.
<p>Test and Acceptance Procedure Annex V-A2 for Item No. 1 (8 pages) Annex V-B2 for Item No. 2 (8 pages)</p>	
<p>Sampling Plans for the Test and Acceptance Procedure Annex V-A3 for Item No. 1 (5 pages) Annex V-B3 for Item No. 2 (5 pages)</p>	
<p>Product Brochure(s) or Technical Data Sheet(s)</p>	<p>Armscor to submit a Product Brochure(s) or Technical Data Sheet(s) or equivalent showing compliance to the required Technical Specifications.</p> <p>Internet downloads may be included to supplement the information contained in the original brochures.</p>
<p>Manufacturer's Test and Acceptance Procedures Annex V-C Manufacturer's Certification on Conformance to the project's Technical Specifications, Test and Acceptance Procedures and Sampling Plan</p>	<p>Armscor to submit a Manufacturer's Test and Acceptance Procedures of the item being bid for.</p> <ul style="list-style-type: none"> • Submission is Manufacturer's Certification on Conformance to the project's Technical Specifications, Test and Acceptance Procedures and Sampling Plan signed by the Production Engineer or designated personnel.
<p>Required Ammunition License/s For Local Manufacturers</p>	<ul style="list-style-type: none"> • Valid and Current License to Manufacture the items to be bid issued by the Philippine National Police (PNP) Camp Crame, Quezon City.

<p>For Foreign Manufacturers</p>	<ul style="list-style-type: none"> • Philippine Representative Company's valid an current Indent License to Deal in Firearms and Ammunition (for sale to the AFP) pertinent to the items to be bid issued by the Philippine National Police (PNP), Camp Crame, Quezon City; or • Philippine Representative Company's Valid and Current <p>Note: Required Ammunition License(s) presented during opening of bids shall be used for the importation of the item being bid.</p>
<p>For Foreign Manufacturers</p>	<ul style="list-style-type: none"> • Submission is a valid and current Written Appointment of the Philippine based company (as local representative of foreign manufacturer) issued by the foreign Bidder. <p>The Written Appointment must include detailed scope of responsibility of the local representative.</p> <ul style="list-style-type: none"> • Duly Notarized authorization of the Company's representative (e.g. Secretary's Certification for Corporation, Special Power of Attorney for Sole Proprietor) with specimen signature of the authorized representative to transact with PITC including address, telephone number, fax number and email address.
<p>Valid and Current ISO Registration Certificate</p>	<ul style="list-style-type: none"> • Armscor to submit a valid and current ISO Registration Certificate (or equivalent) issued by an independent certifying agency in the name of the Manufacturer of the item. The Certificate shall cover the design, manufacture and production, as applicable.
<p>Proof of Authority of the Designated Representative</p>	<p>Submission of a Proof of Authority of the Armscor Authorized Representative:</p> <ol style="list-style-type: none"> a) <u>For Sole Proprietorship</u> submission of Duly Notarized Special Power of Attorney. b) <u>For Corporation, Cooperative, or the Members of the Joint Venture</u> submission of Duly Notarized Secretary's Certificate evidencing the authority of the designated representative/s. <p>Once again, Chair advised Armscor to check the wordings. In case the Board appoints more than one person, it is safe that it be worded "any of the following" or "or" so that even only one person can bind the company.</p> <p>However, if not stated this way, then the Committee will look for all the names and signatures of the persons named in the Secretary's Certificate. And if one signature is missing, the submission is non-compliant and will fail.</p>
<p>Annex VI Omnibus Sworn Statement (OSS)</p>	<p>Chair informed that the OSS is standard in all government biddings.</p> <p>Chair advised Armscor to use the form that PITC provided in this Bidding Document.</p>

	<p>The form must be copied verbatim. But to be sure that nothing is missed out, Chair suggested that the form just be scanned or photocopied and then filled up.</p> <p>Arm Scor to check the box pertaining to the item being bid for.</p> <p>On the "I/We", the name of the authorized representative named in the Secretary's Certificate will appear on the line.</p> <p>All blanks must be filled up, appropriate boxes must be ticked off.</p> <p>On the Authority of the Designated Representative, the portion: <u>Name, Title and Specimen Signature</u> must be filled up.</p> <p>All statements from "a" to "h" must be complete.</p> <p>The last page must be signed by the authorized representative and notarized.</p>
<p>ENVELOPE 2: FINANCIAL BID FORM</p> <p>Annex VII-A Annex VII-B</p>	<p>Chair explained that similar to the TBF, the FBF cannot be retyped. It may be photocopied for purpose of the other 2 copies required.</p> <p>Chair reminded that each item has its own FBF.</p> <p>Envelope 2 will contain the Financial Bid of Arm Scor where they will indicate the Total Bid price in words and figures which should not exceed the ABC of the item being bid for.</p> <p>Chair again reminded Arm Scor that for any erasure, there must be a counter signature or initialed by the authorized representative/s.</p>

- Chair reminded that Arm Scor must **sign** or **initial** each and every interlineation, erasure, overwriting and correction made on their bids. Failure to do so shall result in the invalidation and rejection of their bids. Details is found in page 39 of the BDS (ITB Clause 19.5).
- The Chair opened the floor for questions/clarifications. Hereunder are the details:

Arm Scor's Query/Clarification/s	Committee's Reply
We can actually select for the item we are going to bid?	
	You can choose any one.
Is it okay for us to bid even though we are not a manufacturer?	
	<p>Yes, as long as you will have a Joint Venture partner of the Foreign manufacturer, but you cannot bid as a local distributor. You have to be a manufacturer to bid. Your personality can be address by entering the Joint Venture with the Manufacturer of the Grenade.</p> <p>Another thing, you might be a manufacturer but you are not the manufacturer of that grenade, so you will have to have a Joint Venture with a Foreign manufacturer, or if you want you make the manufacturer of the Bidder and you are the</p>

	Philippine based representative. What important here is, the one who bids is the manufacturer of the grenade. Therefore, if Armscor is not going to manufacture the grenade, Armscor can join in Joint Venture with the manufacturer of the grenade, that's one option. Secondly, you can let the Foreign manufacturer be the Bidder on record because his the manufacturer of the grenade and you will just be the Philippine based representative. Either way, the document requirements are all here.
Regarding the SLCC, says here that "Ammunition" even though you said it is a grenade?	
	Yes.
Regarding our Indent License, it is just Firearms Indent License you are looking for?	
	It has to be Ammunition. We have seen the licenses of many of the local Bidders/Representative, it's really very specific to Ammunition.
The Indent license would be Ammunition?	
	Yes. I think Armscor has an Ammunition.
	If you still have any clarification/s with our requirements please write us on or before 04 February 2019. Address it to the BAC Chair. Send by email or fax, further details is found in page 30 of the BDS (ITB Clause 10.1). The answers will be through a Bid-Bulletin and will be posted in PhilGEPS and PITC website www.pitc.gov.ph . Note: Maximum size of email with attachment is six (6) mb only.
	If there is going to be any imported components to this project, goods from Foreign sources, there is going to be a requirement of Countertrade if it is going to reach US\$1 Million. If you are interested you might want to talk to your colleagues about that.
Okay, Ma'am. Thank you.	
	Thank you very much.

- The Bid Opening is scheduled on 12 January 2019.

Adjourned at 10:00 AM.

MINUTES TAKEN BY:


MA. VERONICA A. MORALES
 Head, BAC-I Secretariat
 KDC

APPROVED BY:


ATTY. MA. VICTORIA C. MAGCASE
 Chairperson, BAC-I



ATTENDANCE SHEET

PRE-BID CONFERENCE (Bid Ref. No. MPG-B1-2019-017)

SUPPLY AND DELIVERY OF 10,562 RDS GRENADE, HAND FRAGMENTATION AND 8,535 RDS GRENADE, RIFLE FRAGMENTATION FOR THE PHILIPPINE ARMY (PA)

25 January 2019, 9:00 A.M., 5/F Conference Room, Philippine International Trading Corporation (PITC)

NDC Building, 116 Tordesillas Street, Salcedo Village, Makati City

BIDS AND AWARDS COMMITTEE (BAC) I - MILITARY PROCUREMENT GROUP PROJECT

Regular Members		Gender	Signature	Technical Working Group		Gender	Signature
1) Atty. Ma. Victoria C. Magcase	F	(Chairperson)		1) Manuel O. Elima, III	M	(Team Coordinator)	
2) Atty. Maria Gudelia C. Guese	F	(Vice Chairperson)		2) Pio B. Bellosillo	M	(Member)	
3) Christabelle P. Ebriega	F	(Member)		3) Ma. Cristina Rosa V. Bautista	F	(Member)	
4) Myra Chitella T. Alvarez	F	(Member)		4) Suzanne M. Marticio	F	(Member)	
5) David A. Inocencio	M	(Member)		5) Rachel F. Ignacio	F	(Member)	
6) Mario M. Leygo	M	(Alternate Member)		6) Judy Ann L. Esteban	F	(Member)	
7) BGen Byron H Callimag AFP	M	(Provisional Member)		7) Michael M. Arriessgado	M	(Member)	
8) Col Glenn E. Cruz	M	(Alt. Prov. Member)		8) Franklin D.J. Iglesias	M	(Member)	
End-Users (PA)				Secretariat			
1) MAJ PARMILA WILSON MORALES (OS) PA		PINO		1) Ma Veronica A. Morales	F	(Head)	
2) PASG REYNOLDO RA ANDRES (BMS) PA		PLU		2) Jane C. Arcilla	F	(Member)	
3)				3) Ana DG. Asprec	F	(Member)	
4)				4) Ma Teresa S. Elima	F	(Member)	
5)				5) Mirasol S. Ninobla	F	(Member)	
6)				6) Ma. Irissa G. Ordillano	F	(Member)	
Account Officers				Observers			
1) Pio B. Bellosillo	M			1)			
2) Franklin D.J. Iglesias	M			2)			

