



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

**MINUTES OF THE PRE-BID CONFERENCE
SUPPLY AND DELIVERY OF BRAND NEW 27,800 ROUNDS CTG 38MM, TEAR
GAS RIOT CONTROL (CS) FOR THE PHILIPPINE ARMY
BID REF. NO. MPG-B1-2019-420
24 January 2020, 5th Floor Conference Room**

There being a quorum, Vice-Chair convened the meeting at 9:10 A.M.

In attendance are:

FOR PITC BAC-I
Christabelle P. Ebriega, Chairperson
Atty. Ma. Gudelia C. Guese, Vice-Chair
Myra Chitella T. Alvarez, Member
David A. Inocencio, Member
Joel S. Rodriguez, Member
Irene G. Alayon, Alternate Member
PITC TWG/BAC Secretariat (as per attached attendance Sheet)
BIDDERS
As per attached attendance sheet

FOR PROPONENT – PA
As per attached attendance sheet

HIGHLIGHTS OF PROCEEDINGS

- Vice-Chair presides the Pre-Bid Conference.
- Vice-Chair welcomed everyone to the Pre-Bid Conference for the above mentioned procurement project. Afterwhich, Vice-Chair acknowledged the presence of the BAC Members and the End-User’s representatives from PA.
- Vice-Chair acknowledged the presence of the prospective Bidders present in this Pre-Bid Conference; namely:
 1. Hanwha Corporation
 2. Armscor Global Defense
- Vice-Chair informed Bidders that PITC has been tapped by the PA to undertake this project for them.
- Invitees are eligible Manufacturers for the Supply and Delivery of 27,800 rounds Brand New Ctg 38mm Tear Gas Riot Control (CS) for the Philippine Army.
- Vice-Chair informed that to be able to participate in this bid project, suppliers should have a single largest completed 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”.
- Vice-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.

- Vice-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</u>	<u>Vice-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>Bidders 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>Vice-Chair informed Bidders, Inc. 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>Vice-Chair advised Bidders to only transact with legitimate employees of BIR.</p> <p>Vice-Chair mentioned that Tax Clearance can now be issued by the Revenue Regional Office of the BIR just ensure that there are no tax liabilities.</p>
Audited Financial Statements for 2018 and 2017	<p>Submission will be the 2018-2017 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>If a Bidder is already a PhilGEPS Platinum Member they can submit the Platinum Membership Certificate together with the Annex "A". The Platinum Membership will substitute for the four (4) eligibility documents enumerated earlier.</p>

	<p>However, if any of the documents listed in Annex A of the certificate has expired, Bidders must submit the valid and current one.</p> <p>Vice-Chair emphasized that any documents that have expired, the valid and current document together with the PhilGEPS Certificate must be submitted.</p>
<p>Annex I Statement of all Ongoing government and private contracts including contracts awarded but not yet started.</p>	<p>Vice-Chair's instructions to the Bidders with respect to this document is:</p> <ul style="list-style-type: none"> • Form Annex I is already provided in the Bidding Documents, Bidders have to use Annex I; • Bidders to provide the information called for; • Additional sheets can be used for as long as the authorized representative sign the last page.
<p>Annex I-A Statement of Single Largest Completed Contract similar to the contract to be bid within the last five (5) years from date of submission and receipt of bids amounting to at least twenty five percent (25%) of the ABC.</p>	<ul style="list-style-type: none"> • A form is again provided; • Bidders to supply the data or information required in the form and to attach any of the following documents: <ol style="list-style-type: none"> 1. Copy of Official Receipt; 2. End User's Acceptance 3. Sales Invoice together with Collection Receipt (They go together)
<p>Annex II-A Net Financial Contracting Capacity (NFCC)</p>	<p><u>For NFCC</u></p> <p>A form is provided for as Annex II-A.</p> <p>As the sample form was flashed on the screen, Vice-Chair's instructions is for the Bidders to supply the necessary details as required. A formula is already provided for the Bidders to come up with the NFCC.</p> <p>The NFCC must be at least be equal to the ABC of the project.</p>
<p>Annex II-B Committed Line of Credit (CLC)</p>	<p><u>For CLC</u></p> <p>In case Bidders does not want to submit the NFCC, they have an option to submit Committed Line of Credit, issued by a local commercial/Universal Bank.</p> <p>A form is provided for as Annex II-B</p> <p>Vice-Chair reminded Bidders that the Committee does not accept any CLC issued by a Rural Bank or Savings Bank.</p>
<p>Eligibility Documents for Foreign Manufacturers</p>	<p>For foreign manufacturers the following are the eligibility documents for submission:</p> <ol style="list-style-type: none"> 1. Valid and Current Certificate/ license/ authority to conduct business issued by the regulatory authority in the country where bidder is based; 2. Valid and Current Tax Clearance per Executive Order 398 and Revenue Memorandum Order No. 46-2018; 3. Corporate Financial Statement or Annual Report for 2018 or 2017; 4. Duly filled up and signed form Annex I;

	<p>5. Duly filled up and signed form Annex I-A, with any of the following attachment:</p> <ul style="list-style-type: none"> • Certificate of Acceptance issued by the end-user; OR • Official Receipt or Payment <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>
<p>"Class B Document" (For Joint Venture)</p>	<ul style="list-style-type: none"> ➤ Bidders 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 (Annex III). <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> <p>The JVA or the Protocol/Undertaking of Agreement to Enter into Joint Venture (Annex III) must include/specify the company/partner and the name of the office designated as authorized representative of the Joint Venture.</p>
<p>For Local JV Partner</p>	<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; 3. Valid and Current Tax Clearance per Executive Order 398 and Revenue Memorandum Order No. 46-2018, as finally reviewed and approved by the BIR; 4. 2018 and 2017 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</p>	<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 per Executive Order 398, Series of 2005 and Revenue Memorandum Order No. 46-2018, as finally reviewed and approved by BIR. ➤ Corporate Financial Statement or Annual Report for 2018 or 2017. <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>
<p><u>Technical Documents</u></p>	<p><u>Vice-Chair's Instructions</u></p>
<p>Annex IV Bid Security</p>	<p>Vice-Chair enumerated the types of Bid Security acceptable to PITC. These are:</p> <p style="text-align: center;">Bid Securing Declaration</p> <ul style="list-style-type: none"> • A form is provided for as Annex IV. <p>Bidders should use the form provided by PITC because it is complete in contents.</p> <p>In order not to miss out on anything, Vice-Chair advised Bidders 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 Guarantee 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 Bidders will opt for a Surety Bond, Bidders 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 grounds for the forfeiture of the Bid Security and it be written on Bond Itself.</p> <p>Vice-Chair advised Bidders 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.3) (i) to (xiv) of the Bid Data Sheet.</p>

	Hanwha's Clarification	Committee's Reply
Annex V-A Technical Bid Form (7 pages)	Can the Bid Securing Declaration be notarized in the country of origin?	Yes, because if that document is executed there, then it should be notarized there, because the notarization means that you are swearing in before a notary public.
Annex V-A1 Technical Specifications (2 pages)	As the Technical Bid Form was flashed on the screen, Vice-Chair's instructions are as follows: <ul style="list-style-type: none"> • Bidders to use the Bid Form. They shall not retype or alter it; • Bidders 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 Bidders. Vice-Chair reminded Bidders that if there are any blanks left out unfilled, the TBF will fail because it will mean that the Bidder cannot comply with the technical specifications.	
Annex V-A2 Test and Acceptance Procedure (8 pages)	<ul style="list-style-type: none"> • Bidder's authorized representative/s to sign the "Conforme" box provided on all pages of these Annexes. 	
Annex V-A3 Sampling Plan (4 pages)		
Annex V-A4 Packing Markings (2 pages)		
Brochure or Technical Data Sheet	<ul style="list-style-type: none"> • Bidders to submit Brochure or Technical Data Sheet or equivalent showing compliance to the required Technical specifications. Internet downloads may be included to supplement the information contained in the original brochures	
Annex V-B Manufacturer's Certification on Conformance to the project's Technical Specifications, Test and Acceptance Procedures and Sampling Plans	Again, Vice-Chair's instructions as follows: <ul style="list-style-type: none"> • To transpose the form in Bidder's Company Letterhead; • Fill all the required information called for; • Signed by the Production Engineer/Technical Personnel 	
Required Ammunition License/s	For Local Manufacturers: <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. For Foreign Manufacturers: <ul style="list-style-type: none"> • Valid and 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 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.

Note: Required ammunition license(s) presented during opening of bids shall be used for the importation of the item being bid.

For Foreign Manufacturers

- Submission is a Valid and Current Written Appointment of the Philippine based company (as local representative of foreign manufacturer) issued by the foreign bidder.

The written appointment must include detailed scope of responsibility of the local representative

- Secretary's Certificate (for corporation) or Special Power or Attorney (for sole proprietor) of the Philippine Company indicating the name and specimen signature of the authorized representative/s of the Philippine company who transact with PITC (as Philippine based Representative) including address, telephone number, fax number and email address.
- Notarized Affidavit of Undertaking to submit the SEC Certificate of Registration and/or the authorization or License issued by the appropriate government agency per GPPB Resolution No. 25-2019, dated 30 October 2019 within ten (10) calendar days from receipt of the Notice of Award as per **Annex V-C**.

Hanwha's Clarification	Committee's Reply
How would the foreign company register themselves at SEC?	
	We also asked that from the SEC and they already provided in the website the documentary requirements for foreign corporation. This early on, you can contact SEC for that.
This is something new so I will ask something, in case foreign company would register at SEC then that foreign company would become a local company?	
	They call it as a non-resident foreign company.
A non-resident foreign corporation?	
	But the foreign investment law which was made up basis by the GPPB

	<p>requires that those foreign companies who participate in Philippine biddings, they are now considered doing business in the Philippines. Therefore, SEC Registration is required, that was stated. You can take note of that GPPB resolution. I will encourage you, if ever your principal will have questions, to direct it to GPPB, because they are the ones who issued this, not us. We are just complying with their regulation. Any questions that is related to this particular requirement, I suggest that you address it and get straight from the GPPB, all concerns. We are very much affected also by this and we know that you have concerns so I will encourage you to write the GPPB.</p> <p>Yes, Ma'am.</p>
Valid and current ISO Registration Certificate	<ul style="list-style-type: none"> • Bidders 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/or production, as applicable.
Proof of Authority of the Designated Representative	<p>Submission of a Proof of Authority of Bidder's 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, Vice-Chair advised Bidders 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>
Annex VI Omnibus Sworn Statement (OSS)	<p>Vice-Chair informed that the OSS is standard in all government biddings.</p> <p>Vice-Chair advised Bidders 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>On the "I/We", the name of the authorized representative named in the Secretary's Certificate will appear on the line. 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 (Annex VII-A)</p>	<p>Vice-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>Envelope 2 will contain the Financial Bid of Bidders where they will indicate the Total Bid price in words and figures which should not exceed the ABC.</p>

OTHER MATTERS:

- Vice-Chair also reminded that the Bidders 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.
- Mr. David Inocencio, Head of the Countertrade, advised Bidders that 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. For those interested a briefing will be conducted in the 4th floor conference room after the Pre-Bid Conference.
- The Vice-Chair opened the floor for questions/clarifications. Hereunder are the details:

Bidder's Query/Clarification/s	Committee's Reply
<p>Hanwha: Regarding the JV Ma'am. Our eligibility documents, in case there are JV there are two companies Business registrations and in the Business registration there are name of the owner of that company. What we do when we execute the JV, the two owners who are being shown on the Business registration both of them sign. Would that suffice with the JV requirements? Or should there be a person who should be appointed to sign for this project (Vice-Chair interrupted and replied)</p>	<p>Any questions?</p>
	<p>Because there are rules or regulations followed in the country where you execute the JV right? Whatever is the regulation there, you need to follow but what we need to see are the signatories of those partners are indeed the</p>

	authorized representative/s of those companies supported by Proof of Authorities.
	Whatever is the accepted and rule in Korea, it's the regulation in that country that prevail. We cannot impose our regulation in Korea. We know for a fact there are other countries that if you are the designated President all the powers inherent in the position and already vested on whoever is the appointed President.
Hanwha: Yes, ma'am. Thank you.	
	We can validate that anyway. That's acceptable based on what you have stated.
	Any questions/clarifications from Armscor?
Armscor: We will just write our concerns Ma'am.	
	If there are no more questions, review your documents well. Thank you for your participation in this Pre-Bid Conference.

- Vice-Chair stated that Bidders should write all their queries/concerns to the BAC Chair which may be sent through email or fax. The BAC will reply through a Bid Bulletin which will be posted in the PhilGEPS and PITC website.

Deadline for Questions/clarifications will be on 21 February 2020.

Note: Maximum size of email with attachment is six (6) mb only

- Bidders were advised that any changes in the documents the Committee will issue a Bid-Bulletin and Bidders have to use the revised forms which will be put in the Bid-Bulletin.
- Vice-Chair also reminded that if in case you decided to join in this project, please pay for the Bidding Documents way ahead the Bid opening date (02 March 2020, 2:00PM) because the BAC Secretariat will not accept late bids.

Adjourned at 10:00 A.M.

MINUTES TAKEN BY:

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

REVIEWED BY:

ATTY. MARIA GUDELIA C. GUESE
Vice-Chairperson, BAC-I

APPROVED BY:

CHRISTABELLE P. EBRIEGA
Chairperson, BAC-I



ATTENDANCE SHEET

PRE-BID CONFERENCE (Bid Ref. No. MPG-B1-2019-420)
SUPPLY AND DELIVERY OF BRAND NEW 27,800 ROUNDS CTG 38MM, TEAR GAS RIOT CONTROL (CS) FOR THE PHILIPPINE ARMY (PA)
24 January 2020, 9:00 A.M., 5/F Conference Room, Philippine International Trading Corporation (PTC)
NDC Building, 116 Tordesillas Street, Salcedo Village, Makati City

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

Table with columns: Regular Members, Gender, Signature, End-Users, TECHNICAL MEMBER. Lists members like Christabelle P. Ebrlega, Atty. Maria Gudelia C. Guese, Myra Chitella T. Alvarez, David A. Inocencio, Joel S. Rodriguez, Irene G. Alayon, Atty. Mizell Arthur R. Magdaong, MGen Byron H Calmag AFP, BGen Glenn E. Cruz, CRT LINGA LD, TSG Richard Castillo, Minky Anne Canales.

Table with columns: Technical Working Group, Gender, Signature, Secretariat, Observer/s. Lists members like Manuel O. Elima, III, Pio B. Bellosillo, Ma. Cristina Rosa V. Bautista, Suzanne M. Marticio, Rachel F. Ignacio, Judy Ann L. Esteban, Michael M. Arriagado, Franklin D. Iglesias, Louis Albert H. Quiroga, Joachim Nathe M. Montallana, Ma Veronica A. Morales, Jane C. Arcilla, Ana DG. Aspre, Ma Teresa S. Elima, Mirasol S. Nirobla, Ma. Trissa G. Ordillano.



Bids and Awards Committee (BAC 1)

ATTENDANCE SHEET : PROSPECTIVE BIDDERS

PRE-BID CONFERENCE

(Who Have Not Yet Bought Bid Docs as of Pre-Bid)

Name of Project : SUPPLY AND DELIVERY OF BRAND NEW 27,800 ROUNDS CTG 38MM, TEAR GAS RIOT CONTROL (CS) FOR THE PHILIPPINE ARMY (PA)

Bid Reference No. : MPG-B1-2019-420

Time / Date & Venue : 24 January 2020, 9:00 A.M., 5th Floor Conference Room, PHILIPPINE INTERNATIONAL TRADING CORPORATION (PITC)

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

PLEASE PRINT LEGIBLY

NO ID - NO ENTRY
For Company Personnel
• Valid Company ID with picture and signature
For Individuals (Not representing any Company)
• Any valid government-issued ID with picture and signature

ID No.	PRINTED NAMES OF REPRESENTATIVE	GENDER	COMPLETE COMPANY NAME / ADDRESS	CONTACT NOS.	E-MAIL ADDRESS	LOT NO./s	TIME-IN	BIDDER'S SIGNATURE
	LEE, YANIG SEOP	M	Hanulha Corp. Korea Seoul, Korea	915-2404998	yanig@ys-worldink.com	N.A.	8:30 am	[Signature]
	LANISA PIZZA WAT LIM, CARMINA ALBER KATHEPFA	F	PHILCORP GLOBAL DEFENSE, INC 1A New Street 100 Bldg. 5th Floor Ortigas Center, Pasig City	0915-2424763 0915-5852101	Pizza.lansya@phlcor.com.ph		8:45 am	[Signature]

By signing on this form, I/we hereby give consent to PITC to process, which includes collection and storage, among others, the personal data stated herein in line with the provisions of the Data Privacy Act. PITC hereby commits to secure and treat the data indicated in this form with appropriate confidentiality and will not be shared with anybody unless with written consent of the data subjects.