

NOTICE OF NEGOTIATED PROCUREMENT
(Negotiated Procurement due to Two-Failed Biddings)
DSWD NNP No. 20-TFB-005

“RENOVATION OF DSWD-SOCIAL WELFARE AND DEVELOPMENT CENTER FOR ASIA AND THE PACIFIC (SWADCAP) AT 2ND FLOOR (PHASE II)”
(PR No. 2019010112)

1. The **Department of Social Welfare and Development (DSWD)**, through the **Social Welfare Institutional Development Bureau (SWIDB) Training Funds**, intends to apply the sum of **Twelve Million Three Hundred Twenty-Four Thousand Pesos (PhP12,324,000.00)**, being the Approved Budget for the Contract (ABC), to payments under the contract for the **Renovation of DSWD-Social Welfare and Development Center for Asia and the Pacific (SWADCAP) at 2nd Floor (Phase II)**.
2. The DSWD now invites technically, legally, and financially capable supplier for the above-mentioned requirement. The prospective supplier shall submit the following documents (*Please refer to Annex A for more details of the requirements*), to wit:

Eligibility and Technical Documents:

- ✓ Updated PhilGEPS Certificate of Registration and Membership (Platinum Membership) in accordance with Section 8.5.2 of the IRR or the following Class “A” Eligibility Documents as stated below or a combination thereof in case the Eligibility documents in Annex A of the PhilGEPS Certificate is expired, to wit:
 - Registration Certificate from Security and Exchange Commission (SEC) for Corporations, Department of Trade and Industry (DTI) for Sole Proprietorships or Cooperative Development Authority (CDA) for Cooperatives;
 - Valid Mayor’s/ Business Permit or its Equivalent Document or expired Mayor’s/Business Permit with Official Receipt of Renewal, subject to the submission of the valid Mayor’s/Business Permit after award of the contract but before payment pursuant to Clause 6.2 of the GPPB Resolution No. 09-2020 dated 7 May 2020;
 - Valid Tax Clearance; and
 - 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;
- ✓ Statement of All Ongoing Government and Private Contracts (*Annex J*);
- ✓ Statement of Single Largest Completed Contract (*Annex K*);
- ✓ Valid special PCAB License;

- ✓ Computation of Net Financial Contracting Capacity (NFCC);
- ✓ Bid Security;
- ✓ Project Requirements which shall include the Organizational chart, List of contractor's personnel with their complete qualification and experience data and List of contractor's equipment units;
- ✓ Sworn Statement in accordance with Section 25.3 of the IRR of RA 9184 and using the form prescribed (*Annex H*);

Financial Documents:

- ✓ Financial Bid Form (*Annex F*);
- ✓ Bid Prices in the Bill of Quantities (*Annexes D and E*);
- ✓ Detailed estimates, including a summary sheet indicating the unit prices of construction materials, labor rates, and equipment rentals used in coming up with the Bid; and
- ✓ S-Curve with Cash flow by quarter or payment schedule

3. The procurement procedure that will be adopted is Negotiated Procurement considering that there has been two failure of biddings pursuant to Section 53.1 of the Implementing Rules and Regulations (IRR) of Republic Act 9184 (R.A. 9184), otherwise known as the Government Procurement Reform Act (GPRA).

The procurement is restricted to Filipino citizens/sole proprietorships, organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to R.A. 5183 and subject to Commonwealth Act 138.

The Bids and Awards Committee (BAC) will engage in negotiation a sufficient number of suppliers to ensure effective competition. **The selection of the successful offers shall be based on the best and final offer that will be submitted on a specified date, which could meet the DSWD's minimum technical and financial requirements and does not exceed the ABC.**

4. Interested Suppliers may obtain further information from the **BAC Secretariat** at the address given below from Monday to Friday at 8:00 am to 5:00 pm.
5. The deadline for the submission of quotations is on **12 August 2020 at 09:00 a.m.** which shall be delivered at the **BAC Secretariat Office, Ground Floor, DSWD Central Office, IBP Road, Constitution Hills, Quezon City. Late quotations/proposals shall not be accepted.**
6. The opening of quotations shall be on **12 August 2020 at 11:00 a.m.**, to be held at the **Auditorium, 4th Floor Magiliw Building, DSWD Central Office, IBP Road, Constitution Hills, Quezon City.**
7. The schedule of site inspection for those who will intend to participate shall be from **4 August 2020 to 11 August 2020.** Bidders **must first proceed to the BAC Secretariat Office** in order to properly coordinate the conduct of site inspection with the end-user. Prospective bidder who already inspected the

project site is not required to conduct another site inspection. Certificate of site inspection issued by the end-user for the previous two-failed biddings is acceptable.

8. The DSWD reserves the right to accept or reject any proposal and to annul the procurement process at any time prior to contract award, without thereby incurring any liability to the affected suppliers.

9. For further information, please refer to:

THE CHAIRPERSON

DSWD Bids and Awards Committee
c/o BAC Secretariat
Ground Floor, DSWD Central Office
IBP Road, Constitution Hills, Quezon City
Fax No. (02) 951-7116
Telephone Nos. (02) 931-8101 to 07 Local 123

(ORIGINAL SIGNED)

FELICISIMO C. BUDIONGAN

Undersecretary and
Bids and Awards Committee Chairperson

DOCUMENTARY REQUIREMENTS

To ensure that DSWD negotiates contract with a technically, legally, and financially capable supplier, the prospective supplier must submit the following documents (*Each supplier/bidder shall submit **one [1] original and one [1] copy** of the Eligibility, Technical and Financial Documents in a sealed envelope duly marked and signed*):

(a) Eligibility Documents –

Class "A" Documents

- i. Updated PhilGEPS Certificate of Registration (Platinum Membership), or the following Class "A" Eligibility Documents or a combination thereof, to wit:
 - Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration;
 - Valid mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located or its Equivalent Document or expired Mayor's/ Business Permit with Official Receipt of Renewal, subject to submission of Mayor's/Business Permit after award of the contract but before payment pursuant to Clause 6.2 of the GPPB Resolution No. 09-2020 dated 7 May 2020.
 - Audited Financial Statements (AFS), showing among others, the prospective bidder's total and current assets and liabilities, stamped "RECEIVED" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from the deadline for the submission of quotations;
 - Tax clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR.¹
- ii. Statement of all its ongoing and completed 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 (*Annex J*); and

Statement identifying the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid **within the last five (5) years from the date of submission and receipt of quotations** and equivalent to at least fifty percent (50%) of the ABC (*Annex K*).

The two statements required shall indicate for each contract the following:

¹ GPPB Resolution No. 21-2013.

- ii.1 name of the contract;
- ii.2 date of the contract;
- ii.3 contract duration;
- ii.4 owner’s name and address;
- ii.5 nature of work;
- ii.6 contractor’s role (whether sole contractor, subcontractor, or partner in a JV) and percentage of participation;
- ii.7 total contract value at award;
- ii.8 date of completion or estimated completion time;
- ii.9 total contract value at completion, if applicable;
- ii.10 percentages of planned and actual accomplishments, if applicable; and
- ii.11 value of outstanding works, if applicable.

The statement of the Bidder’s SLCC shall be supported by the Notice of Award and/or Notice to Proceed, Project Owner’s Certificate of Final Acceptance issued by the Owner other than the Contractor or the Constructors Performance Evaluation System (CPES) Final Rating, which must be at least satisfactory. In case of contracts with the private sector, an equivalent document shall be submitted;

For this purpose, similar contract shall refer to **services with office interior fit-out or interior renovation works within the last five (5) years prior to opening of quotations.**

- iii. A valid special PCAB License in case of joint ventures, and registration for the type and cost of the contract for this Project;

In accordance with Philippine Contractors Accreditation Board Circular No. 001, series of 2009, the required license category for this Project is license category:

Size	License Category
Large B	AAA
Large A	AA
Medium B	A
Medium A	B
Small B	C & D

- iv. Computation of the Net Financial Contracting Capacity (NFCC) which must be at least equal to the ABC to be bid, calculated as follows:

NFCC = [(Current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.

The values of the domestic bidder’s current assets and current liabilities shall be based on the latest Audited Financial Statements submitted to the BIR.

For purposes of computing the foreign bidders’ NFCC, the value of the current assets and current liabilities shall be based on their audited financial statements prepared in accordance with international financial reporting standards.

Class “B” Documents

- v. If applicable, the Joint Venture Agreement (JVA) in accordance with RA 4566 and its IRR.

(b) Technical Documents –

- i. Bid Security², in accordance to the following schedule (*choose what form of bid security*):

Form of Bid Security	Amount of Bid Security <i>(Not Less than the Percentage of the ABC)</i>
a) Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank.	Two percent (2%) of ABC (PhP246,480.00)
b) Bank draft / guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a Foreign Bank.	
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%) of ABC (PhP616,200.00)
d) Bid Securing Declaration - is an undertaking which states, among others, that the bidder shall enter into contract with the procuring entity and furnish the required performance security within ten (10) calendar days, or less, from receipt of the Notice of Award, and committing to pay the corresponding fine and be suspended for a period of time from being qualified to participate in any government	

² Should be denominated in Philippine Peso.

Form of Bid Security	Amount of Bid Security (Not Less than the Percentage of the ABC)
procurement activity in the event it violates any of the conditions stated therein as required in the guidelines issued by the GPPB. (Annex G)	

The bid security shall be valid for **one hundred twenty (120) calendar days**.

Pursuant to Section 6.1 of the GPPB Resolution No. 09-2020 dated 7 May 2020, unnotarized Bid Securing Declaration is acceptable, subject to compliance and submission of the notarized Bid Securing Declaration, after award of contract but before payment.

- ii. Project Requirements, which shall include the following:
 - ii.1 Organizational chart for the contract to be bid;
 - ii.2 List of contractor’s personnel (Project Manager, Foreman, Safety Officer and Materials Engineers), to be assigned to the contract to be bid, with their complete qualification and experience data. (Procuring Entity does not require minimum years of experience) and;
 - ii.3 List of contractor’s major equipment units, which are owned, leased, and/or under purchase agreements, supported by proof of ownership, certification of availability of equipment from the equipment lessor/vendor for the duration of the project, as the case may be, which must meet the minimum requirements for the contract set as follows;

Equipment/tools	Capacity	Number of Unit
Impact Drill	-	1
Portable Welding Machine	-	1
Cut Off Machine	-	1
Mini Jack Hammer/Jack Hammer	-	1
Portable Grinder/Angle Grinder	-	1

- iii. Sworn statement in accordance with Section 25.3 of the IRR of RA 9184 and using the form prescribed in *Annex (H)* of this Notice of Negotiated Procurement;

Pursuant to Clause 6.3 of the GPPB Resolution No. 09-2020 dated 7 May 2020, unnotarized Omnibus Sworn Statement is acceptable, subject to compliance and submission of the notarized Omnibus Sworn Statement, after award of contract but before payment.

(c) Financial Documents –

- i. Financial Bid Form (*Annex F*);
- ii. Bid prices in the Bill of Quantities (*Annexes D and E*);
- iii. Detailed estimates, including a summary sheet indicating the unit prices of construction materials, labor rates, and equipment rentals used in coming up with the Bid; and
- iv. S-Curve with Cash flow by quarter or payment schedule.

(d) Additional Documents – shall be submitted upon request by the BAC on a specified date.

- i. Best and Final Offer;
- ii. Post Qualification requirements -
 - ii.1 Latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS) shall be accepted³;

NOTE: The latest income tax returns (ITR) are those covering the immediately preceding year, while the latest business tax returns (BTR) are those filed within the last six (6) months preceding the date of submission of best and final offer.

- ii.2 Certificate of PhilGEPS Registration (Platinum Membership), if not submitted during the deadline of submission of quotation; and
- ii.3 Certificate of Site Inspection issued by DSWD-AS- BGMD;

(e) Other Contract documents that may be required by existing laws that shall be submitted by the winning bidder **within five (5) calendar days** from receipt of the Notice of Award (NOA)

- i. Program of Works;
- ii. Construction Schedule (GANNTT Chart);
- iii. S-Curve;
- iv. List of Manpower and Organizational Structure;
- v. Manpower Deployment Schedule;
- vi. Construction Methods;
- vii. Equipment Utilization Schedule;
- viii. Construction Safety and health program by the Department of Labor and Employment;
- ix. PERT/CPM; and
- x. Technical Specification (input brand of items to offer); and

(f) To guarantee the faithful performance by the contractor of its obligations under the Contract, it shall submit a performance security or a Performance

³ GPPB Resolution 11-2013, amendments effective 15 June 2013.

Securing Declaration (PSD), using the form prescribed in *Annex M*, within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract, to wit:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Ten percent (10%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)

Pursuant to Section 6.4 of the GPPB Resolution No. 09-2020 dated 7 May 2020, unnotarized PSD may be accepted, subject to submission of a notarized PSD before payment, unless the same is replaced with performance security in the prescribed form as stated in Clause 32. of Section II. Instruction to Bidders and Section 39.2 of the 2016 revised IRR of RA No. 9184.

Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall have a fresh period to initiate the procedure to the next LCRB identified and selected for recommendation of contract award. The General and Special Condition of Contract for the procurement project are define as follows:



General Conditions of Contract

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1. Definitions

For purposes of this Clause, boldface type is used to identify defined terms.

- 1.1. The **Arbiter** is the person appointed jointly by the Procuring Entity and the Contractor to resolve disputes in the first instance, as provided for in **GCC** Clause 21.
- 1.2. **Bill of Quantities** refers to a list of the specific items of the Work and their corresponding unit prices, lump sums, and/or provisional sums.
- 1.3. The **Completion Date** is the date of completion of the Works as certified by the Procuring Entity's Representative, in accordance with **GCC** Clause 49.
- 1.4. The **Contract** is the contract between the Procuring Entity and the Contractor to execute, complete, and maintain the Works.
- 1.5. The **Contract Effectivity Date** is the date of signing of the Contract. However, the contractor shall commence execution of the Works on the Start Date as defined in GCC Clause 1.28.
- 1.6. The **Contract Price** is the price stated in the Notice of Award and thereafter to be paid by the Procuring Entity to the Contractor for the execution of the Works in accordance with this Contract
- 1.7. **Contract Time Extension** is the allowable period for the Contractor to complete the Works in addition to the original Completion Date stated in this Contract.
- 1.8. The **Contractor** is the juridical entity whose proposal has been accepted by the Procuring Entity and to whom the Contract to execute the Work was awarded.
- 1.9. The **Contractor's Bid** is the signed offer or proposal submitted by the Contractor to the Procuring Entity in response to the Bidding Documents.
- 1.10. **Days** are calendar days; months are calendar months.
- 1.11. **Dayworks** are varied work inputs subject to payment on a time basis for the Contractor's employees and Equipment, in addition to payments for associated Materials and Plant.
- 1.12. A **Defect** is any part of the Works not completed in accordance with the Contract.
- 1.13. The **Defects Liability Certificate** is the certificate issued by Procuring Entity's Representative upon correction of defects by the Contractor.
- 1.14. The **Defects Liability Period** is the one year period between contract completion and final acceptance within which the Contractor assumes

the responsibility to undertake the repair of any damage to the Works at his own expense.

- 1.15 **Drawings** are graphical presentations of the Works. They include all supplementary details, shop drawings, calculations, and other information provided or approved for the execution of this Contract.
- 1.16 **Equipment** refers to all facilities, supplies, appliances, materials or things required for the execution and completion of the Work provided by the Contractor and which shall not form or are not intended to form part of the Permanent Works.
- 1.17 The **Intended Completion Date** refers to the date specified in the **SCC** when the Contractor is expected to have completed the Works. The Intended Completion Date may be revised only by the Procuring Entity's Representative by issuing an extension of time or an acceleration order.
- 1.18 **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- 1.19 The **Notice to Proceed** is a written notice issued by the Procuring Entity or the Procuring Entity's Representative to the Contractor requiring the latter to begin the commencement of the work not later than a specified or determinable date.
- 1.20 **Permanent Works** are all permanent structures and all other project features and facilities required to be constructed and completed in accordance with this Contract which shall be delivered to the Procuring Entity and which shall remain at the Site after the removal of all Temporary Works.
- 1.21 **Plant** refers to the machinery, apparatus, and the like intended to form an integral part of the Permanent Works.
- 1.22 The **Procuring Entity** is the party who employs the Contractor to carry out the Works stated in the **SCC**.
- 1.23 The **Procuring Entity's Representative** refers to the Head of the Procuring Entity or his duly authorized representative, identified in the **SCC**, who shall be responsible for supervising the execution of the Works and administering this Contract.
- 1.24 The **Site** is the place provided by the Procuring Entity where the Works shall be executed and any other place or places which may be designated in the **SCC**, or notified to the Contractor by the Procuring Entity's Representative as forming part of the Site.
- 1.25 **Site Investigation Reports** are those that were included in the Bidding Documents and are factual and interpretative reports about the surface and subsurface conditions at the Site.

- 1.26 **Slippage** is a delay in work execution occurring when actual accomplishment falls below the target as measured by the difference between the scheduled and actual accomplishment of the Work by the Contractor as established from the work schedule. This is actually described as a percentage of the whole Works.
- 1.27 **Specifications** means the description of Works to be done and the qualities of materials to be used, the equipment to be installed and the mode of construction.
- 1.28 The **Start Date**, as specified in the **SCC**, is the date when the Contractor is obliged to commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.
- 1.29 A **Subcontractor** is any person or organization to whom a part of the Works has been subcontracted by the Contractor, as allowed by the Procuring Entity, but not any assignee of such person.
- 1.30 **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Permanent Works.
- 1.31 **Work(s)** refer to the Permanent Works and Temporary Works to be executed by the Contractor in accordance with this Contract, including (i) the furnishing of all labor, materials, equipment and others incidental, necessary or convenient to the complete execution of the Works; (ii) the passing of any tests before acceptance by the Procuring Entity's Representative; (iii) and the carrying out of all duties and obligations of the Contractor imposed by this Contract as described in the **SCC**.

2. Interpretation

- 2.1. In interpreting the Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of this Contract unless specifically defined. The Procuring Entity's Representative will provide instructions clarifying queries about the Conditions of Contract.
- 2.2. If sectional completion is specified in the **SCC**, references in the Conditions of Contract to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
- 2.3. The documents forming this Contract shall be interpreted in the following order of priority:
- a) Contract Agreement;

- b) Bid Data Sheet (not applicable);
- c) Instructions to Bidders (not applicable);
- d) Addenda to the Bidding Documents/Supplemental/Bid Bulletins;
- e) Special Conditions of Contract;
- f) General Conditions of Contract;
- g) Specifications;
- h) Bill of Quantities; and
- i) Drawings.

3. Governing Language and Law

- 3.1. This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract which are exchanged by the parties shall be written in English.
- 3.2. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4. Communications

Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is received by the concerned party.

5. Possession of Site

- 5.1. On the date specified in the **SCC**, the Procuring Entity shall grant the Contractor possession of so much of the Site as may be required to enable it to proceed with the execution of the Works. If the Contractor suffers delay or incurs cost from failure on the part of the Procuring Entity to give possession in accordance with the terms of this clause, the Procuring Entity's Representative shall give the Contractor a Contract Time Extension and certify such sum as fair to cover the cost incurred, which sum shall be paid by Procuring Entity.
- 5.2. If possession of a portion is not given by the date stated in the **SCC** Clause 5.1, the Procuring Entity will be deemed to have delayed the start of the relevant activities. The resulting adjustments in contract time to address such delay shall be in accordance with **GCC** Clause 47.
- 5.3. The Contractor shall bear all costs and charges for special or temporary right-of-way required by it in connection with access to the

Site. The Contractor shall also provide at his own cost any additional facilities outside the Site required by it for purposes of the Works.

- 5.4. The Contractor shall allow the Procuring Entity's Representative and any person authorized by the Procuring Entity's Representative access to the Site and to any place where work in connection with this Contract is being carried out or is intended to be carried out.

6. The Contractor's Obligations

- 6.1. The Contractor shall carry out the Works properly and in accordance with this Contract. The Contractor shall provide all supervision, labor, Materials, Plant and Contractor's Equipment, which may be required. All Materials and Plant on Site shall be deemed to be the property of the Procuring Entity.
- 6.2. The Contractor shall commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program of Work submitted by the Contractor, as updated with the approval of the Procuring Entity's Representative, and complete them by the Intended Completion Date.
- 6.3. The Contractor shall be responsible for the safety of all activities on the Site.
- 6.4. The Contractor shall carry out all instructions of the Procuring Entity's Representative that comply with the applicable laws where the Site is located.
- 6.5. The Contractor shall employ the key personnel named in the Schedule of Key Personnel, as referred to in the **SCC**, to carry out the supervision of the Works. The Procuring Entity will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed in the Schedule.
- 6.6. If the Procuring Entity's Representative asks the Contractor to remove a member of the Contractor's staff or work force, for justifiable cause, the Contractor shall ensure that the person leaves the Site within seven (7) days and has no further connection with the Work in this Contract.
- 6.7. During Contract implementation, the Contractor and his subcontractors shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.
- 6.8. The Contractor shall submit to the Procuring Entity for consent the name and particulars of the person authorized to receive instructions on behalf of the Contractor.
- 6.9. The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Procuring Entity

between the dates given in the schedule of other contractors particularly when they shall require access to the Site. The Contractor shall also provide facilities and services for them during this period. The Procuring Entity may modify the schedule of other contractors, and shall notify the Contractor of any such modification thereto.

- 6.10. Should anything of historical or other interest or of significant value be unexpectedly discovered on the Site, it shall be the property of the Procuring Entity. The Contractor shall notify the Procuring Entity's Representative of such discoveries and carry out the Procuring Entity's Representative's instructions in dealing with them.

7. Performance Security

- 7.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the Contractor shall furnish the performance security in any of the forms prescribed in the Notice of Negotiated Procurement.
- 7.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the Contractor is in default in any of its obligations under the Contract.
- 7.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 7.4. The performance security may be released by the Procuring Entity and returned to the Contractor after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the Contractor or the surety company filed by the Procuring Entity;
 - (b) The Contractor has no pending claims for labor and materials filed against it; and
 - (c) Other terms specified in the **SCC**.
- 7.5. The Contractor shall post an additional performance security following the amount and form specified in the Notice of Negotiated Procurement to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements, as the case may be. The Contractor shall cause the extension of the validity of the performance security to cover approved contract time extensions.
- 7.6. In case of a reduction in the contract value or for partially completed Works under the contract which are usable and accepted by the Procuring Entity the use of which, in the judgment of the implementing agency or the Procuring Entity, will not affect the structural integrity of

the entire project, the Procuring Entity shall allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

- 7.7. Unless otherwise indicated in the **SCC**, the Contractor, by entering into the Contract with the Procuring Entity, acknowledges the right of the Procuring Entity to institute action pursuant to Act 3688 against any subcontractor be they an individual, firm, partnership, corporation, or association supplying the Contractor with labor, materials and/or equipment for the performance of this Contract.

8. Subcontracting

- 8.1. Unless otherwise indicated in the **SCC**, the Contractor cannot subcontract Works.
- 8.2. Subcontracting of any portion of the Works does not relieve the Contractor of any liability or obligation under this Contract. The Contractor will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Contractor's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 8.3. If subcontracting is allowed. The contractor may identify its subcontractor during contract implementation stage. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, subcontractors must submit the documentary requirements specified in the Notice of Negotiated Procurement and comply with the eligibility criteria specified therein. In the event that any subcontractor is found by any Procuring Entity to be eligible, the subcontracting of such portion of the Works shall be disallowed.

9. Liquidated Damages

- 9.1. The Contractor shall pay liquidated damages to the Procuring Entity for each day that the Completion Date is later than the Intended Completion Date. The applicable liquidated damages is at least one-tenth (1/10) of a percent of the cost of the unperformed portion for every day of delay. The Procuring Entity shall deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, the Procuring Entity may rescind or terminate this Contract, without prejudice to other courses of action and remedies available under the circumstances⁴.

⁴ GPPB Resolution No. 07-2019, dated 08 March 2019

- 9.2. If the Intended Completion Date is extended after liquidated damages have been paid, the Engineer of the Procuring Entity shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate.

10. Site Investigation Reports

The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports referred to in the **SCC** supplemented by any information obtained by the Contractor.

11. The Procuring Entity, Licenses and Permits

The Procuring Entity shall, if requested by the Contractor, assist him in applying for permits, licenses or approvals, which are required for the Works.

12. Contractor's Risk and Warranty Security

- 12.1. The Contractor shall assume full responsibility for the Works from the time project construction commenced up to final acceptance by the Procuring Entity and shall be held responsible for any damage or destruction of the Works except those occasioned by *force majeure*. The Contractor shall be fully responsible for the safety, protection, security, and convenience of his personnel, third parties, and the public at large, as well as the Works, Equipment, installation, and the like to be affected by his construction work.
- 12.2. The defects liability period for infrastructure projects shall be one year from contract completion up to final acceptance by the Procuring Entity. During this period, the Contractor shall undertake the repair works, at his own expense, of any damage to the Works on account of the use of materials of inferior quality within ninety (90) days from the time the HoPE has issued an order to undertake repair. In case of failure or refusal to comply with this mandate, the Procuring Entity shall undertake such repair works and shall be entitled to full reimbursement of expenses incurred therein upon demand.
- 12.3. Unless otherwise indicated in the **SCC**, in case the Contractor fails to comply with the preceding paragraph, the Procuring Entity shall forfeit its performance security, subject its property(ies) to attachment or garnishment proceedings, and perpetually disqualify it from participating in any public bidding. All payables of the GoP in his favor shall be offset to recover the costs.
- 12.4. After final acceptance of the Works by the Procuring Entity, the Contractor shall be held responsible for "Structural Defects," *i.e.*, major faults/flaws/deficiencies in one or more key structural elements of the project which may lead to structural failure of the completed elements or structure, or "Structural Failures," *i.e.*, where one or more key structural elements in an infrastructure facility fails or collapses, thereby rendering the facility or part thereof incapable of withstanding

the design loads, and/or endangering the safety of the users or the general public:

- (a) Contractor – Where Structural Defects/Failures arise due to faults attributable to improper construction, use of inferior quality/substandard materials, and any violation of the contract plans and specifications, the contractor shall be held liable;
- (b) Consultants – Where Structural Defects/Failures arise due to faulty and/or inadequate design and specifications as well as construction supervision, then the consultant who prepared the design or undertook construction supervision for the project shall be held liable;
- (c) Procuring Entity’s Representatives/Project Manager/Construction Managers and Supervisors – The project owner’s representative(s), project manager, construction manager, and supervisor(s) shall be held liable in cases where the Structural Defects/Failures are due to his/their willful intervention in altering the designs and other specifications; negligence or omission in not approving or acting on proposed changes to noted defects or deficiencies in the design and/or specifications; and the use of substandard construction materials in the project;
- (d) Third Parties - Third Parties shall be held liable in cases where Structural Defects/Failures are caused by work undertaken by them such as leaking pipes, diggings or excavations, underground cables and electrical wires, underground tunnel, mining shaft and the like, in which case the applicable warranty to such structure should be levied to third parties for their construction or restoration works.
- (e) Users - In cases where Structural Defects/Failures are due to abuse/misuse by the end user of the constructed facility and/or non-compliance by a user with the technical design limits and/or intended purpose of the same, then the user concerned shall be held liable.

12.5. The warranty against Structural Defects/Failures, except those occasioned on force majeure, shall cover the period specified in the **SCC** reckoned from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity.

12.6. The Contractor shall be required to put up a warranty security in the form of cash, bank guarantee, letter of credit, GSIS or surety bond callable on demand, in accordance with the following schedule:

Form of Warranty	Amount of Warranty Security Not less than the Percentage (%) of Total Contract Price
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<p>(a) Cash or letter of credit issued by Universal or Commercial bank: provided, however, that the letter of credit shall be confirmed or authenticated by a Universal or Commercial bank, if issued by a foreign bank</p>	<p>Five Percent (5%)</p>
<p>(b) Bank guarantee confirmed by Universal or Commercial bank: provided, however, that the letter of credit shall be confirmed or authenticated by a Universal or Commercial bank, if issued by a foreign bank</p>	<p>Ten Percent (10%)</p>
<p>(c) Surety bond callable upon demand issued by GSIS or any surety or insurance company duly certified by the Insurance Commission</p>	<p>Thirty Percent (30%)</p>

12.7. The warranty security shall be stated in Philippine Pesos and shall remain effective for one year from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity, and returned only after the lapse of said one year period.

12.8. In case of structural defects/failure occurring during the applicable warranty period provided in **GCC** Clause 12.5, the Procuring Entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of the warranty security posted in favor of the Procuring Entity.

13. Liability of the Contractor

Subject to additional provisions, if any, set forth in the **SCC**, the Contractor’s liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

14. Procuring Entity’s Risk

14.1. From the Start Date until the Certificate of Final Acceptance has been issued, the following are risks of the Procuring Entity:

- (a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to:
 - (i) any type of use or occupation of the Site authorized by the Procuring Entity after the official acceptance of the works; or

- (ii) negligence, breach of statutory duty, or interference with any legal right by the Procuring Entity or by any person employed by or contracted to him except the Contractor.
- (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Procuring Entity or in the Procuring Entity's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.

15. Insurance

15.1. The Contractor shall, under his name and at his own expense, obtain and maintain, for the duration of this Contract, the following insurance coverage:

- (a) Contractor's All Risk Insurance;
- (b) Transportation to the project Site of Equipment, Machinery, and Supplies owned by the Contractor;
- (c) Personal injury or death of Contractor's employees; and
- (d) Comprehensive insurance for third party liability to Contractor's direct or indirect act or omission causing damage to third persons.

15.2. The Contractor shall provide evidence to the Procuring Entity's Representative that the insurances required under this Contract have been effected and shall, within a reasonable time, provide copies of the insurance policies to the Procuring Entity's Representative. Such evidence and such policies shall be provided to the Procuring Entity's through the Procuring Entity's Representative.

15.3. The Contractor shall notify the insurers of changes in the nature, extent, or program for the execution of the Works and ensure the adequacy of the insurances at all times in accordance with the terms of this Contract and shall produce to the Procuring Entity's Representative the insurance policies in force including the receipts for payment of the current premiums.

The above insurance policies shall be obtained from any reputable insurance company approved by the Procuring Entity's Representative.

15.4. If the Contractor fails to obtain and keep in force the insurances referred to herein or any other insurance which he may be required to obtain under the terms of this Contract, the Procuring Entity may obtain and keep in force any such insurances and pay such premiums as may be necessary for the purpose. From time to time, the Procuring Entity may deduct the amount it shall pay for said premiums including twenty five percent (25%) therein from any monies due, or which may become

due, to the Contractor, without prejudice to the Procuring Entity exercising its right to impose other sanctions against the Contractor pursuant to the provisions of this Contract.

- 15.5. In the event the Contractor fails to observe the above safeguards, the Procuring Entity may, at the Contractor's expense, take whatever measure is deemed necessary for its protection and that of the Contractor's personnel and third parties, and/or order the interruption of dangerous Works. In addition, the Procuring Entity may refuse to make the payments under **GCC** Clause 40 until the Contractor complies with this Clause.
- 15.6. The Contractor shall immediately replace the insurance policy obtained as required in this Contract, without need of the Procuring Entity's demand, with a new policy issued by a new insurance company acceptable to the Procuring Entity for any of the following grounds:
- (a) The issuer of the insurance policy to be replaced has:
 - (i) become bankrupt;
 - (ii) been placed under receivership or under a management committee;
 - (iii) been sued for suspension of payment; or
 - (iv) been suspended by the Insurance Commission and its license to engage in business or its authority to issue insurance policies cancelled; or
 - (v) Where reasonable grounds exist that the insurer may not be able, fully and promptly, to fulfill its obligation under the insurance policy.

16. Termination for Default of Contractor

- 16.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attend its implementation:
- (i) Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree 1870, regardless of whether or not previous warnings and notices have been issued for the Contractor to improve his performance;
 - (ii) Due to its own fault and after this Contract time has expired, the Contractor incurs delay in the completion of the Work after this Contract has expired; or
 - (iii) The Contractor:

- (i) abandons the contract Works, refuses or fails to comply with a valid instruction of the Procuring Entity or fails to proceed expeditiously and without delay despite a written notice by the Procuring Entity;
- (ii) does not actually have on the project Site the minimum essential equipment listed on the bid necessary to prosecute the Works in accordance with the approved Program of Work and equipment deployment schedule as required for the project;
- (iii) does not execute the Works in accordance with this Contract or persistently or flagrantly neglects to carry out its obligations under this Contract;
- (iv) neglects or refuses to remove materials or to perform a new Work that has been rejected as defective or unsuitable; or
- (v) sub-lets any part of this Contract without approval by the Procuring Entity.

16.2. All materials on the Site, Plant, Works, including Equipment purchased and funded under the Contract shall be deemed to be the property of the Procuring Entity if this Contract is rescinded because of the Contractor's default.

17. Termination for Default of Procuring Entity

The Contractor may terminate this Contract with the Procuring Entity if the works are completely stopped for a continuous period of at least sixty (60) calendar days through no fault of its own, due to any of the following reasons:

- (a) Failure of the Procuring Entity to deliver, within a reasonable time, supplies, materials, right-of-way, or other items it is obligated to furnish under the terms of this Contract; or
- (b) The prosecution of the Work is disrupted by the adverse peace and order situation, as certified by the Armed Forces of the Philippines Provincial Commander and approved by the Secretary of National Defense.

18. Termination for Other Causes

18.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE may terminate this Contract for the convenience of the Procuring Entity if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and National Government policies.

- 18.2. The Procuring Entity or the Contractor may terminate this Contract if the other party causes a fundamental breach of this Contract.
- 18.3. Fundamental breaches of Contract shall include, but shall not be limited to, the following:
- (a) The Contractor stops work for twenty eight (28) days when no stoppage of work is shown on the current Program of Work and the stoppage has not been authorized by the Procuring Entity's Representative;
 - (b) The Procuring Entity's Representative instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within twenty eight (28) days;
 - (c) The Procuring Entity shall terminate this Contract if the Contractor is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Contractor. In the case of the Contractor's insolvency, any Contractor's Equipment which the Procuring Entity instructs in the notice is to be used until the completion of the Works;
 - (d) A payment certified by the Procuring Entity's Representative is not paid by the Procuring Entity to the Contractor within eighty four (84) days from the date of the Procuring Entity's Representative's certificate;
 - (e) The Procuring Entity's Representative gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Procuring Entity's Representative;
 - (f) The Contractor does not maintain a Security, which is required;
 - (g) The Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the **GCC** Clause 9; and
 - (h) In case it is determined prima facie by the Procuring Entity that the Contractor has engaged, before or during the implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation, such as, but not limited to, the following:
 - (i) corrupt, fraudulent, collusive, coercive, and obstructive practices shall refer to the definition indicated in ITB

Clause 3.1(a) of the Bidding Documents for Competitive Bidding, unless otherwise specified in the SCC;

- (ii) drawing up or using forged documents;
 - (iii) using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
 - (iv) any other act analogous to the foregoing.
- 18.4. The Funding Source or the Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with corrupt, fraudulent, or coercive practices.
- 18.5. When persons from either party to this Contract gives notice of a fundamental breach to the Procuring Entity's Representative in order to terminate the existing contract for a cause other than those listed under **GCC** Clause 18.3, the Procuring Entity's Representative shall decide whether the breach is fundamental or not.
- 18.6. If this Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

19. Procedures for Termination of Contracts

- 19.1. The following provisions shall govern the procedures for the termination of this Contract:
- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Procuring Entity shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
 - (b) Upon recommendation by the Procuring Entity, the HoPE shall terminate this Contract only by a written notice to the Contractor conveying the termination of this Contract. The notice shall state:
 - (i) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Contractor to show cause as to why this Contract should not be terminated; and

- (iv) special instructions of the Procuring Entity, if any.

The Notice to Terminate shall be accompanied by a copy of the Verified Report;

- (c) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Contractor shall submit to the HoPE a verified position paper stating why the contract should not be terminated. If the Contractor fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the HoPE shall issue an order terminating the contract;
- (d) The Procuring Entity may, at anytime before receipt of the Contractor's verified position paper described in item (c) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Contractor's receipt of the notice;
- (e) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall decide whether or not to terminate this Contract. It shall serve a written notice to the Contractor of its decision and, unless otherwise provided in the said notice, this Contract is deemed terminated from receipt of the Contractor of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate; and
- (f) The HoPE may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the HoPE.

19.2. Pursuant to Section 69(f) of RA 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws, the procuring entity shall impose on contractors after the termination of the contract the penalty of suspension for one (1) year for the first offense, suspension for two (2) years for the second offense from participating in the public bidding process, for violations committed during the contract implementation stage, which include but not limited to the following:

- (a) Failure of the contractor, due solely to his fault or negligence, to mobilize and start work or performance within the specified period in the Notice to Proceed ("NTP");
- (b) Failure by the contractor to fully and faithfully comply with its contractual obligations without valid cause, or failure by the contractor to comply with any written lawful instruction of the procuring entity or its representative(s) pursuant to the

implementation of the contract. For the procurement of infrastructure projects or consultancy contracts, lawful instructions include but are not limited to the following:

- (i) Employment of competent technical personnel, competent engineers and/or work supervisors;
 - (ii) Provision of warning signs and barricades in accordance with approved plans and specifications and contract provisions;
 - (iii) Stockpiling in proper places of all materials and removal from the project site of waste and excess materials, including broken pavement and excavated debris in accordance with approved plans and specifications and contract provisions;
 - (iv) Deployment of committed equipment, facilities, support staff and manpower; and
 - (v) Renewal of the effectivity dates of the performance security after its expiration during the course of contract implementation.
- (c) Assignment and subcontracting of the contract or any part thereof or substitution of key personnel named in the proposal without prior written approval by the procuring entity.
- (d) Poor performance by the contractor or unsatisfactory quality and/or progress of work arising from his fault or negligence as reflected in the Constructor's Performance Evaluation System ("CPES") rating sheet. In the absence of the CPES rating sheet, the existing performance monitoring system of the procuring entity shall be applied. Any of the following acts by the Contractor shall be construed as poor performance:
- (i) Negative slippage of 15% and above within the critical path of the project due entirely to the fault or negligence of the contractor; and
 - (ii) Quality of materials and workmanship not complying with the approved specifications arising from the contractor's fault or negligence.
- (e) Willful or deliberate abandonment or non-performance of the project or contract by the contractor resulting to substantial breach thereof without lawful and/or just cause.

In addition to the penalty of suspension, the performance security posted by the contractor shall also be forfeited.

20. Force Majeure, Release From Performance

- 20.1. For purposes of this Contract the terms “*force majeure*” and “fortuitous event” may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor.
- 20.2. If this Contract is discontinued by an outbreak of war or by any other event entirely outside the control of either the Procuring Entity or the Contractor, the Procuring Entity’s Representative shall certify that this Contract has been discontinued. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all works carried out before receiving it and for any Work carried out afterwards to which a commitment was made.
- 20.3. If the event continues for a period of eighty four (84) days, either party may then give notice of termination, which shall take effect twenty eight (28) days after the giving of the notice.
- 20.4. After termination, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed and of the materials and Plant reasonably delivered to the Site, adjusted by the following:
 - (a) any sum to which the Contractor is entitled under **GCC** Clause 28;
 - (b) the cost of his suspension and demobilization;
 - (c) any sum to which the Procuring Entity is entitled.
- 20.5. The net balance due shall be paid or repaid within a reasonable time period from the time of the notice of termination.

21. Resolution of Disputes

- 21.1. If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of the contract covered by the Act and this IRR, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 21.2. If the Contractor believes that a decision taken by the Procuring Entity’s Representative was either outside the authority given to the Procuring Entity’s Representative by this Contract or that the decision was wrongly taken, the decision shall be referred to the Arbiter indicated in the **SCC** within fourteen (14) days of the notification of the Procuring Entity’s Representative’s decision.
- 21.3. Any and all disputes arising from the implementation of this Contract covered by the R.A. 9184 and its IRR shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876,

otherwise known as the “ Arbitration Law” and Republic Act 9285, otherwise known as the “Alternative Dispute Resolution Act of 2004”: *Provided, however,* That, disputes that are within the competence of the Construction Industry Arbitration Commission to resolve shall be referred thereto. The process of arbitration shall be incorporated as a provision in this Contract that will be executed pursuant to the provisions of the Act and its IRR: *Provided, further,* That, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

22. Suspension of Loan, Credit, Grant, or Appropriation

In the event that the Funding Source suspends the Loan, Credit, Grant, or Appropriation to the Procuring Entity, from which part of the payments to the Contractor are being made:

- (a) The Procuring Entity is obligated to notify the Contractor of such suspension within seven (7) days of having received the suspension notice.
- (b) If the Contractor has not received sums due it for work already done within forty five (45) days from the time the Contractor’s claim for payment has been certified by the Procuring Entity’s Representative, the Contractor may immediately issue a suspension of work notice in accordance with **GCC** Clause 45.2.

23. Procuring Entity’s Representative’s Decisions

- 23.1. Except where otherwise specifically stated, the Procuring Entity’s Representative will decide contractual matters between the Procuring Entity and the Contractor in the role representing the Procuring Entity.
- 23.2. The Procuring Entity’s Representative may delegate any of his duties and responsibilities to other people, except to the Arbitrator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.

24. Approval of Drawings and Temporary Works by the Procuring Entity’s Representative

- 24.1. All Drawings prepared by the Contractor for the execution of the Temporary Works, are subject to prior approval by the Procuring Entity’s Representative before its use.
- 24.2. The Contractor shall be responsible for design of Temporary Works.
- 24.3. The Procuring Entity’s Representative’s approval shall not alter the Contractor’s responsibility for design of the Temporary Works.
- 24.4. The Contractor shall obtain approval of third parties to the design of the Temporary Works, when required by the Procuring Entity.

25. Acceleration and Delays Ordered by the Procuring Entity's Representative

- 25.1. When the Procuring Entity wants the Contractor to finish before the Intended Completion Date, the Procuring Entity's Representative will obtain priced proposals for achieving the necessary acceleration from the Contractor. If the Procuring Entity accepts these proposals, the Intended Completion Date will be adjusted accordingly and confirmed by both the Procuring Entity and the Contractor.
- 25.2. If the Contractor's Financial Proposals for an acceleration are accepted by the Procuring Entity, they are incorporated in the Contract Price and treated as a Variation.

26. Extension of the Intended Completion Date

- 26.1. The Procuring Entity's Representative shall extend the Intended Completion Date if a Variation is issued which makes it impossible for the Intended Completion Date to be achieved by the Contractor without taking steps to accelerate the remaining work, which would cause the Contractor to incur additional costs. No payment shall be made for any event which may warrant the extension of the Intended Completion Date.
- 26.2. The Procuring Entity's Representative shall decide whether and by how much to extend the Intended Completion Date within twenty one (21) days of the Contractor asking the Procuring Entity's Representative for a decision thereto after fully submitting all supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

27. Right to Vary

- 27.1. The Procuring Entity's Representative with the prior approval of the Procuring Entity may instruct Variations, up to a maximum cumulative amount of ten percent (10%) of the original contract cost.
- 27.2. Variations shall be valued as follows:
- (a) At a lump sum price agreed between the parties;
 - (b) where appropriate, at rates in this Contract;
 - (c) in the absence of appropriate rates, the rates in this Contract shall be used as the basis for valuation; or failing which
 - (d) at appropriate new rates, equal to or lower than current industry rates and to be agreed upon by both parties and approved by the HoPE.

28. Contractor's Right to Claim

If the Contractor incurs cost as a result of any of the events under **GCC** Clause 13, the Contractor shall be entitled to the amount of such cost. If as a result of any of the said events, it is necessary to change the Works, this shall be dealt with as a Variation.

29. Dayworks

- 29.1. Subject to **GCC** Clause 43 on Variation Order, and if applicable as indicated in the **SCC**, the Dayworks rates in the Contractor's bid shall be used for small additional amounts of work only when the Procuring Entity's Representative has given written instructions in advance for additional work to be paid for in that way.
- 29.2. All work to be paid for as Dayworks shall be recorded by the Contractor on forms approved by the Procuring Entity's Representative. Each completed form shall be verified and signed by the Procuring Entity's Representative within two days of the work being done.
- 29.3. The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.

30. Early Warning

- 30.1. The Contractor shall warn the Procuring Entity's Representative at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price, or delay the execution of the Works. The Procuring Entity's Representative may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.
- 30.2. The Contractor shall cooperate with the Procuring Entity's Representative in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Procuring Entity's Representative.

31. Program of Work

- 31.1. Within the time stated in the **SCC**, the Contractor shall submit to the Procuring Entity's Representative for approval a Program of Work showing the general methods, arrangements, order, and timing for all the activities in the Works.
- 31.2. An update of the Program of Work shall show the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.

- 31.3. The Contractor shall submit to the Procuring Entity's Representative for approval an updated Program of Work at intervals no longer than the period stated in the **SCC**. If the Contractor does not submit an updated Program of Work within this period, the Procuring Entity's Representative may withhold the amount stated in the **SCC** from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program of Work has been submitted.
- 31.4. The Procuring Entity's Representative's approval of the Program of Work shall not alter the Contractor's obligations. The Contractor may revise the Program of Work and submit it to the Procuring Entity's Representative again at any time. A revised Program of Work shall show the effect of any approved Variations.
- 31.5. When the Program of Work is updated, the Contractor shall provide the Procuring Entity's Representative with an updated cash flow forecast. The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.
- 31.6. All Variations shall be included in updated Program of Work produced by the Contractor.

32. Management Conferences

- 32.1. Either the Procuring Entity's Representative or the Contractor may require the other to attend a Management Conference. The Management Conference shall review the plans for remaining work and deal with matters raised in accordance with the early warning procedure.
- 32.2. The Procuring Entity's Representative shall record the business of Management Conferences and provide copies of the record to those attending the Conference and to the Procuring Entity. The responsibility of the parties for actions to be taken shall be decided by the Procuring Entity's Representative either at the Management Conference or after the Management Conference and stated in writing to all who attended the Conference.

33. Bill of Quantities

- 33.1. The Bill of Quantities shall contain items of work for the construction, installation, testing, and commissioning of work to be done by the Contractor.
- 33.2. The Bill of Quantities is used to calculate the Contract Price. The Contractor is paid for the quantity of the work done at the rate in the Bill of Quantities for each item.

- 33.3. If the final quantity of any work done differs from the quantity in the Bill of Quantities for the particular item and is not more than twenty five percent (25%) of the original quantity, provided the aggregate changes for all items do not exceed ten percent (10%) of the Contract price, the Procuring Entity's Representative shall make the necessary adjustments to allow for the changes subject to applicable laws, rules, and regulations.
- 33.4. If requested by the Procuring Entity's Representative, the Contractor shall provide the Procuring Entity's Representative with a detailed cost breakdown of any rate in the Bill of Quantities.

34. Instructions, Inspections and Audits

- 34.1. The Procuring Entity's personnel shall at all reasonable times during construction of the Work be entitled to examine, inspect, measure and test the materials and workmanship, and to check the progress of the construction.
- 34.2. If the Procuring Entity's Representative instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no defect, the test shall be a Compensation Event.
- 34.3. The Contractor shall permit the Funding Source named in the **SCC** to inspect the Contractor's accounts and records relating to the performance of the Contractor and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

35. Identifying Defects

The Procuring Entity's Representative shall check the Contractor's work and notify the Contractor of any defects that are found. Such checking shall not affect the Contractor's responsibilities. The Procuring Entity's Representative may instruct the Contractor to search uncover defects and test any work that the Procuring Entity's Representative considers below standards and defective.

36. Cost of Repairs

Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Liability Periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.

37. Correction of Defects

- 37.1. The Procuring Entity's Representative shall give notice to the Contractor of any defects before the end of the Defects Liability Period,

which is One (1) year from project completion up to final acceptance by the Procuring Entity's Representative.

- 37.2. Every time notice of a defect is given, the Contractor shall correct the notified defect within the length of time specified in the Procuring Entity's Representative's notice.
- 37.3. The Contractor shall correct the defects which he notices himself before the end of the Defects Liability Period.
- 37.4. The Procuring Entity shall certify that all defects have been corrected. If the Procuring Entity considers that correction of a defect is not essential, he can request the Contractor to submit a quotation for the corresponding reduction in the Contract Price. If the Procuring Entity accepts the quotation, the corresponding change in the SCC is a Variation.

38. Uncorrected Defects

- 38.1. The Procuring Entity shall give the Contractor at least fourteen (14) days notice of his intention to use a third party to correct a Defect. If the Contractor does not correct the Defect himself within the period, the Procuring Entity may have the Defect corrected by the third party. The cost of the correction will be deducted from the Contract Price.
- 38.2. The use of a third party to correct defects that are uncorrected by the Contractor will in no way relieve the Contractor of its liabilities and warranties under the Contract.

39. Advance Payment

- 39.1. The Procuring Entity shall, upon a written request of the contractor which shall be submitted as a contract document, make an advance payment to the contractor in an amount not exceeding fifteen percent (15%) of the total contract price, to be made in lump sum or, at the most two, installments according to a schedule specified in the **SCC**.
- 39.2. The advance payment shall be made only upon the submission to and acceptance by the Procuring Entity of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the Procuring Entity.
- 39.3. The advance payment shall be repaid by the Contractor by an amount equal to the percentage of the total contract price used for the advance payment.
- 39.4. The contractor may reduce his standby letter of credit or guarantee instrument by the amounts refunded by the Monthly Certificates in the advance payment.

39.5. The Procuring Entity will provide an Advance Payment on the Contract Price as stipulated in the Conditions of Contract, subject to the maximum amount stated in **SCC** Clause 39.1.

40. Progress Payments

40.1. The Contractor may submit a request for payment for Work accomplished. Such request for payment shall be verified and certified by the Procuring Entity's Representative/Project Engineer. Except as otherwise stipulated in the **SCC**, materials and equipment delivered on the site but not completely put in place shall not be included for payment.

40.2. The Procuring Entity shall deduct the following from the certified gross amounts to be paid to the contractor as progress payment:

- (a) Cumulative value of the work previously certified and paid for.
- (b) Portion of the advance payment to be recouped for the month.
- (c) Retention money in accordance with the condition of contract.
- (d) Amount to cover third party liabilities.
- (e) Amount to cover uncorrected discovered defects in the works.

40.3. Payments shall be adjusted by deducting therefrom the amounts for advance payments and retention. The Procuring Entity shall pay the Contractor the amounts certified by the Procuring Entity's Representative within twenty eight (28) days from the date each certificate was issued. No payment of interest for delayed payments and adjustments shall be made by the Procuring Entity.

40.4. The first progress payment may be paid by the Procuring Entity to the Contractor provided that at least twenty percent (20%) of the work has been accomplished as certified by the Procuring Entity's Representative, unless otherwise provided in the **SCC**⁵.

40.5. Items of the Works for which a price of "0" (zero) has been entered will not be paid for by the Procuring Entity and shall be deemed covered by other rates and prices in the Contract.

41. Payment Certificates

41.1. The Contractor shall submit to the Procuring Entity's Representative monthly statements of the estimated value of the work executed less the cumulative amount certified previously, except when a different payment scheme is adopted under GCC Clause 40.4, in which case,

⁵ GPPB Resolution No. 07-2018, dated 18 May 2019

the statement may only be submitted in accordance with the schedule prescribed by the Procuring Entity⁶.

41.2. The Procuring Entity's Representative shall check the Contractor's statement and certify the amount to be paid to the contractor⁷.

41.3. The value of Work executed shall:

- (a) be determined by the Procuring Entity's Representative;
- (b) comprise the value of the quantities of the items in the Bill of Quantities completed; and
- (c) include the valuations of approved variations.

41.4. The Procuring Entity's Representative may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.

42. Retention

42.1. The Procuring Entity shall retain from each payment due to the Contractor an amount equal to a percentage thereof using the rate as specified in GCC Sub-Clause 42.2.

42.2. Progress payments are subject to retention of ten percent (10%), referred to as the "retention money." Such retention shall be based on the total amount due to the Contractor prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of Works, as determined by the Procuring Entity, are completed. If, after fifty percent (50%) completion, the Work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall again be imposed using the rate specified therefor.

42.3. The total "retention money" shall be due for release upon final acceptance of the Works. The Contractor may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to the Procuring Entity, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten (10%) percent retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of the Government shall be valid for a duration to be determined by the concerned implementing office/agency or Procuring Entity and will answer for the purpose for which the ten (10%) percent retention is intended, *i.e.*, to cover uncorrected discovered defects and third party liabilities.

⁶ Ibid

⁷ Ibid

- 42.4. On completion of the whole Works, the Contractor may substitute retention money with an “on demand” Bank guarantee in a form acceptable to the Procuring Entity.

43. Variation Orders

- 43.1. Variation Orders may be issued by the Procuring Entity to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design or alignment to suit actual field conditions resulting in disparity between the preconstruction plans used for purposes of bidding and the “as staked plans” or construction drawings prepared after a joint survey by the Contractor and the Procuring Entity after award of the contract, provided that the cumulative amount of the Variation Order does not exceed ten percent (10%) of the original project cost. The addition/deletion of Works should be within the general scope of the project as bid and awarded. The scope of works shall not be reduced so as to accommodate a positive Variation Order. A Variation Order may either be in the form of a Change Order or Extra Work Order.
- 43.2. A Change Order may be issued by the Procuring Entity to cover any increase/decrease in quantities of original Work items in the contract.
- 43.3. An Extra Work Order may be issued by the Procuring Entity to cover the introduction of new work necessary for the completion, improvement or protection of the project which were not included as items of Work in the original contract, such as, where there are subsurface or latent physical conditions at the site differing materially from those indicated in the contract, or where there are duly unknown physical conditions at the site of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in the Work or character provided for in the contract.
- 43.4. Any cumulative Variation Order beyond ten percent (10%) shall be subject of another contract to be bid out if the works are separable from the original contract. In exceptional cases where it is urgently necessary to complete the original scope of work, the HoPE may authorize a positive Variation Order go beyond ten percent (10%) but not more than twenty percent (20%) of the original contract price, subject to the guidelines to be determined by the GPPB: *Provided, however,* That appropriate sanctions shall be imposed on the designer, consultant or official responsible for the original detailed engineering design which failed to consider the Variation Order beyond ten percent (10%).
- 43.5. In claiming for any Variation Order, the Contractor shall, within seven (7) calendar days after such work has been commenced or after the circumstances leading to such condition(s) leading to the extra cost, and within twenty-eight (28) calendar days deliver a written communication giving full and detailed particulars of any extra cost in

order that it may be investigated at that time. Failure to provide either of such notices in the time stipulated shall constitute a waiver by the contractor for any claim. The preparation and submission of Variation Orders are as follows:

- (a) If the Procuring Entity's representative/Project Engineer believes that a Change Order or Extra Work Order should be issued, he shall prepare the proposed Order accompanied with the notices submitted by the Contractor, the plans therefore, his computations as to the quantities of the additional works involved per item indicating the specific stations where such works are needed, the date of his inspections and investigations thereon, and the log book thereof, and a detailed estimate of the unit cost of such items of work, together with his justifications for the need of such Change Order or Extra Work Order, and shall submit the same to the HoPE for approval.
- (b) The HoPE or his duly authorized representative, upon receipt of the proposed Change Order or Extra Work Order shall immediately instruct the appropriate technical staff or office of the Procuring Entity to conduct an on-the-spot investigation to verify the need for the Work to be prosecuted and to review the proposed plan, and prices of the work involved.
- (c) The technical staff or appropriate office of the Procuring Entity shall submit a report of their findings and recommendations, together with the supporting documents, to the Head of Procuring Entity or his duly authorized representative for consideration.
- (d) The HoPE or his duly authorized representative, acting upon the recommendation of the technical staff or appropriate office, shall approve the Change Order or Extra Work Order after being satisfied that the same is justified, necessary, and in order.
- (e) The timeframe for the processing of Variation Orders from the preparation up to the approval by the Procuring Entity concerned shall not exceed thirty (30) calendar days.

44. Contract Completion

Once the project reaches an accomplishment of ninety five (95%) of the total contract amount, the Procuring Entity may create an inspectorate team to make preliminary inspection and submit a punch-list to the Contractor in preparation for the final turnover of the project. Said punch-list will contain, among others, the remaining Works, Work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time. This, however, shall not preclude the claim of the Procuring Entity for liquidated damages.

45. Suspension of Work

- 45.1. The Procuring Entity shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to *force majeure* or any fortuitous events or for failure on the part of the Contractor to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the Procuring Entity or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The Contractor shall immediately comply with such order to suspend the work wholly or partly.
- 45.2. The Contractor or its duly authorized representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice from the Contractor to the district engineer/regional director/consultant or equivalent official, as the case may be, due to the following:
- (a) There exist right-of-way problems which prohibit the Contractor from performing work in accordance with the approved construction schedule.
 - (b) Requisite construction plans which must be owner-furnished are not issued to the contractor precluding any work called for by such plans.
 - (c) Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
 - (d) There is failure on the part of the Procuring Entity to deliver government-furnished materials and equipment as stipulated in the contract.
 - (e) Delay in the payment of Contractor's claim for progress billing beyond forty-five (45) calendar days from the time the Contractor's claim has been certified to by the procuring entity's authorized representative that the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.
- 45.3. In case of total suspension, or suspension of activities along the critical path, which is not due to any fault of the Contractor, the elapsed time between the effectivity of the order suspending operation and the order to resume work shall be allowed the Contractor by adjusting the contract time accordingly.

46. Payment on Termination

- 46.1. If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Procuring Entity's Representative shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as indicated in the SCC. Additional Liquidated Damages shall not apply. If the total amount due to the Procuring Entity exceeds any payment due to the Contractor, the difference shall be a debt payable to the Procuring Entity.
- 46.2. If the Contract is terminated for the Procuring Entity's convenience or because of a fundamental breach of Contract by the Procuring Entity, the Procuring Entity's Representative shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.
- 46.3. The net balance due shall be paid or repaid within twenty eight (28) days from the notice of termination.
- 46.4. If the Contractor has terminated the Contract under **GCC** Clauses 17 or 18, the Procuring Entity shall promptly return the Performance Security to the Contractor.

47. Extension of Contract Time

- 47.1. Should the amount of additional work of any kind or other special circumstances of any kind whatsoever occur such as to fairly entitle the contractor to an extension of contract time, the Procuring Entity shall determine the amount of such extension; provided that the Procuring Entity is not bound to take into account any claim for an extension of time unless the Contractor has, prior to the expiration of the contract time and within thirty (30) calendar days after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to the Procuring Entity notices in order that it could have investigated them at that time. Failure to provide such notice shall constitute a waiver by the Contractor of any claim. Upon receipt of full and detailed particulars, the Procuring Entity shall examine the facts and extent of the delay and shall extend the contract time completing the contract work when, in the Procuring Entity's opinion, the findings of facts justify an extension.
- 47.2. No extension of contract time shall be granted the Contractor due to (a) ordinary unfavorable weather conditions and (b) inexcusable failure or negligence of Contractor to provide the required equipment, supplies or materials.
- 47.3. Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.

- 47.4. No extension of contract time shall be granted when the reason given to support the request for extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection.
- 47.5. Extension of contract time shall be granted for rainy/unworkable days considered unfavorable for the prosecution of the works at the site, based on the actual conditions obtained at the site, in excess of the number of rainy/unworkable days pre-determined by the Procuring Entity in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection, and/or for equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods and earthquakes, and epidemics, and for causes such as non-delivery on time of materials, working drawings, or written information to be furnished by the Procuring Entity, non-acquisition of permit to enter private properties or non-execution of deed of sale or donation within the right-of-way resulting in complete paralyzation of construction activities, and other meritorious causes as determined by the Procuring Entity's Representative and approved by the HoPE. Shortage of construction materials, general labor strikes, and peace and order problems that disrupt construction operations through no fault of the Contractor may be considered as additional grounds for extension of contract time provided they are publicly felt and certified by appropriate government agencies such as DTI, DOLE, DILG, and DND, among others. The written consent of bondsmen must be attached to any request of the Contractor for extension of contract time and submitted to the Procuring Entity for consideration and the validity of the Performance Security shall be correspondingly extended.

48. Price Adjustment

Except for extraordinary circumstances as determined by NEDA and approved by the GPPB, no price escalation shall be allowed. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GoP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

49. Completion

The Contractor shall request the Procuring Entity's Representative to issue a certificate of Completion of the Works, and the Procuring Entity's Representative will do so upon deciding that the work is completed.

50. Taking Over

The Procuring Entity shall take over the Site and the Works within seven (7) days from the date the Procuring Entity's Representative issues a certificate of Completion.

51. Operating and Maintenance Manuals

- 51.1. If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the **SCC**.
- 51.2. If the Contractor does not supply the Drawings and/or manuals by the dates stated in the **SCC**, or they do not receive the Procuring Entity's Representative's approval, the Procuring Entity's Representative shall withhold the amount stated in the **SCC** from payments due to the Contractor.

Special Conditions of Contract

GCC Clause	
1.17	<p>The Intended Completion Date is within Two Hundred Ten (210) Calendar days from the date of receipt of Notice to Proceed (NTP).</p> <p>Note: The contract duration shall be reckoned from the start date and not from the contract effectivity.</p>
1.22	<p>The Procuring Entity is Department of Social Welfare and Development (DSWD) – Social Welfare Institutional Development Bureau (SWIDB).</p>
1.23	<p>The Procuring Entity’s Representative is:</p> <p>CAMILO G. GUDMALIN Undersecretary for Standards and Capacity Building Department of Social Welfare and Development IBP Road, Constitution Hills, Quezon City</p>
1.24	<p>The Site is located at the DSWD SWADCAP, Taguig, Metro Manila, Philippines.</p>
1.28	<p>The Start Date is within five (5) calendar days upon acceptance of Notice to Proceed.</p>
1.31	<p>The Works consist of Site Development Works, Architectural/Carpentry Works, Plumbing Works, Tile Works, Painting Works, Electrical Works, Mechanical Works, Roofing Works and Hauling and Disposal.</p>
2.2	<p>Completion of works is within Two Hundred Ten (210) calendar days beginning within five (5) calendar days from receipt of the Notice to Proceed (NTP).</p>
5.1	<p>The Procuring Entity shall give possession of all parts of the Site to the Contractor upon acceptance of Notice to Proceed (NTP).</p>
6.5	<p>Contractor shall employ and must submit a list of equipment to be used and manpower/key personnel requirements for the project.</p>
7.4(c)	<p>No further instructions.</p>
7.7	<p>No further instructions.</p>
8.1	<p>No further instructions.</p>
10	<p>The site investigation reports shall be conducted by the Contractor in coordination with DSWD-Building and Grounds Management Division (DSWD-BGMD).</p>

12.3	No further instructions.
12.5	The warranty period against structural defects / failures is one (1) year .
13	If the Contractor is joint venture, all partners to the joint venture shall be jointly and severally liable to the Procuring Entity.
18.3(h)(i)	No further instructions.
21.2	The Arbiter is: Construction Industry Arbitration Commission 2/F &5F, Executive Center Bldg. 369 Gil Puyat Ave., cor. Makati Ave., Makati City Tel. Nos.: (+632) 895-4424 / 895-6826 Fax. No. (+632) 897-9336 Email: ciapdti@yahoo.com
29.1	Dayworks are applicable at the rate shown in the Contractor's original Bid.
31.1	The Contractor shall submit the Program of Work to the Procuring Entity's Representative within five (5) calendar days of delivery of the Notice of Award.
31.3	The period between Program of Work updates is within five (5) calendar days . The amount to be withheld for late submission of an updated Program of Work is ten percent (10%) of the contract amount .
34.3	The Funding Source is the Government of the Philippines (GOP) – Department of Social Welfare and Development - Social Welfare Institutional Development Bureau (SWIDB) Training Fund
39.1	The amount of the advance payment is fifteen percent (15%) of the contract price (mobilization fee based on the RA 9184) upon signing of contract of Agreements and submission and receipt of a request for the release of the advance payment after the issuance of the Notice to Proceed (NTP) and posting of an irrevocable letter of credit in favor of the procuring entity.
40.1	Materials and equipment delivered on the site but not completely put in place shall be included for payment.

40.4 ⁸	<p>Progress payment shall be based on actual completion of the infrastructure project or a specific segment or portion thereof using the following schedule:</p> <table border="1" data-bbox="427 320 1361 1064"> <thead> <tr> <th data-bbox="427 320 898 371">Payment Tranches</th> <th data-bbox="898 320 1361 371">Outputs/Deliverables</th> </tr> </thead> <tbody> <tr> <td data-bbox="427 371 898 539">1st Tranche: 15% of the Total Contract Price (TCP) as mobilization fee based on the RA 9184</td> <td data-bbox="898 371 1361 539">Upon signing of contract</td> </tr> <tr> <td data-bbox="427 539 898 707">2nd Tranche: 30% of TCP</td> <td data-bbox="898 539 1361 707">Thirty Percent (30%) accomplishment with Statement of Work Accomplishment (SWA)</td> </tr> <tr> <td data-bbox="427 707 898 792">3rd Tranche: 40% of TCP</td> <td data-bbox="898 707 1361 792">Eighty percent (80%) accomplishment with SWA</td> </tr> <tr> <td data-bbox="427 792 898 1064">4th and final Tranche: 15% of TCP</td> <td data-bbox="898 792 1361 1064">One Hundred Percent (100%) Accomplishment with SWA, As-Built Plan with Signed and Sealed, Certificate of Completion, Turn-Over Certificate and Warranty Certificate for 1 Year.</td> </tr> </tbody> </table>	Payment Tranches	Outputs/Deliverables	1 st Tranche: 15% of the Total Contract Price (TCP) as mobilization fee based on the RA 9184	Upon signing of contract	2 nd Tranche: 30% of TCP	Thirty Percent (30%) accomplishment with Statement of Work Accomplishment (SWA)	3 rd Tranche: 40% of TCP	Eighty percent (80%) accomplishment with SWA	4 th and final Tranche: 15% of TCP	One Hundred Percent (100%) Accomplishment with SWA, As-Built Plan with Signed and Sealed, Certificate of Completion, Turn-Over Certificate and Warranty Certificate for 1 Year.
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4 th and final Tranche: 15% of TCP	One Hundred Percent (100%) Accomplishment with SWA, As-Built Plan with Signed and Sealed, Certificate of Completion, Turn-Over Certificate and Warranty Certificate for 1 Year.										
51.1	<p>The date by which operating and maintenance manuals are required is within Two Hundred Ten (210) calendar days beginning within five (5) calendar days from receipt of the Notice to Proceed (NTP).</p> <p>The date by which “as built” drawings are required is within Two Hundred Ten (210) calendar days beginning within five (5) calendar days from receipt of the Notice to Proceed (NTP).</p>										
51.2	<p>The amount to be withheld for failing to produce “as built” drawings and/or operating and maintenance manuals by the date required is the 4th and final tranche of payment or the payment for the contractor’s for the final output/deliverables.</p>										

⁸ GPPB Resolution No. 07-2018, dated 18 May 2019

SPECIFICATIONS

Program of Works

Name of Project : Renovation of DSWD – Social Welfare and Development Center for Asia and the Pacific (SWADCAP) 2nd Floor (Phase II)

- I. Site Development Works
- II. Architectural / Carpentry Works including Defective Furniture/Cabinet and Other Affected Areas
- III. Plumbing Works
- IV. Tile Works (Rooms and Comfort Rooms)
- V. Painting Works - (Wall, Ceiling, and other affected areas. (verify on actual, see on approved plans and submit sample for approval of end-user)
- VI. Electrical Works (Installation of Rough-in Conduit Pipes (Telephone, Cable and Electrical), electrical wires, Fittings and Fixtures, Lighting Fixtures, Switches, Convenience Outlet, ACU Outlet, Terminations of Wires, and Tapping to Corresponding Branch Feeder Lines
- VII. Roofing Works
- VIII. Hauling and Disposal

NOTES:

1. The works shall consist of furnishing of all materials and the performance of work shall be in accordance to the approved plans and specifications and accordance to the National Building Code of the Philippine. All materials to be furnished shall be of standard grade and new, with duly approved quality. All works, materials and services not expressly call for and in the specifications or not shown in the approved drawings which deemed necessary for the completion for the project shall be performed, furnished and installed
2. All plumbing installation and fixtures shall follow the standard practice to the latest National Plumbing Code. All pipes and fitting shall properly installed and concealed.
3. All electrical works must conform strictly to the requirement of the latest National Electrical Code with rules and regulations. All works on the electrical system shall be under the direct supervision of Electrical Engineer or Master Electrician.

4. Paints shall be upon the approval of End user. All painting surface shall in three coats with same brand. All masonry wall shall be cure of concrete neutralizer before painting especially new wall
5. After completion of the construction, the contractor shall undertake clearing of the site as well as hauling of all waste materials that are determined by BGMD to be disposable and of no economic value. An approved Gate Pass should cover waste materials that will be hauled by the contractor's service provider.
6. The contractor shall provide 3- set of as-built plan to the end user with signed and sealed
7. The contractor will closely coordinates the DSWD assigned Engineer/Architect and for approval of the item prior for installation; and,
8. All exist materials shall remain to the end user.

Drawings








1
BEDROOM
PERSPECTIVE
A-01

DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT

PROJECT NAME:
SWADCAP ROOM RENOVATION

LOCATION:
2ND FLR, SWADCAP, TAGUIG, M.L.A.

SHEET CONTENT:
- PERSPECTIVE

APPROVED BY:

CHECKED BY:

PREPARED/DRAWN BY:

DATE SUBMITTED: 11-08-2018

DRAWING STATUS:

DATE:

REVISION/REMARKS:

PROJECT NO.:

PROJECT TITLE:

PROJECT LOCATION:

PROJECT NO.:

PROJECT TITLE:

PROJECT LOCATION:

PROJECT NO.:

PROJECT TITLE:

PROJECT LOCATION:

APPROVED BY:

CHECKED BY:

PREPARED/DRAWN BY:

DATE SUBMITTED: 11-08-2018

DRAWING STATUS:

DATE:

REVISION/REMARKS:

PROJECT NO.:

PROJECT TITLE:

PROJECT LOCATION:

PROJECT NO.:

PROJECT TITLE:

PROJECT LOCATION:

PROJECT NO.:

PROJECT TITLE:

PROJECT LOCATION:



1
A-02
**BATHROOM
PERSPECTIVE**

DEPARTMENT OF SOCIAL WELFARE
AND DEVELOPMENT



PROJECT NAME:

SWADCAP ROOM RENOVATION

LOCATION:

2ND FLR, SWADCAP, TAGUIG, M.L.A.

SHEET CONTENT:

- PERSPECTIVE

APPROVED BY

[Signature]
ARCHITECT P. KUTER
REGISTERED ARCHITECT
CONSULTANT

[Signature]
RANIL ANGELO T. COYANAN
REGISTERED ARCHITECT
CHECKED BY

[Signature]
SINGG AIRRINO T. EVANGELISTA
REGISTERED ARCHITECT
PREPARED/DISIGNED BY

PROJECT/TA No.

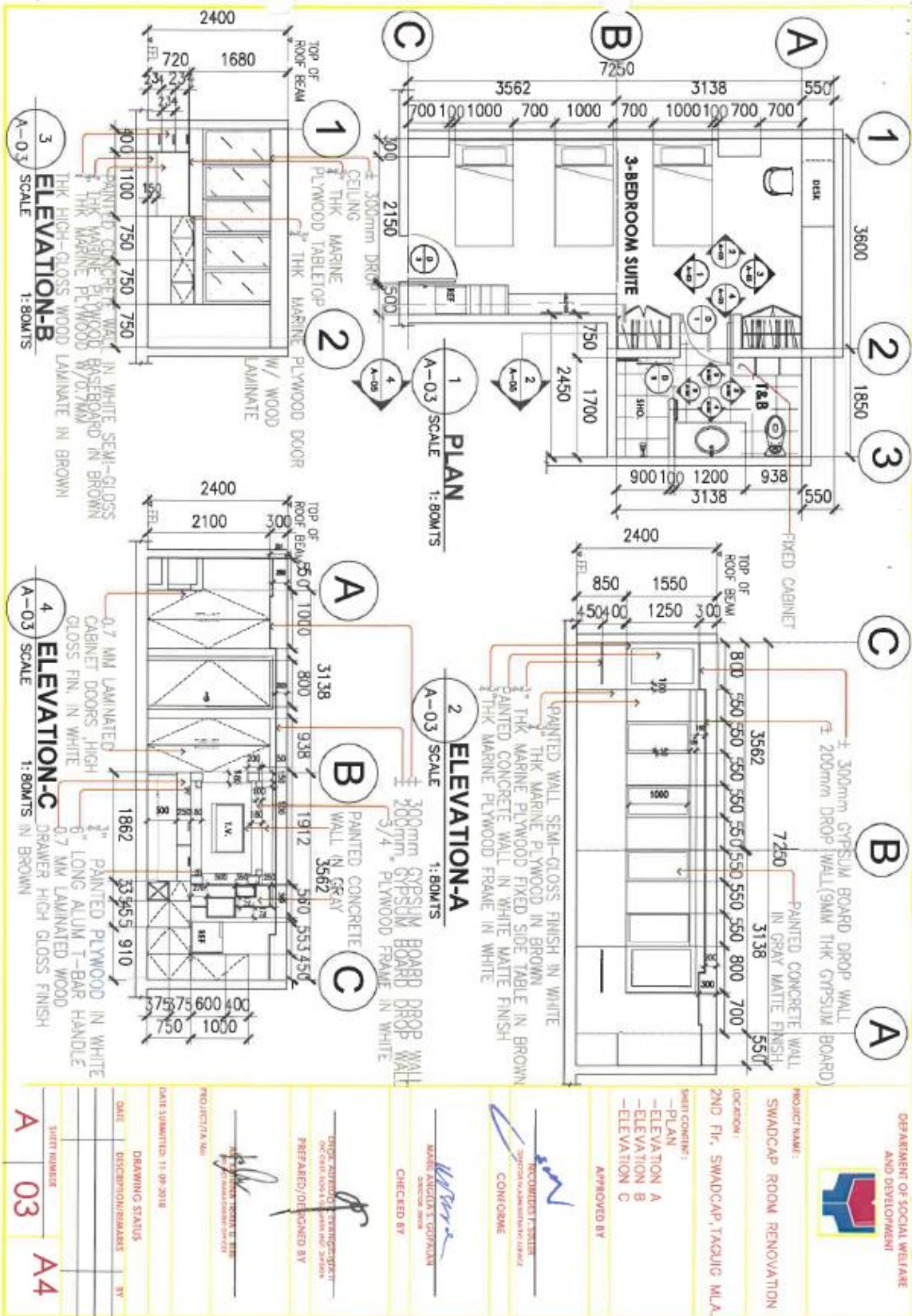
DATE SUBMITTED: 11.09.2018

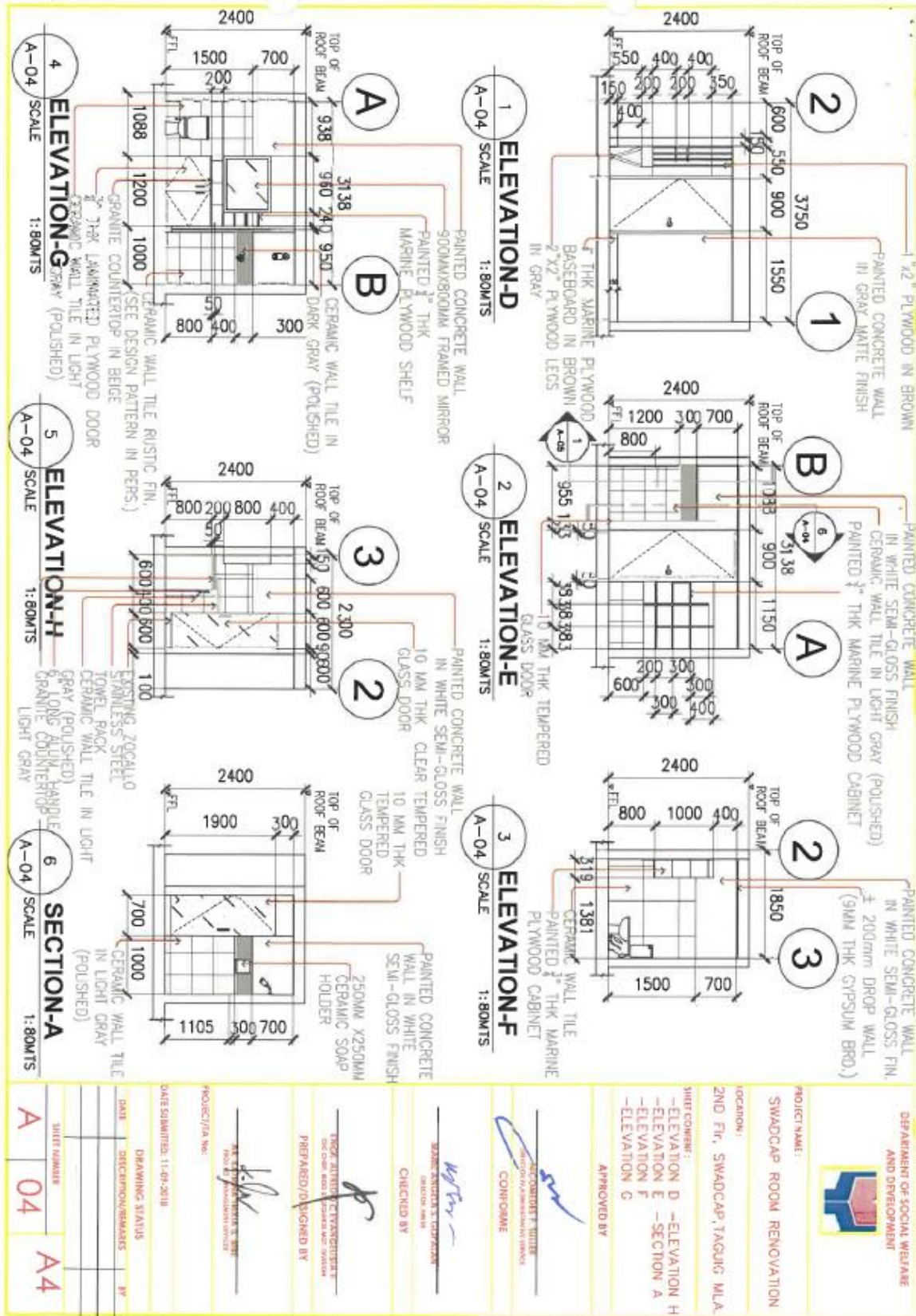
DRAWING STATUS

DATE DESCRIPTION/REVISIONS BY

DATE	DESCRIPTION/REVISIONS	BY

SHEET NUMBER	NO.	NO.
A	02	A4





DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT

PROJECT NAME:
 SWADCAP ROOM RENOVATION

LOCATION:
 2ND Flr, SWADCAP TAGUIG, M.L.A.

SHEET COVER:
 - ELEVATION D - ELEVATION H
 - ELEVATION E - SECTION A
 - ELEVATION F
 - ELEVATION C

APPROVED BY

RECORDED & INDEXED
 CONFIRMA

CHECKED BY

PREPARED/DRAWN BY

DATE SUBMITTED: 11-09-2018

DRAWING STATUS

DATE

BY

SHEET NUMBER
 A 04

A4



SECTION-B
SCALE 1:80M/TS

SECTION-A
SCALE 1:80M/TS

SECTION-B
SCALE 1:80M/TS

SECTION-C
SCALE 1:80M/TS

SECTION-D
SCALE 1:80M/TS


SECTION-E
SCALE 1:80M/TS


HANDLE DETAIL
SCALE 1:5M/TS


DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT

PROJECT NAME: SWADCAP ROOM RENOVATION

LOCATION: 2ND FLR., SWADCAP, TAGUIG M.L.A.

APPROVED BY: 
CONFORME
SECTION ADMINISTRATOR (SAs)

CHECKED BY: 
MARIE TORRES, S. CONFORME
SECTION ASST.

PREPARED/DESIGNED BY: 
P. TORRES, S. CONFORME
SAs

DATE SUBMITTED: 11-09-2018

DRAWING STATUS: DISCIPLINON/REMARKS

DRAWING NUMBER: **A 05**

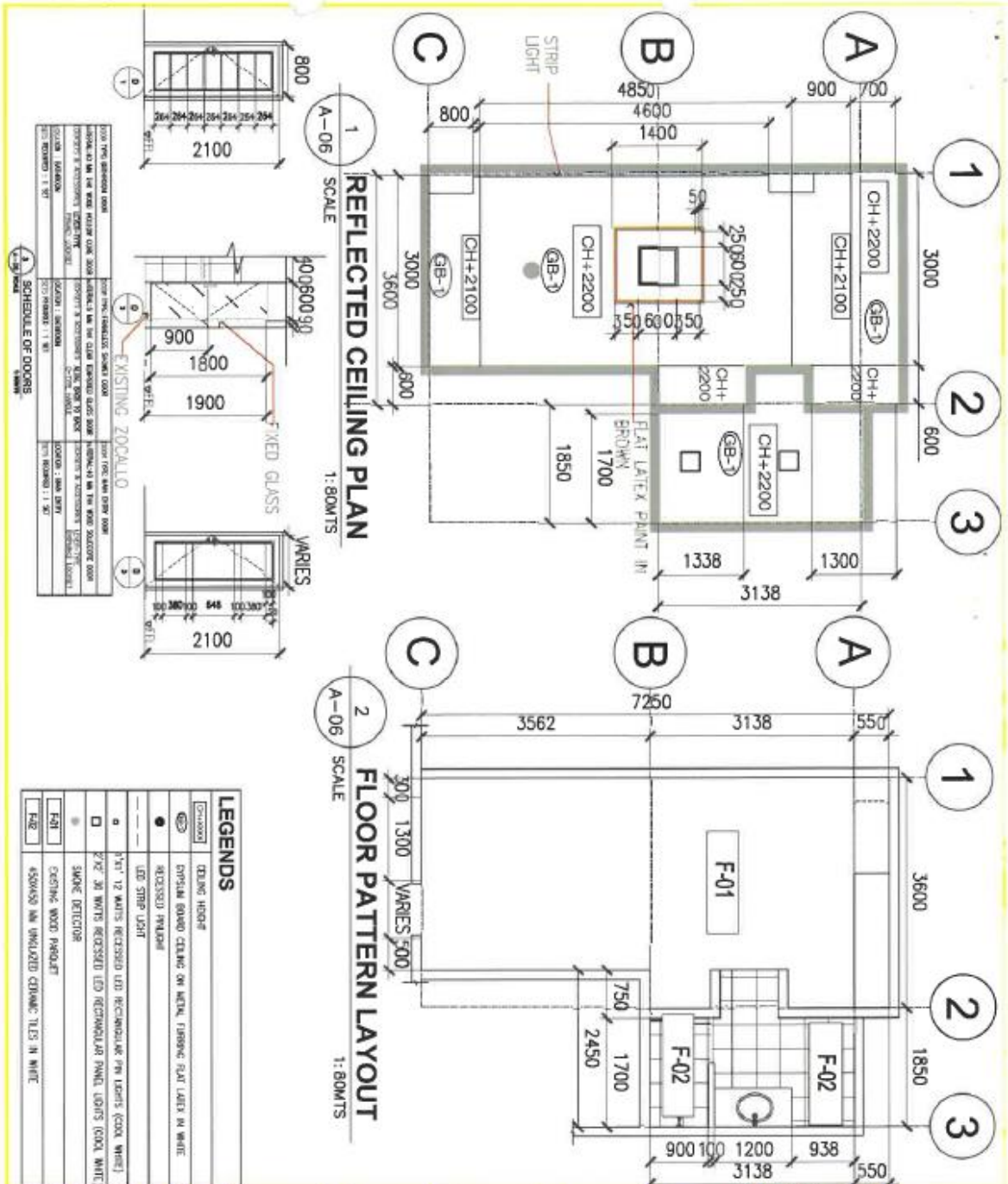
SHEET NUMBER: **A4**

DATE SUBMITTED: 11-09-2018

DRAWING STATUS: DISCIPLINON/REMARKS

DRAWING NUMBER: **A 05**

SHEET NUMBER: **A4**



DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT

PROJECT NAME: SWADCAP ROOM RENOVATION

LOCATION: 2ND FLR, SWADCAP, TAGUIG M.L.A.

APPROVED BY: [Signature]

CHECKED BY: [Signature]

PREPARED/ASSIGNED BY: [Signature]

DATE SUBMITTED: 11-09-2018

DRAWING STATUS: []

DATE: []

DESCRIPTION/REMARKS: []

SHEET NUMBER: A 06 A4



Annex "D"

Project Cost Summary

Renovation of DSWD – Social Welfare and Development Center for Asia and the Pacific (SWADCAP) 2nd Floor (Phase II)

I. ESTIMATED DIRECT COST	Amount
A. Material Cost	
B. Labor Cost	
Total Estimated Direct Cost	PhP
II. INDIRECT COST	
A. Overhead/Cont./Misc. (OCM) [9% of EDC]	
B. Contractor's Profit [8% of EDC]	
C. VAT [5% of EDC, OCM & Profit]	
Total Indirect Cost	PhP
TOTAL PROJECT COST/TOTAL CONTRACT PRICE	PhP

Name of Bidder: _____

Name of Authorized Representative: _____

Signature of Authorized Representative: _____

Date: _____

*****THIS DOCUMENT MUST BE ATTACHED TO THE BILL OF QUANTITIES DETAILS*****

Bill of Quantities Details

Renovation of DSWD – Social Welfare and Development Center for Asia and the Pacific (SWADCAP) 2nd Floor (Phase II)

DESCRIPTION OF WORK	Quantity	Unit	Unit Price	Amount
I. Site Development Works				
Removal of Dilapidated Materials (Ceiling, Wall and Existing Cabinet)	749.7	m ²		
Removal/Hauling of Existing Debris and Un-used Materials	1	lot		
Chipping of Tiles	1	lot		
Cutting/Removal of Existing Concrete	1	lot		
Sub Total				
II. Architectural/Carpentry Works including Defective Furniture/Cabinet and Other Affected Areas				
II.A. Ceiling Installation Works. (Guest, Conference Room Comfort Room, Laundry Room and Storage Room Storage Room) (verify on actual, see on approved plans)				
Ficem board 4' x 8' x 5.2mm	305	piece		
Wall Angle	226	piece		
Carrying Channel	110	piece		
Metal Furring (.4mm x 3m)	464	piece		
Full Threaded Rod	538	piece		
Expansion Bolt	538	piece		
Suspension Clip	538	piece		
Blind rivets 1/8" x 3/4" (500pcs/box)	30	box		
W-Clip	892	piece		
			Material Cost	
			Labor Cost	
			Sub Total	
II.B. Cabinet				
Fabrication				
Marine Plywood 3/4"x 4'x 8'	200	piece		
Marine Plywood 1/4"x 4'x 8'	40	piece		

DESCRIPTION OF WORK	Quantity	Unit	Unit Price	Amount
Wood Strip 1/2"x1"x8'	200	piece		
1"x2"x8' Good Lumber S4S KD	200	piece		
Wood Glue	40	kilo		
Finishing Nails 1"	100	kilo		
Finishing Nails 1 1/2"	100	kilo		
Finishing Nails 2"	100	kilo		
Finishing Nails 3"	100	kilo		
Sand Paper #100	200	piece		
Sand Paper #120	200	piece		
Laminates				
.7mm Thk x 4' x 8' Laminate Wood High Gloss (White)	100	piece		
.7mm Thk x 4' x 8' Laminate Wood High Gloss (Beach, Oak or Maple wood Grain)	100	piece		
Laminated Glue	100	gallon		
Handles and Accessories				
6" Long Aluminum T-Bar Handle	160	piece		
600mm Long Aluminum T-Bar Handle	80	piece		
192 mm Long Stainless grab handle	200	piece		
Soft Close Full Overlay Concealed Hinge	720	set		
500mm Long Soft close Conceal Runner	120	set		
Stainless Steel Clothes Rack (Rod)	40	piece		
			Material Cost	
			Labor Cost	
			Sub Total	
II.C. Doors and Windows				
Window Blinds (Combi Roller Blinds)	120	sq.m		
Customized Wooden Panel Door and Jamb (Glossy Black)	30	set		
Hollow Core Door	30	set		
6mm Tempered Frameless Glass Door with Complete Accessories	20	set		
Grade 3 Lever Type Door Knob	30	set		
Door Hinge 2"x 3" (Stainless)	60	set		

DESCRIPTION OF WORK	Quantity	Unit	Unit Price	Amount
			Material Cost	
			Labor Cost	
			Sub Total	
II.D. Mirrors, Adhesive and J-Clips				
1/4" Thk Pre-cut Mirror (960mm x800mm)	22	unit		
Clear Liquid nail (250g)	44	tube		
			Material Cost	
			Labor Cost	
			Sub Total	
III. Plumbing Works				
III. A. Plumbing Fixtures				
Water Closet w/ push discharge button in water tank (Dual)	25	set		
Male urinals w/ Complete Fittings (Stainless)	5	set		
Ceramic Oval Wash Basin Lavatory with fittings and complete accessories (Stainless Fitting)	25	set		
Stainless Steel Lavatory Faucet	20	set		
Stainless Steel Floor Drain 4"x4"	30	piece		
Telephone Shower with Complete Accessories (Stainless)	20	unit		
Bidet (Stainless)	25	set		
			Material Cost	
			Labor Cost	
			Sub Total	
III. B. Water and Waste Lines				
Water and Waste Lines (Note: Use PPR Pipe for Water Lines and PVC Pipe for Waste Lines, declogging are included)	1	lot		
			Material Cost	
			Labor Cost	
			Sub Total	
IV. Tile Works (Rooms and Comfort Rooms)				
IV. A. Vinyl Tile (Rooms)				
Vinyl Tile (3mm thk x 15cm x 90cm)	5000	piece		

DESCRIPTION OF WORK	Quantity	Unit	Unit Price	Amount
Vinyl Adhesive	80	gallon		
Material Cost				
Labor Cost				
Sub Total				
IV. B. Comfort Room				
600mm x 600mm Granite Tiles (Plain Beige)	440	piece		
600mm x 600mm Granite Tiles (With Pater Rustic Finish)	440	piece		
400mm x 400mm Granite Tiles (White Matte Finish)	800	piece		
Water Proofing	40	gallon		
Sand	40	cu.m		
Cement	250	bag		
tile adhesive (25 kg/bag)	100	bag		
tile grout (2 kg/bag)	40	bag		
Material Cost				
Labor Cost				
Sub Total				
V. Painting Works - (Wall, Ceiling, and other affected areas. (verify on actual, see on approved plans and submit sample for approval of end-user)				
Flat latex paint(1st Coat)	70	gallon		
White Semi-gloss latex paint (2nd & 3rd coat) (Odorless)	140	gallon		
Acry Color	5	gallon		
Simply Brown	5	gallon		
Gypsum Tape	100	roll		
Powder putty	40	bag		
Paint roller 6"	25	piece		
Paint Brush 2"	25	piece		
Putty Knife without handle	15	piece		
Floor Sanding Paper # 80	100	piece		
Waterproof Sandpaper # 120	100	piece		
Cotton rug	20	Kg.		
Material Cost				

DESCRIPTION OF WORK	Quantity	Unit	Unit Price	Amount
Labor Cost				
Sub Total				
VI. Electrical Works (Installation of Rough-in Conduit Pipes [Telephone, Cable and Electrical], electrical wires, Fittings and Fixtures, Lighting Fixtures, Switches, Convenience Outlet, ACU Outlet, Terminations of Wires, and Tapping to Corresponding Branch Feeder Lines				
5.5mm ² THHN wire	5	box		
3.5mm ² THHN wire	70	box		
PVC Pipe, 1/2" x 3m, Orange	450	piece		
PVC Male Adapter w/ Lock Nut, 1/2"	1000	piece		
PVC Long Elbow, 1/2"	350	piece		
Lampshade Fixture, Wall Mounted	80	piece		
2x28 Watts T5 Fluorescent Lamp with Aluminum Reflector and Complete Accessories: Dimensions (24" x 48" x 3")	50	set		
Vertical Downlight Recessed Type, 6" Diameter	88	piece		
LED Square Panel Light, 30-40 Watts, (30cmX30cm), Daylight	20	piece		
LED Square Panel Light, 12-15 Watts, (30cmX30cm), Daylight	40	piece		
LED Bulb, 11 Watts, Daylight	8	piece		
LED Bulb, 6-7 Watts, Daylight	80	piece		
LED Bulb, 5 Watts, Warm White	80	piece		
LED Strip Lights, 5 Meters, Warm White	20	piece		
PVC Junction Box with Cover, 4" x 4"	400	piece		
PVC Utility Box, 4" x 2"	450	piece		
ACU Outlet with Stainless Cover Plate and accessories	20	set		
Self Test/Reset Duplex GFCI Electrical Outlet, Universal Type with Stainless Cover Plate and accessories	20	set		
Self Test/Reset Single GFCI Electrical Outlet, Universal Type with Stainless Cover Plate and accessories	40	set		
Ground Duplex Electrical Outlet, Universal Type with Stainless Cover Plate and accessories	120	piece		
Ground Single Electrical Outlet, Universal Type with Stainless Cover Plate and accessories	4	piece		

DESCRIPTION OF WORK	Quantity	Unit	Unit Price	Amount
Illuminated Electrical Switch, Wide Series	217	piece		
Illuminated Electrical Three Way Switch, Wide Series	40	piece		
Electrical Stainless Cover Plate and accessories, Wide Series, One Gang	103	set		
Electrical Stainless Cover Plate and accessories, Wide Series, Two Gang	5	set		
Electrical Stainless Cover Plate and accessories, Wide Series, Three Gang	48	set		
Telephone Outlet with Stainless Cover Plate and accessories	20	set		
TV Cable Outlet with Stainless Cover Plate and accessories	20	set		
PVC Solvent Cement (100 c.c)	10	can		
Electrical Tape, big size	80	piece		
Tie Wire No. 16, G.I. Wire	10	kilo		
			Material Cost	
			Labor Cost	
			Sub Total	
VII. Mechanical Works				
Supply, Delivery and Installation of Airconditioning Unit (ACU) 2HP window Type Remote and Manual Operated (Inverter Type)	20	unit		
3000 Watts Shower Heater	20	set		
			Material Cost	
			Labor Cost	
			Sub Total	
VIII. Roofing Works				
Repair of Concrete Gutter, Application of Water Proofing, Roof Sealant and Repair of Damage Roofing	1	lot		
			Material Cost	
			Labor Cost	
			Sub Total	
IX. Hauling and Disposal				
Hauling and Disposal	1	lot		
			Material Cost	
			Labor Cost	
			Sub Total	
				Total Estimated Direct Cost



Name of Bidder: _____

Name of Authorized Representative: _____

Signature of Authorized Representative: _____

Date: _____

Bid Form

Date: _____
DSWD NNP No.: 20-TFB-005

To: *[name and address of PROCURING ENTITY]*

Address: *[insert address]*

We, the undersigned, declare that:

- (a) We have examined and have no reservation to the Notice of Negotiated Procurement, including Addenda/Supplemental/Bid Bullatins, for the Contract *[insert name of contract]*;
- (b) We offer to execute the Works for this Contract in accordance with the Negotiated Procurement, General and Special Conditions of Contract accompanying this Bid;

The total price of our Bid/Quotation, excluding any discounts offered in item (d) below is: *[insert information]*;

The discounts offered and the methodology for their application are: *[insert information]*;

- (c) Our Bid/Quotation shall be valid for a period of *[insert number]* days from the date fixed for the Bid/Quotation submission deadline in accordance with the Notice of Negotiated Procurement, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (d) If our Bid/Quotations is accepted, we commit to obtain a Performance Security in the amount of *[insert percentage amount]* percent of the Contract Price for the due performance of the Contract;
- (e) Our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from the following eligible countries: *[insert information]*;
- (f) We are not participating, as Bidders, in more than one Bid in this Negotiated Procurement process, other than alternative offers in accordance with the Notice of Negotiated Procurement;
- (g) Our firm, its affiliates or subsidiaries, including any subcontractors or suppliers for any part of the Contract, has not been declared ineligible by the Funding Source;
- (h) We understand that this Bid/Quotation, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal Contract is prepared and executed; and



- (i) We understand that you are not bound to accept the Lowest Evaluated Bid or any other Bid that you may receive.

Name: _____

In the capacity of: _____

Signed: _____

Duly authorized to sign the Bid for and on behalf of: _____

Date: _____



BID-SECURING DECLARATION FORM

REPUBLIC OF THE PHILIPPINES
CITY OF _____) S.S.

X-----X

BID-SECURING DECLARATION

Notice for Negotiated Procurement: DSWD NNP No. 20-TFB-005

To: *[Insert name and address of the Procuring Entity]*

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake.
3. I/We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:
 - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
 - (c) I am/we declared as the bidder with the Lowest Calculated and Responsive Quotation/Highest Rated and Responsive Quotation, and I/we have furnished the performance security signed in the Contract;

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ day of *[month]**[year]* at *[place of execution]*.

[Insert NAME OF BIDDER'S AUTHORIZED REPRESENTATIVE]
[Insert Signatory's Legal Capacity]
Affiant

SUBSCRIBED AND SWORN to before me this ____ day of *[month]* *[year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and



was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on ____ at _____.

Witness my hand and seal this ____ day of [month] [year].

NAME OF NOTARY PUBLIC

Serial No. of Commission

Notary Public for _____ until _____

Roll of Attorneys No. _____

issued]

PTR No. _____ [date issued], [place

issued]

IBP No. _____ [date issued], [place

Doc. No. _____

Page No. _____

Book No. _____

Series of _____

OMNIBUS SWORN STATEMENT

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S.

AFFIDAVIT

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. Select one, delete the other:

If a sole proprietorship: I am the sole proprietor of *[Name of Bidder]* with office address at *[address of Bidder]*;

If a partnership, corporation, cooperative, or joint venture: I am the duly authorized and designated representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

2. Select one, delete the other:

If a sole proprietorship: As the owner and sole proprietor of *[Name of Bidder]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for *[Name of the Project]* of the *[Name of the Procuring Entity]*;

If a partnership, corporation, cooperative, or joint venture: I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Bidder]* in the bidding as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

3. *[Name of Bidder]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. *[Name of Bidder]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. Select one, delete the rest:

If a sole proprietorship: I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

If a partnership or cooperative: None of the officers and members of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

If a corporation or joint venture: None of the officers, directors, and controlling stockholders of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. *[Name of Bidder]* complies with existing labor laws and standards; and
8. *[Name of Bidder]* is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Notice of Negotiated Procurement;
 - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
 - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.
9. *[Name of Bidder]* did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity⁹.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 20__ at _____, Philippines.

Bidder's Representative/Authorized Signatory

⁹ GPPB Resolution No. 22-2013.

Annex "I"

NOTE: Use this template for the required "Certification from the Insurance Commission", which shall accompany surety bonds issued for purposes of Bid Security and Performance Security.

[Insurance Commission Letterhead]

CERTIFICATION

This is to certify that [insert Name of Insurance Company] is an authorized insurance company and licensed to transact general insurance business in the Philippines for such lines as Fire, Marine, Casualty and Surety under [insert Certificate of Authority Number] effective [insert date of period of effectivity], unless sooner revoked or suspended for cause.

It is certified, moreover, that [insert Name of Insurance Company] is likewise authorized under Administrative Order No. 30 to underwrite and issue Performance Bonds, Bidder's Bonds, and Surety Bonds, callable on demand in favor of the various agencies and instrumentalities of the government pursuant to the Revised Implementing Rules of RA.9184.

It is further certified that [insert Name of Insurance Company] issued a surety bond under [insert Bond No.] to [insert Name of Service Provider or Supplier] in favor of **Department of Social Welfare and Development** in the amount of [insert amount] for the [insert Name of the Project].

This certification is issued upon the request of [insert Name of the Authorized Representative] of [insert Name of Insurance Company], pursuant to Section 39.2(c) of the Revised Implementing Rules and Regulations of RA9184.

Issued on the [insert date] in [insert Place].

For the Insurance Commissioner
[insert name of Authorized Representative]
[insert Position and Office]
Paid under [insert Official Receipt No.]

Annex "J"

Statement of All On-Going Government and Private Contracts, Including Contracts Awarded but Not Yet Started, Whether Similar or Not Similar in Nature and Complexity to the Contract to be Bid

Business Name: _____

Business Address: _____

A. Government

Name of Contract (Project Title)	a. Owner's Name	a. Nature of Work	Bidder's Role (sole contractor, subcontractor, or partner in a JV)		a. Date of Contract	Accomplishment		Value of Outstanding Works (Undelivered Portion)
	b. Address				b. Date Started	Planned a. (%)	Actual a. (%)	
	c. Contact Nos.	b. Project Cost	Description	%	c. Date Completed	b. Amount	b. Amount	
1.	a.	a.			a.	a.	a.	
	b.				b.			
	c.	b.			c.	b.	b.	
2.	a.	a.			a.	a.	a.	
	b.				b.			
	c.	b.			c.	b.	b.	

B. Private

Name of Contract (Project Title)	a. Owner's Name	a. Nature of Work	Bidder's Role (sole contractor, subcontractor, or partner in a JV)		a. Date of Contract	Accomplishment		Value of Outstanding Works (Undelivered Portion)
	b. Address				b. Date Started	Planned a. (%)	Actual a. (%)	
	c. Contact Nos.	b. Project Cost	Description	%	c. Date Completed	b. Amount	b. Amount	
1.	a.	a.			a.	a.	a.	
	b.				b.			
	c.	b.			c.	b.	b.	
2.	a.	a.			a.	a.	a.	
	b.				b.			
	c.	b.			c.	b.	b.	

Note: The following documents must be available upon request of the Bids and Award Committee (BAC) or designated Technical Working Group (TWG) during Post-Qualification to support this statement: (a) **Notice of Award and/or Contract**, (b) **Notice to Proceed** and (c) **Certificate of Acceptance**. If there is no ongoing contract including those awarded but not yet started as of the aforementioned period, state none or equivalent term.

Name of Bidder: _____

Name of Authorized Representative: _____

Signature of Authorized Representative: _____

Date: _____

Annex "K"

Statement of Single Largest Completed Contract (SLCC) Similar to the Contract to be Bid

Business Name: _____

Business Address: _____

Name of Contract (Project Title)	a. Owner's Name	a. Nature of Work	Bidder's Role		a. Date of Contract	Total Contract Value at Completion
	b. Address	b. Total Contract Value at Award (Project Cost)	Description	%	b. Date Started	
	c. Contact Nos.				c. Date Completed	
	a.	a.			a.	
	b.				b.	
	c.	b.			c.	

Note: *The statement of the Bidder's SLCC shall be supported by the **Notice of Award** and/or **Notice to Proceed**, **Project Owner's Certificate of Final Acceptance** issued by the Owner other than the Contractor or the Constructors Performance Evaluation System (CPES) **Final Rating**, which must be at least satisfactory. In case of contracts with the private sector, an equivalent document shall be submitted.*

Name of Bidder: _____

Name of Authorized Representative: _____

Signature of Authorized Representative: _____

Date: _____

Form of Contract Agreement

THIS AGREEMENT, made this *[insert date]* day of *[insert month]*, *[insert year]* between *[name and address of PROCURING ENTITY]* (hereinafter called the "Entity") and *[name and address of Contractor]* (hereinafter called the "Contractor").

WHEREAS, the Entity is desirous that the Contractor execute *[name and identification number of contract]* (hereinafter called "the Works") and the Entity has accepted the Bid for *[insert the amount in specified currency in numbers and words]* by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as integral part of this Agreement, to wit:
 - (a) General and Special Conditions of Contract;
 - (b) Drawings/Plans;
 - (c) Specifications;
 - (d) Notice of Negotiated Procurement;
 - (e) Addenda and/or Supplemental/Bid Bulletins, if any;
 - (f) Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (e.g., Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;
 - (g) Eligibility requirements, documents and/or statements;
 - (h) Performance Security;
 - (i) Notice of Award of Contract and the Bidder's conforme thereto;
 - (j) Other contract documents that may be required by existing laws and/or the Entity.



- 3. In consideration of the payments to be made by the Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Entity to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects.
- 4. The Entity hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

Signed, sealed, delivered by _____ the _____ (for the Entity)

Signed, sealed, delivered by _____ the _____ (for the Contractor).

Binding Signature of Procuring Entity

Binding Signature of Contractor

[Addendum showing the corrections, if any, made during the Bid evaluation should be attached with this agreement]

Performance Securing Declaration

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.

X-----X

PERFORMANCE SECURING DECLARATION Invitation to Bid: *[Insert Reference number]*

To: *[Insert name and address of the Procuring Entity]*

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, to guarantee the faithful performance by the supplier/distributor/manufacturer/contractor/consultant of its obligations under the Contract, I/we shall submit a Performance Securing Declaration within a maximum period of ten (10) calendar days from the receipt of the Notice of Award prior to signing of the Contract.
2. I/We accept that: I/we will be automatically disqualified from bidding for any procurement contract with any procuring entity for a period of one (1) year if in case it is my first offense, or two (2) years if I have a prior similar offense upon receipt of your Blacklisting Order if I/we have violated my/our obligations under the Contract.
3. I/We understand that this Performance Securing Declaration shall cease to be valid upon:
 - a. issuance by the Procuring Entity of the Certificate of Final Acceptance, subject to the following conditions:
 - i. Procuring Entity has no claims filed against the contract awardee;
 - ii. It has no claims for labor and materials filed against the contractor; and
 - iii. Other terms of the contract; or
 - b. Replacement by the winning bidder of the submitted PSD with a performance security in any of the prescribed forms under Section 39.2 of the 2016 IRR of RA No. 99184 as required by the end-user.

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ day of *[month]* *[year]* at *[place of execution]*.



[Insert NAME OF BIDDER'S AUTHORIZED REPRESENTATIVE]

[Insert Signatory's Legal Capacity]

Affiant

SUBSCRIBED AND SWORN to before me this ____ day of *[month]* *[year]* at *[place of execution]*, Philippines.

[Select one of the two following paragraphs and delete the other]

Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC).

Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with no. _____ issued on ____ at _____.

Witness my hand and seal this ____ day of *[month]* *[year]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. _____ *[date issued]*, *[place issued]*

IBP No. _____ *[date issued]*, *[place issued]*

Doc. No. _____

Page No. _____

Book No. _____

Series of _____