



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

PRIMARY BIDS AND AWARDS COMMITTEE

Project: **CONSTRUCTION SUPERVISION CONSULTANT FOR THE MARITIME SAFETY CAPABILITY IMPROVEMENT PROJECT FOR THE PHILIPPINE COAST GUARD**

General Bid Bulletin No.: 02-2014

TO ALL PROSPECTIVE BIDDERS:

Please find attached the answers of the BAC to the queries dated 31 January 2014 as Annex "A".

For your guidance and information.

Issued this 5th day of March 2014.

RENE K. LIMCAOCO
Vice-Chairman, Bids and Awards Committee
and Undersecretary for Planning

MARITIME SAFETY CAPABILITY IMPROVEMENT PROJECT FOR THE PHILIPPINE COAST GUARD ANSWERS TO QUERIES

	ITEM	CLARIFICATION SOUGHT	DOTC REPLY
1	DS-3 11.2	The Data Sheet clause 11.2 states that the executing Agency shall pay all taxes for Japanese companies operating as consultants. Will this include both Corporate and Personal Income Tax for any of the Consultant's Personnel in the Philippines?	EA pays for the principal and interest of the loan and any income derived only by Japanese people or corporate entities from the implementation of the project, and to exempt from customs duties and other charges, materials and equipment brought into the country by Japanese corporate bodies for the implementation of the project.
2	DS-3 11.2	Can we confirm that local tax amounts should not be indicated in the Financial Proposal, as these will be covered by the Client through the exemption outlined in 11.2 of the Data Sheet?	Local tax amounts may be indicated on the Contract Negotiation for information of EA.
3	DS-4 11.3	It is noted that "Consultants must state the portion of their price representing local cost in US Dollar". Does this mean that the Financial Proposal should only be in two currencies - Japanese Yen and US Dollar and not include Philippine Peso? If yes, should the contingency amount for local currency (PHP 2M) also be expressed in US Dollars in the Financial Proposal?	Proposal should only be in two currencies - Japanese Yen and Philippine Peso (1). Apply correction to DS-4 11.3 to read as follows: <i>"Consultants must state the portion of their price representing local cost in <u>Philippine peso.</u>"</i>
4	DS -5 14.2(i)	How many projects relevant to the assignment are allowed for listing in each of the three categories?	In FORM TECH 2B, the Consultants can only propose 10 project sheets. If the consultant proposal includes more than 10 project sheets, only latest 10 projects will be considered.

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5	Terms of Reference (TOR) I.d.N.	<p>It is noted that the Project is to be commenced in May 2014 but we understand that the selection process of the CS Consultant with the consultancy contract will take 2 months or more after closing date of the bid. Since the TOR requires evaluation assistance for the Contractor (Builder) selection, will the Contractors (Builder) bid process commence after the signing of the Consultancy contract?</p> <p>The completion date of the Project may vary depending on the Contractors' schedule. If there are any changes to the completion date as a result, will variation of the CS Contract be permitted?</p>	<ul style="list-style-type: none"> • Consultants under the tripartite agreement on procurement assistance under Grant Aid for STEP loan may tender assistance for Contractor selection. • Changes may be applied in contract negotiation. Variation changes may also be applied after the contract, subject to applicable laws and rules.
6	TOR III.B.1)	To what extent will power and authority be delegated to the Consultant from the Executing Agency?	<p>Apply correction to TOR III.B.1) to read as follows:</p> <p><i>“1) Act as the Project Manager, in his absence with prior consent, to execute construction supervision and contract administration services in accordance with the power and authority to be delegated by the Executing Agency.”</i></p>
7	TOR III. B. 5), 10), 11), 12), 14), 15), 23)	Some of the scope of works outlined in Section III. including clauses 5), 10), 11), 12), 14), 15), and 23) seem to be more relevant for general civil/building works and not necessarily applicable for ship building. Could you clarify the works of those clauses including their necessity?	<p>Apply correction to TOR III.B.5) to be read as follows:</p> <p><i>“Assess adequacy of all <u>applicable inputs including but not limited to ship design, machinery, communications and navigation equipment and labor provided by the Contractor.</u>”</i></p> <p>Apply correction to TOR III.B.10) to read as follows:</p> <p><i>“Review and approve the <u>Contractor's ship construction design, layout and other applicable drawings</u>.”</i></p> <p>Retain TOR III.B.11) as it is applicable for shipbuilding not only for civil works.</p>

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			<p>Apply correction to TOR III.B.12) to read be read as follows:</p> <p><i>“Carry out <u>shipyard</u> inspections on the Contractor's setting out of the works in relation to technical specifications specified in the contract.”</i></p> <p>Retain TOR III.B.14) Applicable for occupational safety and health</p> <p>Apply correction to TOR III.B.15) to read as follows:</p> <p><i>“Attend field testing and inspection (quality assurance) to be carried out by the Contractor.”</i></p> <p>Apply correction to TOR III.B.15) to read:</p> <p>Modify EA’s requirements as may be necessary in accordance with the actual shipyard conditions, and issue</p>
8	TOR III.B.6)	Can we confirm if the "site" here refers to the shipyard where vessels will be built?	“Site” means the shipyard(s) and/or place(s) of construction of the individual vessel
9	TOR III.B.15)	Field test, sampling and laboratory test is only required for the Civil/Building works (e.g. concrete slump test, concrete compressive strength test, ultrasonic testing for reinforcing bars gas pressure weld joint) but not for ship building. May we disregard this clause?	<p>Apply correction to TOR III.B.15) to read as follows:</p> <p><i>“Attend field testing and inspection (quality assurance) to be carried out by the Contractor.”</i></p>
10	TOR III.B.21)	Can we assume from this clause that the Building Contract will allow multi-builders or subcontractors?	Yes, as well as Joint Venture shall be allowed

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11	TOR III.B.26)	Please clarify what is involved in "pre-commissioning" for the ship building process.	Pre-commissioning, unless specified in the contract, shall be understood as Shop test and Onboard tests, and other such test that are carried out prior sea trial
12	TOR III.B. 27)	Does the "Guarantee Test" mean the final trial at delivery site to be conducted by the Contractor (Builder)?	Guarantee test(s) is synonymous with "sea trials" or "trial runs". "Commissioning" means verification operation of the Vessels at the time of sea trial at the shipyard as described in the technical specifications, shall be carried out by the Contractor.
13	TOR III.D. 2)	How long after the delivery of the vessels should the Consultant monitor the Project's benefit? Will it be just during the 12 months defect liability period?	As specified in the MOD, 12 months defect liability period.
14	TOR III.D. 4)	Is the Operation Maintenance Study Report an expected deliverable for the project? Is so, why is it not included in the TOR IV under reports and deliverables?	Operation Maintenance Study Report is given after the delivery of each vessel to the delivery site.
15	TOR V. V. and VI.A	Please confirm the duration of the consulting services. Expected Time Schedule states the total duration of the consulting services as 57 months including the 12 months defect liability period, while VI.A. Staffing Requirements states the period of 69 calendar months.	Total duration is 53 months Apply correction to V and VI.A to read as follows: The consulting services will require a total of 228 person-months of both international and national consultants, Supporting Staff over the period of <u>53 calendar months</u>
16	TOR VI.A	Can we propose alternative MM allocation for both Professional (A) and Professional (B) consultants as we feel appropriate within the limit of the total Man-Months as indicated in TOR? Can additional experts be added to the Consultancy team if	Alternative Man Months can be proposed only during the contract negotiation not in the technical proposal Additional experts can be added, however, their qualifications and competences will not be subject to

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		the Consultant judges they are necessary?	evaluation.
17	TOR VII.(3)	Is it possible to clarify at this stage how many and what kind of counterpart staff will be provided by the Client?	The special order indicates the Project Manager, Assistant Project Manager and the administration and planning staff, additional staffing may still be needed in the future.
18	TOR VII. Note	It is noted that the consultant may hold office within or near the premises of the DOTC-PCG PMO ...provided advance notice be given. May we still include local office rental cost in the Financial Proposal?	Consultants should provide for their own <i>local office rental cost and</i> transportation.
19	TOR IV.4	It says that the schedule for Annual Report is "every quarter". Should it be "every 12 months"?	Annual Report 15 copies every 12 months