



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

BIDS AND AWARDS COMMITTEE (Primary)

General Bid Bulletin No. 004-2014

Project: THE CUSTOMIZATION, DEVELOPMENT, INTEGRATION, PROCUREMENT, SUPPLY, DELIVERY, INSTALLATION, IMPLEMENTATION, SERVICE, AND MAINTENANCE OF THE INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SYSTEM OF THE LAND TRANSPORTATION OFFICE (LTO)

TO ALL INTERESTED BIDDERS:

For easy reference and convenience, attached herewith is the revised Bidding Documents indicating further amendments to the same and likewise incorporating the various amendments as stated in previous bid bulletins.

It is reiterated that in order to give ample time for the bidders to study the Bidding Documents and prepare a responsive tender, the deadline for the submission and scheduled opening of bids for the project is on **08 April 2014 at 2:00 P.M.**

For your guidance and information.

Issued this 11th of March 2014.

RENE K. LIMCAOCO

mlh Vice-Chairman, Bids and Awards Committee
And Undersecretary for Planning
rl



BIDDING DOCUMENTS

for the

**DOTC ROAD TRANSPORTATION
IT INFRASTRUCTURE PROJECT
(LTO COMPONENT)**

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Section I. Invitation to Bid



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

INVITATION TO BID FOR THE DOTC ROAD TRANSPORTATION IT INFRASTRUCTURE PROJECT (LTO COMPONENT)

1. The Department of Transportation and Communications (DOTC), through the General Appropriations Act and a Multi-Year Obligational Authority (MYOA) issued by the Department of Budget and Management for the years 2013-2020, intends to apply the sum of Three Billion Four Hundred Forty-Three Million, Five Hundred Thirty-One Thousand, Three Hundred Thirty-Four Pesos (PHP 3,443,531,334.00), this being the Approved Budget for the Contract (ABC), to payments under the contract for the DOTC ROAD TRANSPORTATION IT INFRASTRUCTURE PROJECT [LAND TRANSPORTATION OFFICE (LTO) COMPONENT] (hereinafter the “DOTC LTO IT Infrastructure Project”). Bids received in excess of the ABC shall be automatically rejected at bid opening. Payment terms shall be in accordance with Section V. Special Conditions of Contract.
2. The DOTC now invites bids for the DOTC LTO IT Infrastructure Project. This will involve the Customization, Development, Integration, Procurement, Supply, Delivery, Installation, Implementation, Service and Maintenance of the Information and Communications Technology (ICT) System of the LTO. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders.
3. The project calls for, among others, the following:
 - a. Implementation of a **web-based, service oriented architecture, package solution based on an existing system currently in use** and developed under industry standard enterprise computing system platform, using industry standard query language database engine to the following major applications:
 - i. Motor Vehicle Registration System (MVRS);
 - ii. Drivers’ Licensing System (DLS);
 - iii. Law Enforcement and Traffic Adjudication System (LETAS);
 - iv. Revenue Collection System (RCS);

- v. Executive Information System (EIS);
- b. Design and implementation of required databases;
- c. Establishment/Setup of LTO Data Center;
- d. Supply, Delivery, Testing, Documentation and Installation of appropriate Computing Products and other resources relative to the implementation of the project on DOTC/LTO IT Infrastructure and Environment facilities;
- e. Delivery of all required hardware, peripherals and software, with corresponding licenses in the name of DOTC and warranties to efficiently run the system;
- f. Within the period of the contract, obtain ISO 20000 (IT Service Management), ISO 27000 (Information Security Management System) and ISO 9001:2008 (Quality Management System) certification for the LTO Main Office and the Data Center only, for and on behalf of LTO. The infrastructure must be ISO compliant;
- g. **Maintenance** of IT service delivery for LTO within the period of the contract, in accordance with ISO 20000 and ISO 27000 standards at the LTO Data Center;
- h. Identification of key processes and systems for the improvement, efficiency and security of DOTC/LTO Processing and Systems and implementation of the identified improvements after consultation with and approval of the LTO.

Key Performance Indicators shall be covered in a separate Service Level Agreement in accordance with IT Service Management best practice (ISO 20000/BS15000).

- 4. Bidding will be conducted following a two (2)-stage procurement of goods competitive bidding procedure, using non-discretionary “pass/fail” criteria as specified in Section 30.3 of the Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the “Government Procurement Reform Act.”
- 5. Interested Bidders may obtain further information from the DOTC and inspect the Bidding Documents at **Unit 153, 15th Floor, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City** from Monday to Friday, excluding holidays, between 8:00 AM and 5:00 PM.

A complete set of Bidding Documents may be purchased by interested bidders from the address above and upon payment of a non-refundable fee for the Bidding Documents in the amount of SEVENTY-FIVE THOUSAND PESOS (PHP 75,000.00)

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity, provided that Bidders shall pay the non-refundable fee for the Bidding Documents not later than the submission of their bids.

6. The DOTC BAC will hold a third Pre-Bid Conference on **17 March 2014 at 10:00 AM at Unit 166, 16th Floor, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City**, which shall be open to all interested parties.
7. First Stage Bids must be submitted on or before **08 April 2014 at Unit 153, 15th Floor, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City**. All Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in ITB Clause 18.
8. Bids will be opened on **08 April 2014 at 2:00 PM at Unit 166, 16th Floor, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City**, in the presence of the Bidders' representatives who choose to attend at the address below. Late bids shall not be accepted.
9. Eligible Bidders shall be notified for the Second Stage Bidding Procedure upon completion of the evaluation and validation of the submitted documents during the First Stage Bidding.
10. The DOTC reserves the right to accept or reject any Bid, to annul the bidding process, and to reject all Bids at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders.
11. For further information, please refer to:

ATTY. CATHERINE P. GONZALES
Undersecretary for Procurement and Administration and
Overall Head, BAC Secretariat
Department of Transportation and Communications
Unit 153 The Columbia Tower, Ortigas Avenue
Brgy. Wack-Wack, Mandaluyong City 1555
Tel. No.: (+63 2) 654-7725
Facsimile No.: (+63 2) 654-7725
E-mail Address: bacsec@dotc.gov.ph
Website: www.dotc.gov.ph

SIGNED
ATTY. JOSE PERPETUO M. LOTILLA
Undersecretary for Legal Affairs and
Chairman, Bids and Awards Committee

Section II. Instructions to Bidders

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A. General

1. Scope of Bid

- 1.1. The procuring entity named in the **BDS** (hereinafter referred to as the “Procuring Entity”) wishes to receive bids for supply and delivery of the goods as described in Section VII. Technical Specifications (hereinafter referred to as the “Goods”).
- 1.2. The name, identification, and number of lots specific to this bidding are provided in the **BDS**. The contracting strategy and basis of evaluation of lots is described in ITB Clause 28.

2. Source of Funds

The Procuring Entity has a budget or has applied for or received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the contract.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1. Unless otherwise specified in the **BDS**, the Procuring Entity as well as the bidders and suppliers shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Procuring Entity:
 - (a) defines, for purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in RA 3019.
 - (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.

- (iii) “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
 - (v) “obstructive practice” is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
 - (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.
- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in ITB Clause 3.1(a).

3.3. Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the GCC Clause 3.

4. Conflict of Interest

4.1. All Bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the

events described in paragraphs (a) through (c) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (f) below:

- (a) A Bidder has controlling shareholders in common with another Bidder;
- (b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
- (c) A Bidder has the same legal representative as that of another Bidder for purposes of this bid;
- (d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project;
- (e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid; or
- (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the Goods and related services that are the subject of the bid.

4.2. In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the Bidder, this Clause shall apply to the following persons:

- (a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;
- (b) If the Bidder is a partnership, to all its officers and members;
- (c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and
- (d) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

- 5.1. Unless otherwise provided in the **BDS**, the following persons shall be eligible to participate in this bidding:
- (a) Duly licensed Filipino citizens/sole proprietorships;
 - (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
 - (c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
 - (d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; and
 - (e) Unless otherwise provided in the **BDS**, persons/entities forming themselves into a JV, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).
- 5.2. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:
- (a) When a Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184 and its IRR allow foreign bidders to participate;
 - (b) Citizens, corporations, or associations of a country, included in the list issued by the GPPB, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines;
 - (c) When the Goods sought to be procured are not available from local suppliers; or
 - (d) When there is a need to prevent situations that defeat competition or restrain trade.
- 5.3. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.
- 5.4. Unless otherwise provided in the **BDS**, the Bidder must have completed at least one contract similar to the Project the value of which, adjusted to current

prices using the National Statistics Office consumer price index, must be at least equivalent to a percentage of the ABC stated in the **BDS**.

For this purpose, contracts similar to the Project shall be those described in the **BDS**, and completed within the relevant period stated in the Invitation to Bid and **ITB** Clause 12.1(a)(iii).

- 5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC) or a commitment from a Universal or Commercial Bank to extend a credit line in its favor if awarded the contract for this Project (CLC).

The NFCC, computed using the following formula, must be at least equal to the ABC to be bid:

NFCC = [(Current assets minus current liabilities) (K)] 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 for this Project.

Where:

K = 10 for a contract duration of one year or less, 15 for a contract duration of more than one year up to two years, and 20 for a contract duration of more than two years.

The CLC must be at least equal to ten percent (10%) of the ABC for this Project. If issued by a foreign bank, it shall be confirmed or authenticated by a Universal or Commercial Bank. In the case of local government units (LGUs), the Bidder may also submit CLC from other banks certified by the *Bangko Sentral ng Pilipinas* (BSP) as authorized to issue such financial instrument.

6. Bidder's Responsibilities

- 6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VIII. Bidding Forms as required in **ITB** Clause 12.1(b)(iii).
- 6.2. The Bidder is responsible for the following:
- (a) Having taken steps to carefully examine all of the Bidding Documents;
 - (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
 - (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;
 - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) as provided under **ITB** Clause 10.3.

- (e) Ensuring that it is not “blacklisted” or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
- (f) Ensuring that 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;
- (g) Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
- (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary’s Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
- (i) Complying with the disclosure provision under Section 47 of RA 9184 in relation to other provisions of RA 3019; and
- (j) Complying with existing labor laws and standards, in the case of procurement of services.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
- 6.4. It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.
- 6.5. The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.
- 6.6. The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.7. Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.

- 6.8. The Bidder should note that the Procuring Entity will accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

7. Origin of Goods

Unless otherwise indicated in the **BDS**, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to **ITB** Clause 27.1.

8. Subcontracts

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Goods to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
- 8.2. Subcontractors must comply with the eligibility criteria and the documentary requirements specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Goods shall be disallowed.
- 8.3. The Bidder may identify the subcontractor to whom a portion of the Goods will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

B. Contents of Bidding Documents

9. Pre-Bid Conference

- 9.1. (a) If so specified in the **BDS**, a pre-bid conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.
- (b) The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the **BDS**.
- 9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to

know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.

- 9.3. Any statement made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

10. Clarification and Amendment of Bidding Documents

- 10.1. Bidders who have purchased the Bidding Documents may request for clarification on any part of the Bidding Documents for an interpretation. Such request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of bids.
- 10.2. Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of bids. Any modification to the Bidding Documents shall be identified as an amendment.
- 10.3. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with **ITB** Clause 23.

C. Preparation of Bids

11. Language of Bid

The bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Procuring Entity, shall be written in English. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation in English certified by the appropriate embassy or consulate in the Philippines, in which case the English translation shall govern for purposes of interpretation of the bid.

12. Documents Comprising the Bid: Eligibility and Technical Components

- 12.1. Unless otherwise indicated in the **BDS**, the first envelope shall contain the following eligibility and technical documents:

- (a) Eligibility Documents –

Class "A" Documents:

- (i) 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 as stated in the **BDS**;
- (ii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located;
- (iii) Statement of all its ongoing and completed government and private contracts within the period stated in the **BDS**, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:
 - (iii.1) name of the contract;
 - (iii.2) date of the contract;
 - (iii.3) kinds of Goods;
 - (iii.4) amount of contract and value of outstanding contracts;
 - (iii.5) date of delivery; and
 - (iii.6) end user's acceptance or official receipt(s) issued for the contract, if completed.
- (iv) 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;
- (v) NFCC computation or CLC in accordance with **ITB** Clause 5.5; and

Class "B" Document:

- (vi) If applicable, the JVA in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful.
- (b) Technical Documents –
- (i) Bid security in accordance with **ITB** Clause 18. If the Bidder opts to submit the bid security in the form of:
 - (i.1) a bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or

- (i.2) a surety bond, it shall be accompanied by a certification by the Insurance Commission that the surety or insurance company is authorized to issue such instruments;
- (ii) Conformity with technical specifications, as enumerated and specified in Sections VI and VII of the Bidding Documents; and
- (iii) Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms.

13. Documents Comprising the Bid: Financial Component

13.1. Unless otherwise stated in the **BDS**, the financial component of the bid shall contain the following:

- (a) Financial Bid Form, which includes bid prices and the bill of quantities and the applicable Price Schedules, in accordance with **ITB** Clauses 15.1 and 15.4;
- (b) If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification from the DTI, SEC, or CDA issued in accordance with **ITB** Clause 27, unless otherwise provided in the **BDS**; and
- (c) Any other document related to the financial component of the bid as stated in the **BDS**.

13.2. (a) Unless otherwise stated in the **BDS**, all bids that exceed the ABC shall not be accepted.

- (b) Unless otherwise indicated in the **BDS**, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:
 - (i) Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.
 - (ii) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the procuring entity and that the estimates reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.
 - (iii) The procuring entity has trained cost estimators on estimating prices and analyzing bid variances.

- (iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/procuring entity's estimate.
- (v) The procuring entity has established a system to monitor and report bid prices relative to ABC and procuring entity's estimate. The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.

14. Alternative Bids

Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

15. Bid Prices

- 15.1. The Bidder shall complete the appropriate Price Schedules included herein, stating the unit prices, total price per item, the total amount and the expected countries of origin of the Goods to be supplied under this Project.
- 15.2. The Bidder shall fill in rates and prices for all items of the Goods described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, Bill of Quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Government.
- 15.3. The terms Ex Works (EXW), Cost, Insurance and Freight (CIF), Cost and Insurance Paid to (CIP), Delivered Duty Paid (DDP), and other trade terms used to describe the obligations of the parties, shall be governed by the rules prescribed in the current edition of the International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce, Paris.
- 15.4. Prices indicated on the Price Schedule shall be entered separately in the following manner:
 - (a) For Goods offered from within the Procuring Entity's country:
 - (i) The price of the Goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable:

- (i.1) on the components and raw material used in the manufacture or assembly of Goods quoted ex works or ex factory; or
 - (i.2) on the previously imported Goods of foreign origin quoted ex warehouse, ex showroom, or off-the-shelf and any Procuring Entity country sales and other taxes which will be payable on the Goods if the contract is awarded.
 - (ii) The price for inland transportation, insurance, and other local costs incidental to delivery of the Goods to their final destination.
 - (iii) The price of other (incidental) services, if any, listed in the **BDS**.
- (b) For Goods offered from abroad:
- (i) Unless otherwise stated in the **BDS**, the price of the Goods shall be quoted DDP with the place of destination in the Philippines as specified in the **BDS**. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible country. Similarly, the Bidder may obtain insurance services from any eligible source country.
 - (ii) The price of other (incidental) services, if any, listed in the **BDS**.

15.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation or price escalation on any account. A bid submitted with an adjustable price quotation shall be treated as non-responsive and shall be rejected, pursuant to **ITB** Clause 24.

All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances. Extraordinary circumstances refer to events that may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. 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.

16. Bid Currencies

16.1. Prices shall be quoted in the following currencies:

- (a) For Goods that the Bidder will supply from within the Philippines, the prices shall be quoted in Philippine Pesos.

- (b) For Goods that the Bidder will supply from outside the Philippines, the prices may be quoted in the currency(ies) stated in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.
- 16.2. If so allowed in accordance with **ITB** Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the foregoing exchange rates.
- 16.3. Unless otherwise specified in the BDS, payment of the contract price shall be made in Philippine Pesos.

17. Bid Validity

- 17.1. Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.
- 17.2. In exceptional circumstances, prior to the expiration of the Bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in **ITB** Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

18. Bid Security

- 18.1. The bid security in the amount stated in the **BDS** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
(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	Five percent (5%)

insurance company duly certified by the Insurance Commission as authorized to issue such security.	
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

For biddings conducted by LGUs, the Bidder may also submit bid securities in the form of cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit from other banks certified by the BSP as authorized to issue such financial statement.

- 18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.
- 18.3. No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, bid securities shall be returned only after the bidder with the Lowest Calculated and Responsive Bid has signed the contract and furnished the performance security, but in no case later than the expiration of the bid security validity period indicated in **ITB** Clause 18.2.
- 18.4. Upon signing and execution of the contract pursuant to **ITB** Clause 32, and the posting of the performance security pursuant to **ITB** Clause 33, the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in the **ITB** Clause 18.2.
- 18.5. The bid security may be forfeited:
- (a) if a Bidder:
 - (i) withdraws its bid during the period of bid validity specified in **ITB** Clause 17;
 - (ii) does not accept the correction of errors pursuant to **ITB** Clause 28.3(b);
 - (iii) fails to submit the requirements within the prescribed period or a finding against their veracity as stated in **ITB** Clause 29.2;
 - (iv) submission of eligibility requirements containing false information or falsified documents;
 - (v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;

- (vi) allowing the use of one's name, or using the name of another for purposes of public bidding;
 - (vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the Lowest Calculated and Responsive Bid;
 - (viii) refusal or failure to post the required performance security within the prescribed time;
 - (ix) refusal to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
 - (x) any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;
 - (xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or
 - (xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.
- (b) if the successful Bidder:
- (i) fails to sign the contract in accordance with **ITB** Clause 32; or
 - (ii) fails to furnish performance security in accordance with **ITB** Clause 33.

19. Format and Signing of Bids

- 19.1. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section VIII. Bidding Forms on or before the deadline specified in the **ITB** Clauses 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under **ITB** Clause 12.1, and the second shall contain the financial component of the bid.
- 19.2. Forms as mentioned in **ITB** Clause 19.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 19.3. The Bidder shall prepare and submit an original of the first and second envelopes as described in **ITB** Clauses 12 and 13. In the event of any discrepancy between the original and the copies, the original shall prevail.

- 19.4. The bid, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.
- 19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

20. Sealing and Marking of Bids

- 20.1. Bidders shall enclose their original eligibility and technical documents described in **ITB** Clause 12 in one sealed envelope marked “ORIGINAL - TECHNICAL COMPONENT”, and the original of their financial component in another sealed envelope marked “ORIGINAL - FINANCIAL COMPONENT”, sealing them all in an outer envelope marked “ORIGINAL BID”.
- 20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as “COPY NO. ___ - TECHNICAL COMPONENT” and “COPY NO. ___ – FINANCIAL COMPONENT” and the outer envelope as “COPY NO. ___”, respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 20.3. The original and the number of copies of the Bid as indicated in the **BDS** shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.
- 20.4. All envelopes shall:
- (a) contain the name of the contract to be bid in capital letters;
 - (b) bear the name and address of the Bidder in capital letters;
 - (c) be addressed to the Procuring Entity’s BAC in accordance with **ITB** Clause 1.1;
 - (d) bear the specific identification of this bidding process indicated in the **ITB** Clause 1.2; and
 - (e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of bids, in accordance with **ITB** Clause 21.
- 20.5. If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

D. Submission and Opening of Bids

21. Deadline for Submission of Bids

Bids must be received by the Procuring Entity’s BAC at the address and on or before the date and time indicated in the **BDS**.

22. Late Bids

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to **ITB** Clause 21, shall be declared “Late” and shall not be accepted by the Procuring Entity.

23. Modification and Withdrawal of Bids

- 23.1. The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as “TECHNICAL MODIFICATION” or “FINANCIAL MODIFICATION” and stamped “received” by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.
- 23.2. A Bidder may, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids.
- 23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 23.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.
- 23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder’s bid security, pursuant to **ITB** Clause 18.5, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its IRR.

24. Opening and Preliminary Examination of Bids

- 24.1. The BAC shall open the first bid envelopes of Bidders in public as specified in the **BDS** to determine each Bidder’s compliance with the documents prescribed in **ITB** Clause 12. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary “pass/fail” criterion. If a bidder submits the required document, it shall be rated “passed” for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as “failed”. Otherwise, the BAC shall rate the said first bid envelope as “passed”.

- 24.2. Unless otherwise specified in the BDS, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated “passed”. The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in **ITB** Clause 13.2, the BAC shall rate the bid concerned as “failed”. Only bids that are determined to contain all the bid requirements for both components shall be rated “passed” and shall immediately be considered for evaluation and comparison.
- 24.3. Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder’s representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
- 24.4. If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class “A” Documents, the said certification may be submitted in lieu of the requirements enumerated in **ITB** Clause 12.1(a), items (i) to (v).
- 24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class “A” Documents described in **ITB** Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.
- 24.6. Each partner of a joint venture agreement shall likewise submit the requirements in **ITB** Clauses 12.1(a)(i) and 12.1(a)(ii). Submission of documents required under **ITB** Clauses 12.1(a)(iii) to 12.1(a)(v) by any of the joint venture partners constitutes compliance.
- 24.7. A Bidder determined as “failed” has three (3) calendar days upon written notice or, if present at the time of bid opening, upon verbal notification, within which to file a request or motion for reconsideration with the BAC: Provided, however, that the motion for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his intent to file a motion for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the motion for reconsideration or protest has been resolved.

- 24.8. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.

E. Evaluation and Comparison of Bids

25. Process to be Confidential

- 25.1. Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the case of **ITB** Clause 26.
- 25.2. Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's bid.

26. Clarification of Bids

To assist in the evaluation, comparison, and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

27. Domestic Preference

- 27.1. Unless otherwise stated in the **BDS**, the Procuring Entity will grant a margin of preference for the purpose of comparison of bids in accordance with the following:
- (a) The preference shall be applied when (i) the lowest Foreign Bid is lower than the lowest bid offered by a Domestic Bidder, or (ii) the lowest bid offered by a non-Philippine national is lower than the lowest bid offered by a Domestic Entity.
 - (b) For evaluation purposes, the lowest Foreign Bid or the bid offered by a non-Philippine national shall be increased by fifteen percent (15%).
 - (c) In the event that (i) the lowest bid offered by a Domestic Entity does not exceed the lowest Foreign Bid as increased, or (ii) the lowest bid offered by a non-Philippine national as increased, then the Procuring Entity shall award the contract to the Domestic Bidder/Entity at the amount of the lowest Foreign Bid or the bid offered by a non-Philippine national, as the case may be.
 - (d) If the Domestic Entity/Bidder refuses to accept the award of contract at the amount of the Foreign Bid or bid offered by a non-Philippine

national within two (2) calendar days from receipt of written advice from the BAC, the Procuring Entity shall award to the bidder offering the Foreign Bid or the non-Philippine national, as the case may be, subject to post-qualification and submission of all the documentary requirements under these Bidding Documents.

- 27.2. A Bidder may be granted preference as a Domestic Entity subject to the certification from the DTI (in case of sole proprietorships), SEC (in case of partnerships and corporations), or CDA (in case of cooperatives) that the (a) sole proprietor is a citizen of the Philippines or the partnership, corporation, cooperative, or association is duly organized under the laws of the Philippines with at least seventy five percent (75%) of its interest or outstanding capital stock belonging to citizens of the Philippines, (b) habitually established in business and habitually engaged in the manufacture or sale of the merchandise covered by his bid, and (c) the business has been in existence for at least five (5) consecutive years prior to the advertisement and/or posting of the Invitation to Bid for this Project.
- 27.3. A Bidder may be granted preference as a Domestic Bidder subject to the certification from the DTI that the Bidder is offering unmanufactured articles, materials or supplies of the growth or production of the Philippines, or manufactured articles, materials, or supplies manufactured or to be manufactured in the Philippines substantially from articles, materials, or supplies of the growth, production, or manufacture, as the case may be, of the Philippines.

28. Detailed Evaluation and Comparison of Bids

- 28.1. The Procuring Entity will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, pursuant to **ITB** Clause 24, in order to determine the Lowest Calculated Bid.
- 28.2. The Lowest Calculated Bid shall be determined in two steps:
- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
 - (b) The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 28.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. Unless otherwise specified in the **BDS**, the BAC shall consider the following in the evaluation of bids:
- (a) Completeness of the bid. Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no

price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Procuring Entity; and

- (b) Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications, if allowed in the **BDS**. Any adjustment shall be calculated in monetary terms to determine the calculated prices.
- 28.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered, unless otherwise indicated in the **BDS**.
- 28.5. The Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form.
- 28.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

29. Post-Qualification

- 29.1. The Procuring Entity shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and conditions specified in **ITB** Clauses 5, 12, and 13.
- 29.2. Within a non-extendible period of three (3) calendar days from receipt by the bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:
- (a) Tax clearance per Executive Order 398, Series of 2005;
 - (b) Latest income and business tax returns in the form specified in the **BDS**;
 - (c) Certificate of PhilGEPS Registration; and
 - (d) Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure of the Bidder declared as Lowest Calculated Bid to duly submit the requirements under this Clause or a finding against the veracity of such shall

be ground for forfeiture of the bid security and disqualification of the Bidder for award.

- 29.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to **ITB** Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion.
- 29.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.
- 29.5. A negative determination shall result in rejection of the Bidder's Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the Lowest Calculated Responsive Bid is determined for contract award.
- 29.6. Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the BAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation. In the case of GOCCs and GFIs, the period provided herein shall be fifteen (15) calendar days.

30. Reservation Clause

- 30.1. Notwithstanding the eligibility or post-qualification of a Bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.
- 30.2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all bids, declare a failure of bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
 - (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders

themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;

- (b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
- (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
 - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;
 - (ii) If the project is no longer necessary as determined by the head of the procuring entity; and
 - (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

30.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:

- (a) No bids are received;
- (b) All prospective Bidders are declared ineligible;
- (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
- (d) The Bidder with the Lowest Calculated Responsive Bid (LCRB) refuses, without justifiable cause to accept the award of contract, and no award is made.

F. Award of Contract

31. Contract Award

31.1. Subject to **ITB** Clause 29, the Procuring Entity shall award the contract to the Bidder whose bid has been determined to be the LCRB.

31.2. Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

31.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

- (a) Submission of the valid JVA, if applicable, within ten (10) calendar days from receipt by the Bidder of the notice from the BAC that the Bidder has the LCRB;
 - (b) Posting of the performance security in accordance with **ITB** Clause 33;
 - (c) Signing of the contract as provided in **ITB** Clause 32; and
 - (d) Approval by higher authority, if required.
- 31.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

32. Signing of the Contract

- 32.1. At the same time as the Procuring Entity notifies the successful Bidder that its bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
- 32.2. Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security and sign and date the contract and return it to the Procuring Entity.
- 32.3. The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- 32.4. The following documents shall form part of the contract:
- (a) Contract Agreement;
 - (b) Bidding Documents;
 - (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
 - (d) Performance Security;
 - (e) Credit line in accordance with **ITB** Clause 5.5, if applicable;
 - (f) Notice of Award of Contract; and
 - (g) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

33. Performance Security

- 33.1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security 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.

- 33.2. The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

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.	Five percent (5%)
(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%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 33.3. 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 initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

34. Notice to Proceed

- 34.1. Within three (3) calendar days from the date of approval of the contract by the appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.
- 34.2. The contract effectivity date shall be provided in the Notice to Proceed by the Procuring Entity, which date shall not be later than seven (7) calendar days from the issuance of the Notice to Proceed.

Section III. Bid Data Sheet

Bid Data Sheet

ITB Clause	
1.1	The Procuring Entity is the Department of Transportation and Communications (DOTC) / Land Transportation Office (LTO) .
1.2	The lot(s) and reference is/are: The Customization, Development, Integration, Procurement, Supply, Delivery, Installation, Implementation, Service, and Maintenance of the Information and Communications Technology (ICT) System of the Land Transportation Office (LTO).
<u>2</u>	<i>The Funding Source is:</i> <i>The Government of the Philippines (GOP) through General Appropriations Act (GAA) and a Multi-Year Obligational Authority (MYOA) issued by the Department of Budget and Management for the years 2013-2020.</i> The name of the Project is: DOTC Road Transportation IT Infrastructure Project (LTO Component) .
3.1	No further instructions.
5.1	No further instructions.
5.2	<u>None of the circumstances mentioned in the ITB Clause exists in this Project. Foreign bidders, except those falling under ITB Clause 5.2(b), may not participate in this Project. Foreign bidders may participate in this Project in view of the following circumstance:</u> <u>They are</u> citizens, corporations, or associations of a country, included in the list issued by the GPPB, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines. For this purpose, the foreign bidders shall submit a certification from the relevant government office of their country stating that Filipinos are allowed to participate in their government procurement activities for the same item/ product.
5.4	In view of the determination by the Procuring Entity that imposition of the provisions of Section 23.5.1.3 of the IRR of RA 9184 will likely result to failure of bidding or monopoly that will defeat the purpose of public bidding, the Bidder should comply with the following requirements: (a) The Bidder must have completed by itself, or through member firms, if a JV, as a Solutions Provider (“SP”), provided that the SP has at least 40% ownership of the JV, at least two similar contracts to the DOTC Road Transportation IT Infrastructure Project within the last ten (10) years prior to the date of submission and receipt of bids, and whose aggregate value, adjusted to current prices using the National Statistics

	<p>Office consumer price indices, must be at least fifty percent (50%) of the ABC.</p> <p>An SP is a systems integrator, hardware solutions provider, operations and service maintenance provider, among others, of an ICT System.</p> <p>(b) The largest of these similar contracts must be equivalent to twenty-five percent (25%) of the ABC.</p> <p>For this purpose, similar contracts shall refer to the:</p> <p><i>Supply, deployment, installation, maintenance and operation of an enterprise ICT facility utilizing database warehousing and management system and comprehensive and enterprise scale solution/application development.</i></p>
7	No further instructions.
8.1	<u>Solutions Provider may subcontract: works for Data Center Building, Training, and Help Desk. Solutions Provider may not subcontract the main/core applications.</u>
8.2	Not Applicable.
9.1	The Procuring Entity will hold a third pre-bid conference for this Project on <u>17 March 2014 at 10:00am at Unit 166, 16th Floor, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City.</u>
10.1	<p>The Procuring Entity's address is:</p> <p><u>Department of Transportation and Communications</u> <u>Unit 164, The Columbia Tower, Ortigas Avenue</u> <u>Brgy. Wack-Wack, Mandaluyong City 1555</u> <u>ATTY. JOSE PERPETUO M. LOTILLA</u> <u>Undersecretary for Legal Affairs and</u> <u>Chairman, Bids and Awards Committee</u> <u>Tel. No.: (+63 2) 654-7725</u> <u>Trunkline: (+63 2) 727-7960 to 79 local 235</u> <u>Facsimile No.: (+63 2) 654-7725</u> <u>E-mail Address: bacsec@dotc.gov.ph</u> <u>Website: www.dotc.gov.ph</u></p>
12.1(a)	For foreign bidders, the eligibility requirements under Class "A" Documents may be substituted by the appropriate equivalent documents, if any, issued by the country of the foreign bidder concerned. The eligibility requirements or statements, the bids, and all other documents to be submitted to the BAC must be in English. A translation of the documents in English certified by the appropriate embassy or consulate in the Philippines must accompany the eligibility requirements under Class "A" and "B" Documents if they are in other foreign language.

	<p>If there is no appropriate equivalent document in the country of the foreign bidder concerned, a certification under oath to that effect shall be submitted by the bidder. If executed abroad, the certification must be duly authenticated by the Philippine embassy/consulate where said certification was executed.</p> <p>The following foreign documents, where applicable, must be submitted duly authenticated by the Philippine embassy/consulate in the country of origin:</p> <ol style="list-style-type: none"> 1. appropriate equivalent document to the Registration certificate from the Securities and Exchange Commission, Department of Trade and Industry for sole proprietorship, or Cooperative Development Authority for cooperatives; 2. appropriate equivalent document to the Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located; 3. Audited financial statements for the last two (2) years (i.e., from 2011 to 2012). (There has to be proof that these were submitted to the taxing authority in the bidder's country of origin.); 4. Certifications executed and notarized abroad (If statement is not required to be notarized under the Bidding Documents then authentication is likewise not necessary.); and 5. Contracts. <p>If the authentication is not completed in time for the bidding, the submission of proof of filing of application for authentication with the concerned Philippine embassy/consulate may be submitted; provided that the duly authenticated document is submitted during the post-qualification stage.</p>
12.1(a)(i)	No other acceptable proof of registration is recognized.
12.1(b)	<p>In the column "Bidder's Compliance", the bidder must state either "comply" or "not comply" against each of the individual parameters of each specification corresponding to performance parameter of equipment offered. Statement of "comply" or "not comply" must be supported by evidence in a bidder's bid and cross-referenced to that evidence. Evidence shall be in the form of a manufacturer's or distributor's un-amended sales literature, unconditional statements or specification and compliance issued by the manufacturer or distributor, samples, independent test data etc., as appropriate.</p> <p>The indication of the word "comply" in the portion opposite the item which is the primary requirement shall mean that all items under the same are complied with.</p>

	<p>In the column “Bidder’s Actual Offer” the bidder must indicate the actual specification of the item being offered.</p> <p>For completed contracts, bidders must present the following proofs of completion:</p> <ul style="list-style-type: none"> (a) contact details of the client; (b) official receipt; (c) certificate of acceptance issued by the duly authorized representative of the end user; and (d) certificate issued by the duly authorized representative of the end user that the bidder has complied with all of its obligations under the contract.
12.1(a)(iii)	<p>The statement of all completed government and private contracts shall include all such contracts within ten (10) years prior to the deadline for the submission and receipt of bids.</p>
13.1	<p>A two (2)-stage procurement of goods bidding procedure shall be employed.</p> <p>Section 30.3 of the IRR of RA 9184 states:</p> <p>For the procurement of goods where, due to the nature of the requirements of the project, the required technical specifications/requirements of the contract cannot be precisely defined in advance of bidding, or where the problem of technically unequal bids is likely to occur, a two (2)-stage bidding procedure may be employed. In these cases, the procuring entity concerned shall prepare the Bidding Documents, including the technical specification in the form of performance criteria only. Under this procedure, prospective bidders shall be requested at the first stage to submit their respective eligibility requirements if needed, and initial technical proposals only (no price tenders). The concerned BAC shall then evaluate the technical merits of the proposals received from eligible bidders vis-à-vis the required performance standards. A meeting/discussion shall then be held by the BAC with those eligible bidders whose technical tenders meet the minimum required standards stipulated in the Bidding Documents for purposes of drawing up the final revised technical specifications/requirements of the contract. Once the final revised technical specifications are completed and duly approved by the concerned BAC, copies of the same shall be issued to all the bidders identified in the first stage who shall then be required to submit their revised technical tenders, including their price proposals in two (2) separate sealed envelopes in accordance with this IRR, at a specified deadline, after which time no more bids shall be received. The concerned BAC shall then</p>

	proceed in accordance with the procedure prescribed in this IRR.
13.1(b)	No further instructions.
13.2	The ABC is of Three Billion Four Hundred Forty Three Million Five Hundred Thirty One Thousand Three Hundred Thirty Four Pesos (PHP 3,443,531,344.00). Any bid with a financial component exceeding this amount shall not be accepted.
15.4(a)(iii)	<p>Incidental Services</p> <p>The Supplier is required to provide all of the following services, including additional services, if any, specified in the Technical Specifications:</p> <ul style="list-style-type: none"> (a) Performance or supervision of on-site assembly and/or start-up of the supplied Goods; (b) Furnishing of tools required for assembly and/or maintenance of the supplied Goods; (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods; (d) Performance or supervision or maintenance, repair and/or replacement of the supplied Goods for the duration of the Contract provided that this service shall not relieve the Solutions Provider of any warranty obligations under this Contract; and (e) Training of the Procuring Entity's personnel in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods. <p>The Contract price for the Goods shall include the prices charged by the Solutions Provider for all the foregoing incidental services and shall not exceed the prevailing rates charged to other parties by the Solutions Provider for similar services.</p>
15.4(b)	<p>Incidental Services</p> <p>The Supplier is required to provide all of the following services, including additional services, if any, specified in the Technical Specifications:</p> <ul style="list-style-type: none"> (a) Performance or supervision of on-site assembly and/or start-up of the supplied Goods; (b) Furnishing of tools required for assembly and/or maintenance of the supplied Goods; (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;

	<p>(d) Performance or supervision or maintenance, repair and/or replacement of the supplied Goods for the duration of the Contract provided that this service shall not relieve the Solutions Provider of any warranty obligations under this Contract; and</p> <p>(e) Training of the Procuring Entity's personnel in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.</p> <p>The Contract price for the Goods shall include the prices charged by the Solutions Provider for all the foregoing incidental services and shall not exceed the prevailing rates charged to other parties by the Solutions Provider for similar services</p>
16.1(b)	The Bid prices for Goods supplied from outside of the Philippines shall be quoted in Philippine Pesos.
16.3	Not applicable.
17.1	Bids will be valid for One Hundred Twenty (120) days from the date of bid opening.
18.1	<p>The bid security shall be in the following amount:</p> <ol style="list-style-type: none"> 1. The amount of Sixty-Eight Million Eight Hundred Seventy Thousand Six Hundred Twenty-Six Pesos and Sixty-Eight Centavos (₱68,870,626.68), an amount not less than 2% of the ABC if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of One Hundred Seventy-Two Million One Hundred Seventy-Six Thousand Five Hundred Sixty-Six Pesos and Seventy Centavos (₱172,176,566.70), an amount not less than 5% of ABC, if bid security is in Surety Bond; or 3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security. <p>In lieu of a bid security mentioned above, the bidder may submit a Bid Securing Declaration that 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, as indicated in the Bidding Documents, 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 procurement activity in the event it violates any of the conditions stated therein as required in the guidelines issued by the GPPB.</p> <p>In no case shall bid security or Bid Securing Declaration be returned later than the expiration of the bid validity period indicated in the Bidding Documents, unless it has been extended in accordance with Section 28.2 of</p>

	<p>the IRR.</p> <p>The Bid Securing Declaration Form is in Section VIII. Bidding Forms.</p>
18.2	The bid security shall be valid until One Hundred Twenty (120) calendar days from Bid Opening callable on demand.
20.3	Each Bidder shall submit One (1) original and Four (4) hard copies, as well as 5 soft copies in CD or USB media.
21	<p>The address for submission of first stage bids is at Unit 153, 15th Floor, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City</p> <p>Philippine Standard Time will be strictly observed.</p>
24.1	<p>The place of first stage bid opening is at Unit 166, 16th Floor, The Columbia Tower, Brgy. Wack-Wack, Mandaluyong City.</p> <p>The date and time of first stage bid opening is on <u>08 April 2014 at 2:00 PM.</u></p> <p>Prospective bidders shall submit during the first stage the eligibility requirements and the initial technical requirements.</p> <p>All eligible bidders shall present their proof of concept (POC) in the <u>first stage of the bid.</u></p> <p>The revised technical proposals and the financial proposals shall be submitted by the eligible bidders during the second stage in accordance with Section 30.3 of the IRR of RA 9184.</p>
24.2	The financial bids shall be submitted during the second stage in accordance with Section 30.3 of the IRR of RA 9184.
27.1	Claim for domestic preference shall be submitted in the second stage.
28.3	<p>Grouping and Evaluation of Lots –</p> <p>The goods are grouped in a single lot and the lot shall not be divided into sub-lots for the purpose of bidding, evaluation, and contract award.</p>
28.3(b)	Bid modification is not allowed.
28.4	No further instructions.
29.2(a)	No further instructions.
29.2(b)	Bidders must submit income tax and business returns from within the last six (6) months preceding the date of bid submission, the CY's 2010, 2011, 2012, up to the 3 rd Quarter of 2013 as filed through the Electronic Filing

	and Payments System (EFPS).
29.2(d)	No further instructions.
32.4(g)	No further instructions.

Section IV. General Conditions of Contract

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1. Definitions

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) “The Contract” means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) “The Contract Price” means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) “The Goods” means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) “The Services” means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) “GCC” means the General Conditions of Contract contained in this Section.
- (f) “SCC” means the Special Conditions of Contract.
- (g) “The Procuring Entity” means the organization purchasing the Goods, as named in the SCC.
- (h) “The Procuring Entity’s country” is the Philippines.
- (i) “The Supplier” means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.
- (j) The “Funding Source” means the organization named in the SCC.
- (k) “The Project Site,” where applicable, means the place or places named in the SCC.
- (l) “Day” means calendar day.
- (m) The “Effective Date” of the contract will be the date of receipt by the Supplier of the Notice to Proceed or the date provided in the Notice to Proceed. Performance of all obligations shall be reckoned from the Effective Date of the Contract.
- (n) “Verified Report” refers to the report submitted by the Implementing Unit to the Head of the Procuring Entity setting forth its findings as to

the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

2. Corrupt, Fraudulent, Collusive, and Coercive Practices

2.1. Unless otherwise provided in the SCC, the Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
 - (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.
 - (iii) "collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
 - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
 - (v) "obstructive practice" is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or

international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

(bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Funding Source, Borrower or 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 any of the practices mentioned in GCC Clause 2.1(a).

3. Inspection and Audit by the Funding Source

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

4. Governing Law and Language

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. 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 exchanged by the parties shall be written in English.

5. Notices

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

- 5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the **SCC** for GCC Clause 5.1.

6. Scope of Contract

- 6.1. The GOODS and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.
- 6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the **SCC**.

7. Subcontracting

- 7.1. Subcontracting of any portion of the Goods, if allowed in the **BDS**, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

8. Procuring Entity's Responsibilities

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with **GCC** Clause 6.

9. Prices

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.
- 9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with **GCC** Clause 29.

10. Payment

- 10.1. Payments shall be made only upon a certification by the Head of the Procuring Entity to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in **GCC** Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the **SCC** provision for **GCC** Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to **GCC** Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier.
- 10.4. Unless otherwise provided in the **SCC**, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.

11. Advance Payment and Terms of Payment

- 11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.
- 11.2. For Goods supplied from abroad, the terms of payment shall be as follows:
 - (a) On Contract Signature: Ten percent (10%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent amount valid until the Goods are delivered and in the form provided in Section VIII. Bidding Forms.
 - (b) On Delivery: Seventy percent (70%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the **SCC** provision on Delivery and Documents.
 - (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt the

Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

- 11.3. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

12. Taxes and Duties

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

13. Performance Security

- 13.1. 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 successful Bidder shall furnish the performance security in any the forms prescribed in the **ITB** Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
 - (b) The Supplier has no pending claims for labor and materials filed against it; and
 - (c) Other terms specified in the SCC.
- 13.5. In case of a reduction of the contract value, 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.

14. Use of Contract Documents and Information

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing,

pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

- 14.2. Any document, other than this Contract itself, enumerated in **GCC** Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

15. Standards

The Goods provided under this Contract shall conform to the standards mentioned in the Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

16. Inspection and Tests

- 16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The **SCC** and Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.
- 16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to **GCC** Clause 5.
- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

17. Warranty

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the **SCC**. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least ten percent (10%) of the final payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price or other such amount if so specified in the **SCC**. The said amounts shall only be released after the lapse of the warranty period specified in the **SCC**; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the **SCC** and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in **GCC** Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.

18. Delays in the Supplier's Performance

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under **GCC** Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in

which case the extension shall be ratified by the parties by amendment of Contract.

- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

19. Liquidated Damages

Subject to GCC Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity shall rescind the Contract pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

20. Settlement of Disputes

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

21. Liability of the Supplier

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the **SCC**.
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

22. Force Majeure

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier's delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. 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. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

23. Termination for Default

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
- (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
 - (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity

stating that the circumstance of force majeure is deemed to have ceased; or

(c) The Supplier fails to perform any other obligation under the Contract.

23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.

23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

24. Termination for Insolvency

The Procuring Entity shall terminate this Contract if the Supplier 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 Supplier, 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 Supplier.

25. Termination for Convenience

25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government 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.

25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:

(a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or

(b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.

- 25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

26. Termination for Unlawful Acts

- 26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:

- (a) Corrupt, fraudulent, and coercive practices as defined in **ITB** Clause 3.1(a);
- (b) Drawing up or using forged documents;
- (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
- (d) Any other act analogous to the foregoing.

27. Procedures for Termination of Contracts

- 27.1. The following provisions shall govern the procedures for 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 Implementing Unit 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 Implementing Unit, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Supplier 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 Supplier to show cause as to why this Contract should not be terminated; and

- (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the Head of the Procuring Entity a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Supplier's verified position paper described in item (d) 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 Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The Head of the Procuring Entity 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 Head of the Procuring Entity; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

28. Assignment of Rights

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

29. Contract Amendment

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

30. Application

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

Section V. Special Conditions of Contract

Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is the Department of Transportation and Communications / Land Transportation Office .
1.1(i)	The Supplier or Solutions Provider is <i>[to be inserted at the time of contract award]</i> .
1.1(j)	The Funding Source is the Government of the Philippines (GOP) through funds to be made available under the General Appropriations Act and a Multi-Year Obligational Authority (MYOA) issued by the Department of Budget and Management for the years 2013-2020 to cover payments in accordance with the Payment Schedule set out in this SCC.
1.1(k)	The Project Site is the Data Center to be set up at the Land Transportation Office Central Office, East Avenue, Quezon City 1100.
5.1	<p>The Procuring Entity's address for Notices is:</p> <p>Department of Transportation and Communications</p> <p style="padding-left: 40px;">Office of the Undersecretary for Project Implementation 16th Floor, The Columbia Tower, Ortigas Avenue Brgy. Wack Wack, Mandaluyong City Telephone: +632 724 6465 Facsimile: +632 726 7229</p> <p style="padding-left: 40px;">Cc: Office of the Assistant Secretary Land Transportation Office LTO Compound East Avenue, Quezon City</p> <p>The Supplier's address for Notices is: <i>[Insert address including, name of contact, fax and telephone number]</i></p>
6	<p>Scope of Contract and the Project</p> <p>The Contract covers the provision of all Goods and Services and the execution of the Project, which comprises the planning, customization, development, design, procurement, supply, installation, testing, commissioning, management, implementation, repair, maintenance, service and upgrade by the Solutions Provider of the New LTO ICT System during the Operating Period in accordance</p>

	<p>with and as fully described in the Technical Specifications, the SLA, the Contract and all Legal Requirements.</p> <p>For the purpose of GCC Clause 6.1, “Goods” refers to all the computers, machines, printers, monitors, hardware, equipment, peripherals, parts, furniture, supplies, products, Software, Database and all other materials indicated in the Technical Specifications that must be provided by the Solutions Provider to the Procuring Entity for the Project pursuant to this Contract; while “Services” refers to the operational services to be provided by or on behalf of the Solutions Provider for the Procuring Entity as set forth in the Technical Specifications and the SLA.</p>
6.2	<p>The following additional terms whenever used in the Contract shall have the meanings given to them below:</p> <p>“<i>Database</i>” means the collection of recorded information in a form capable of, and for the purpose of, being stored in, processed, and operated on by a computer, and includes all information, data, facts and documents supplied by the Procuring Entity, or persons transacting or dealing with the Procuring Entity, that are inputted, stored, categorized and processed by both the Existing and New LTO ICT System, including the specific databases required to be developed by the Solutions Provider as set out in Section VII. Technical Specifications. This shall include back-up databases, electronic or otherwise, or other derivatives of the Database.</p> <p>“<i>Existing LTO ICT System</i>” means all existing hardware, Software, communications network equipment, systems, technology, and schemes owned, leased, outsourced or otherwise lawfully possessed or used by the Procuring Entity under any other legal right (including those covered by the Land Transportation Office Information Technology B-O-O Agreement dated 26 March 1998 between the Procuring Entity and Stradcom Corporation), for the implementation of its current application systems, administration activities or programs, including but not limited to computers, servers, machines, auxiliary equipment, peripherals, point-to-point lines, satellite links, other communications network equipment, end user support infrastructure, and related facilities.</p> <p>“<i>Information and Communications Technology</i>” or “<i>ICT</i>” means the totality of means employed to systematically generate, send, receive, store or otherwise process electronic data messages, electronic documents, and electronic information of any kind encompassing the use on an integrated basis of computers, computer peripherals, computer operating systems and Software applications, telecommunications networks, communications devices of any type, communications applications, and any other information and communications technology for the provision of information and value-added electronic services.</p>

“In-Service Date” means the day on which a Certificate of Final Acceptance for the New LTO ICT System is issued by the Procuring Entity to the Solutions Provider in accordance with this SCC.

“Intellectual Property Rights” means all rights of ownership recognized by law in inventions, technology, copyrighted material, computer Software, and firmware, including (a) patents, trademarks, service marks, rights in designs, trade names, copyrights, rights to trade secrets, proprietary information, and know-how in each case whether registered or not; (b) applications for their registration; (c) rights under licenses and consents in relation to any of them; and (d) all forms of protection of a similar nature or having equivalent or similar effect to any of them which may subsist anywhere in the world.

“Key Performance Indicators” or *“KPIs”* means the pre-determined or desired performance benchmarks, standards, service level targets and indicators set to measure the efficiency and effectiveness of the New LTO ICT System set out in the Service Level Agreement.

“Legal Requirements” means all laws, statutes, orders, decrees, injunctions, judgments, rulings, consents, permits, licenses, approvals, agreements, rules and regulations of any government authority in the Philippines having jurisdiction over the matter in question.

“Lien” means any mortgage, pledge, lien, security interest, option agreement, claim, charge, or encumbrances of any kind.

“LTO” means the Land Transportation Office, a sectoral agency of the Department of Transportation and Communications created by virtue of Executive Order No. 125, as amended by Executive Order Nos. 125-A (1987) and 226 (1987).

“New LTO ICT System” means all Goods and Services including all the necessary Software, Database, hardware, communications network equipment, systems, technology, schemes, processes, procedures and services provided, installed, tested, commissioned, supplied, operated, maintained, and/or upgraded by the Solutions Provider for the implementation of the Project, including but not limited to computers, machines, auxiliary equipment, peripherals, point-to-point lines and communication necessary to operate and process all Procuring Entity applications in addition to all operators and communications technicians responsible for hardware, basic Software and communications equipment development, maintenance and operation, specified in the Contract including but not limited to the Technical Specifications and the Service Level Agreement.

“Party” means the Procuring Entity or the Solutions Provider, as the case may be, and *“Parties”* means both the Procuring Entity and the

Solutions Provider.

“*Performance Security*” means the cash or cashier’s/manager’s check, or the bank draft/guarantee or irrevocable standby letter of credit issued by the Performance Security Issuer, in the amount and form required in Clause 33 of the **ITB** and this Contract.

“*Performance Security Issuer*” means a universal or commercial bank reasonably acceptable to the Procuring Entity duly licensed and ranked by the *Bangko Sentral ng Pilipinas* in its latest publication to be among the top 10 banks in the Philippines in terms of net worth.

“*PHP*” means Philippine Pesos or the lawful currency of the Philippines.

“*Project*” means the undertaking, in line with the terms and conditions of the Contract and all Legal Requirements, to prepare, customize, develop, finance, design, engineer, integrate, procure, deliver, install, supply, startup, test, commission, implement, operate, manage, service and maintain the New LTO ICT System in accordance with the Contract, the Technical Specifications, the Service Level Agreement, the Project Milestone Schedule, and Prudent Utility Practice.

“*Project Milestone Schedule*” means the required completion dates for the various Project activities indicated in Section VI. Schedule of Requirements, unless otherwise extended in writing by the Procuring Entity.

“*Prudent Utility Practice*” means applying, in relation to the manner in which the performance of the obligations are carried out under the Contract, the standards, practices, methods and procedures conforming to all Legal Requirements, and exercising that degree of skill, care, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced person engaged in a similar type of undertaking under similar circumstances, including taking reasonable steps to ensure that:

- (a) adequate materials, resources, and supplies are available to meet the New LTO ICT System’s needs under normal conditions and reasonably anticipated abnormal conditions;
- (b) sufficient and duly licensed operating personnel (i) are available, (ii) are adequately experienced and trained to operate the New LTO ICT System properly and efficiently taking into consideration manufacturers’ guidelines and specifications in full compliance with the provisions of the Contract, and (iii) are capable of responding to abnormal conditions;
- (c) preventive, routine, and non-routine maintenance and repairs (i) are performed on a basis that ensures reliable long-term and safe operation taking into account manufacturers’

recommendations and (ii) are performed by knowledgeable, trained, and experienced personnel who are duly licensed and are using proper equipment, tools, and procedures;

- (d) appropriate monitoring and testing is done to ensure the New LTO ICT System are functioning as designed and in accordance with the Technical Specifications and the SLA and to ensure that equipment will function properly under both normal and abnormal conditions; and
- (e) equipment is operated in a manner safe to workers, the general public, and the environment.

“*Service Level Agreement*” or “*SLA*” means the required levels of service, contractual commitments, performance obligations, and operating standards for the Project that will be developed or amended in accordance with its terms and the Contract.

“*Software*” means (a) computer programs that comprise a series of instructions, rules, routines, or statements, regardless of the media in which recorded, that allow or cause a computer to perform a specific operation or series of operations; and (b) recorded information comprising source code listings, design details, algorithms, processes, flow charts, formulas, and related material that would enable the computer program to be produced, created, or compiled, including but not limited to the different applications and computer programs required to be developed, customized, procured, installed, tested, launched, rolled out, operated, serviced and maintained by the Solutions Provider as indicated in the Technical Specifications.

“*Technical Specifications*” means the design and technical specifications set out in Section VII. Technical Specifications to be followed and complied with by the Solutions Provider in the systems design and development, supply, installation, testing, commissioning and operation, data conversion and creation of Databases, rollout, as well as systems maintenance and upgrading of the Project.

“*Solutions Provider*” means the Supplier, and vice versa.

Public Audit

The Solutions Provider acknowledges that the Procuring Entity is subject to public audit by the Commission on Audit (COA). For this purpose, the Solutions Provider shall provide on a timely basis relevant information as may be required by the Procuring Entity or COA for purposes of such public audit.

Project Reports and Manuals

The Solutions Provider will prepare and submit to the Procuring Entity the various Project reports required in the SLA including the

documentation and other manuals provided for in the Technical Specifications, and such other reports as may be required by the Procuring Entity and/or LTO.

In addition to the contents indicated in the SLA, the Solutions Provider shall ensure that the Project reports will have the following basic information, among others:

- (a) the Key Performance Indicators and other relevant service level targets to determine the Solutions Provider's compliance with its obligations under the Contract;
- (b) major risk factors for the Project and the indicators to determine how such risk factors are affecting the Project;
- (c) any information required by relevant government authorities of the GOP in accordance with applicable Legal Requirements;
- (d) significant Contract management actions taken by each Party;
- (e) any event or condition that has occurred which materially affects the Project or a Party's ability to comply with its obligations under the Contract or if any of the representations made or warranties given by a Party ceases to be true in any material respect; and
- (f) all other material information that may be included by the Parties.

Monitoring and Reporting Obligations

The Solutions Provider shall comply with its monitoring and reporting obligations under this SCC and the SLA. For this purpose, the Solutions Provider shall establish appropriate monitoring and reporting systems to obtain data and perform calculations in order to measure compliance with the SLA and KPIs provided for in the Contract.

Performance of the New LTO ICT System and compliance with the SLA and KPIs shall be measured and calculated by the Solutions Provider on a regular basis following the schedules, procedures and metrics indicated in the SLA. The Solutions Provider shall gather the results and make them available to the Procuring Entity.

The Project reports shall be prepared in English and shall be submitted in accordance with the SLA. Source data applicable to a Project report shall be retained by the Solutions Provider for a period of at least twenty-four (24) months after the report is submitted and shall be furnished to the Procuring Entity upon demand. All reports and source data for purposes of validation shall also be stored electronically.

Where a Project report shows that the operation of the New LTO ICT System is below the SLA, the Solutions Provider shall also separately submit with the report: (a) a full explanation of the reasons for the below-target performance; (b) the steps that it has or will be taking to ensure that performance is improved to meet the standard; and (c) the timeframe for their implementation. In case the cause of the below-target performance is not entirely the responsibility of the Solutions Provider, it shall include a recommended solution in its report that identifies the proposed steps to remedy the other factors that contributed to the below-target performance.

At the request of the Procuring Entity, the Solutions Provider shall prepare and submit supplemental reports related to the performance of the New LTO ICT System or compliance with the SLA.

Financial Reports

The Solutions Provider shall provide the Procuring Entity at its request and on a timely basis all financial information in respect of the New LTO ICT System's operations that are reasonably required to permit the Procuring Entity to carry out its right to monitor and audit under the Contract and to complete its other reporting requirements.

Entire Agreement

This Contract, together with its Schedules, constitutes the entire agreement between the Parties with respect to the Project and the transaction contemplated herein. All previous documents, undertakings, and agreements, whether oral, written or otherwise, between the Parties concerning the subject matter of this Contract are hereby canceled or superseded, and shall not affect or modify any of the terms or obligations set out in this Contract.

Counterparts

The Contract may be executed in one or more duplicate counterparts and when signed by each of the Parties shall constitute an original and a single binding agreement. Any Party may execute the Contract by signing any such counterpart.

Severability

Articles, clauses, provisions, terms, and parts of the Contract that are not declared illegal, unenforceable, in conflict with any law, or contrary to public policy, by a court or other competent judicial, regulatory or administrative body shall remain valid and binding. Thus, if the provision of certain Goods or Services is declared invalid or made ineffective by any court of competent jurisdiction, all other

Goods and Services unaffected by such order or decision shall continue to be provided by the Solutions Provider in accordance with this Contract.

For the completion of this Contract, the Solutions Provider shall perform the obligations and shall comply with the additional requirements enumerated below.

Solutions Provider's Responsibilities

From the Effective Date the Solutions Provider shall:

- (a) Provide all Goods and render all Services required under this Contract;
- (b) Plan, design, procure, supply, install, customize, develop, test, commission, implement, assist in the operation and maintain the New LTO ICT System and all other Project components covering application systems development and maintenance, hardware provisioning, communications, data processing, data capture, end user support, and system rollout, and where necessary, re-installation of equipment and accessories, conversion of documents, creation of Databases, and systems upgrading, in compliance with the Technical Specifications, the SLA, the Project Milestone Schedule, the Contract, all Legal Requirements, and Prudent Utility Practice;
- (c) Start work on the Project within the period specified in this Contract and thereafter proceed with and complete its development and implementation in line with the Project Milestone Schedule;
- (d) Conduct all activities with due care and diligence, in accordance with the Contract and with the skill and care expected of a competent provider of information technologies, information systems, support, maintenance, training, and related services, in accordance with best industry practices;
- (e) Provide and employ, on its own or through its subcontractors, a sufficient number of technical personnel with the necessary qualifications, expertise and experience most appropriate to develop, and implement the New LTO ICT System and ensure that such personnel are on duty on the days and during the hours needed to meet the SLA and as called for by Prudent Utility Practice. Such operation shall include the performance of regular data and system backups, periodic batch processing, disaster recovery processes, and capacity monitoring and planning;
- (f) Provide in a timely manner all resources, materials, information, documentation, and decision making under its control that are

necessary to achieve In-Service Date and to successfully implement and complete the Project;

- (g) Conduct all regularly scheduled preventive and remedial maintenance of the New LTO ICT System, including repairs, improvements, and replacements, in accordance with the maintenance plans and schedules developed pursuant to this Contract;
- (h) Comply with all applicable Legal Requirements and obtain all permits, approvals, and/or licenses from all local or national government authorities in the Philippines that are necessary for the performance of the Contract, including, without limitation, visas for the Solution Provider's personnel and entry permits for all imported equipment;
- (i) Carry out and provide backup and recovery procedures or facilities to ensure the continuous operation of the New LTO ICT System even during system downtimes or breakdowns;
- (j) Implement a quality assessment and monitoring system which meets the requirements of the Technical Specifications and Prudent Utility Practice to ensure that the New LTO ICT System is delivered in a way that satisfies or exceeds the performance requirement; and
- (k) Obtain and maintain or cause its subcontractors to obtain, at a minimum, the insurance coverage and policies required by the Contract, Legal Requirements, and Prudent Utility Practice. The Solutions Provider may procure additional insurance coverage not called for under this Contract.

Transition Plan

As part of the Project Plan to be submitted by the Solutions Provider in line with the Technical Specifications and the Schedule of Requirements, the Solutions Provider shall submit to the Procuring Entity a detailed transition plan describing the specific strategies, activities, tasks and implementation schedule for the full and accurate conversion of all existing Databases and the orderly and seamless migration from the operation and use of the Existing LTO ICT System to the New LTO ICT System.

Review and Approval by Procuring Entity

The Solutions Provider shall submit the Project Plan and Solution Design and the User Acceptance Tests Procedure to the Procuring Entity on the dates indicated in the Project Milestone Schedule. The Procuring Entity may, but shall have no obligation to, raise comments or questions on any of the submitted documents provided that such

comments or questions relate to compliance of the documents with the Technical Specifications, the SLA, and the Project Milestone Schedule. Following the receipt of those comments or questions, the Solutions Provider shall modify the documents and submit the revised documents to the Procuring Entity within five (5) days for its final review.

If the Procuring Entity has no comments or questions or if a written comment is not received by the Solutions Provider on the original or revised Project Plan, Solution Design and User Acceptance Tests Procedure, the Procuring Entity shall be deemed to have approved such documents.

Any review, comment or approval done by the Procuring Entity shall not constitute a warranty on its part on the technical soundness of the final detailed plan, design and procedure prepared by the Solutions Provider. The Solutions Provider acknowledges that the Procuring Entity does not assume any responsibility for the engineering or technical soundness, safety, or reliability of any Goods or Services provided by the Solutions Provider under the Contract.

Database

The Database shall be the exclusive property of the Procuring Entity throughout and after the term of this Contract and under no circumstance shall ownership transfer at any time to the Solutions Provider. However, the Solutions Provider shall have use of and be given access to the Database for the sole and exclusive purpose of customizing, developing, installing, providing and operating the New LTO ICT System in accordance with this Contract. The Procuring Entity will also cooperate in providing the information from which the Database shall be created. In no instance shall the Solutions Provider change, modify, delete, destroy, copy, share, distribute, sell, appropriate or otherwise make commercial use of any entry or information in the Database without the prior written consent of the Procuring Entity and subject to such terms and conditions that the Procuring Entity may require including the payment of compensation.

Source Code

The source code for the customized Software or other application systems that form part of the New LTO ICT System as indicated in the Technical Specifications shall be owned by the Procuring Entity. For this purpose, such source code shall be deposited in escrow under a source code escrow agreement to be entered into by the Parties providing for the release of the source code to the Procuring Entity in case of termination of or for other valid reasons set forth in this Contract.

Source code for developed applications/modules will be owned by the Procuring Entity, and shall be turned over to the Procuring Entity

immediately upon the completion of the project.

Title and Ownership

Title to and ownership over the New LTO ICT System (except the Database which is owned by the Procuring Entity at all times) will vest in the Procuring Entity on the In-Service Date for the Project. Title to and ownership shall also vest in the Procuring Entity on all Goods supplied by the Solutions Provider as a result of the preventive and remedial maintenance it conducts on the New LTO ICT System.

No Liens against the Existing LTO ICT System or the New LTO ICT System shall be created by the Solutions Provider for the purpose of securing any of its financing requirements to carry out the Project.

The Procuring Entity shall also have the sole and exclusive right, ownership, and authority over all root user identifications, superusers, license keys, enabling keys, passcodes, and other similar master electronic identifications to access or otherwise use the Database and the New LTO ICT System.

Insurance and Risk of Loss

The Goods supplied under this Contract shall be fully insured by the Solutions Provider against loss or damage incidental to acquisition, transportation, storage, delivery and installation. The Goods remain at the risk and title of the Solutions Provider until their final acceptance by the Procuring Entity. After each In-Service Date, title to and risk of loss over the Goods shall transfer to the Procuring Entity.

The insurance policies required to be obtained by the Solutions Provider shall be issued by reputable and financially sound insurers or reinsurers duly licensed by the Insurance Commission having the minimum cover, sum insured, period of cover, permitted exclusions and other terms reasonably acceptable to the Procuring Entity who shall be named as the principal insured and beneficiary under such policies.

The Solutions Provider shall furnish the Procuring Entity with true and certified copies of insurance policies or certificates of coverage required to be obtained in accordance with this Contract within ten (10) days after the date such insurance policies are obtained or renewed.

If the Solutions Provider fails to obtain or maintain any insurance policy or endorsement required by this Contract, the Procuring Entity shall have the right but not the obligation to procure such insurance policy for endorsement at the Solutions Provider's expense. If the Solutions Provider fails to reimburse the Procuring Entity within ten (10) days after being notified of the Procuring Entity's payment of

any insurance premium to obtain the needed insurance cover, the Procuring Entity can enforce reimbursement from any of the Down Payments or Installment Payments due and payable to the Solutions Provider.

If all or a portion of the New LTO ICT System would be damaged, destroyed, or rendered unfit for normal operation, the insurance proceeds shall be applied toward the cost of rebuilding, repairing, and/or restoring the New LTO ICT System. If such proceeds would be insufficient to rebuild or restore the New LTO ICT System, then the Procuring Entity may terminate the Contract pursuant to GCC Clause 25.

Delivery and Documents

Upon delivery of the Goods to the Project Site, the Solutions Provider shall notify and present the following documents to the Procuring Entity:

- (a) Original and four copies of the Solutions Provider's invoice showing the Goods' description, quantity, unit price, and total amount;
- (b) Original equipment manufacturer's factory inspection report;
- (c) Original and four copies of the Manufacturer's and/or Supplier's warranty certificate;
- (d) Original and four copies of the certificate of origin (for imported Goods);
- (e) Delivery receipt detailing number and description of items received signed by the authorized receiving personnel of the Procuring Entity; and
- (f) Four copies of the Invoice Receipt for Property signed by the Procuring Entity's representative at the Project Site.

Incidental Services

The Supplier is required to provide all of the following services, including additional services, if any, specified in the Technical Specifications:

- (a) Performance or supervision of on-site assembly and/or start-up of the supplied Goods;
- (b) Furnishing of tools required for assembly and/or maintenance of the supplied Goods;
- (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;
- (d) Performance or supervision or maintenance, repair and/or

replacement of the supplied Goods for the duration of the Contract provided that this service shall not relieve the Solutions Provider of any warranty obligations under this Contract; and

- (e) Training of the Procuring Entity's personnel in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

The Contract price for the Goods shall include the prices charged by the Solutions Provider for all the foregoing incidental services and shall not exceed the prevailing rates charged to other parties by the Solutions Provider for similar services.

Packaging

The Solutions Provider shall provide such packaging of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in this Contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

Patent Rights

The Solutions Provider shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, industrial design rights or all other Intellectual Property Rights arising from use of the Goods or its part.

Other Performance Security Conditions

The Performance Security shall remain valid until the issuance by the Procuring Entity of the Certificate of Final Acceptance for the last milestone of the Project.

The value of the Performance Security may be reduced proportionately as each milestone is completed by the Solutions Provider and accepted by the Procuring Entity.

Any liquidated damages or other penalties payable by the Solutions Provider under this Contract may be deducted or withdrawn from the Performance Security.

Confidentiality

The Solutions Provider shall hold in strict confidence from any other person all documents and information concerning the Project including the Database furnished to it or its advisors, consultants,

subcontractors or agents by the Procuring Entity in connection with this Contract or the transactions contemplated hereby, unless the information or the Solutions Provider is:

- (a) Required to disclose any such information by judicial or administrative process or by other Legal Requirements; or
- (b) Disclosed to persons providing or proposing to provide financing to the Solutions Provider.

Notwithstanding the foregoing, this clause shall not apply to such documents or information that were: (i) previously known by the Solutions Provider prior to receiving such documents or information, (ii) available in the public domain (either prior to or after the furnishing of such documents or information hereunder) through no fault of the Solutions Provider, or (iii) later acquired by the Solutions Provider from another source so long as the Solutions Provider was not aware that such source was under an obligation to the Procuring Entity to keep such documents and information confidential.

Required Disclosure

If the Solutions Provider is required by any Legal Requirement or by any administrative or judicial proceeding or by any mandatory disclosure rules for publicly-listed companies by registered securities exchanges to disclose information that is otherwise required to be maintained in confidence pursuant to the confidentiality clause above, the Solutions Provider may disclose such information, provided, however, that prior to making the disclosure, it shall give prior written notice to the Procuring Entity of the requirement and its terms and shall minimize, to the maximum extent legally possible, the disclosure of confidential information. The Solutions Provider shall use reasonable efforts to obtain proprietary or confidential treatment of such information by the third party to whom the information is disclosed, and to the extent such remedies are available, shall use reasonable efforts to seek protective orders limiting the dissemination and use of the information. For avoidance of doubt, this Contract does not alter the right of the Procuring Entity to object to the Legal Requirement or legal proceedings requiring the disclosure.

Copyright over Work Products

All Intellectual Property Rights in materials, products, Goods, devices, inventions, works, outputs, Services, Software, processes and procedures and other tangible or intangible property exclusively developed or prepared by the Solutions Provider pursuant to this Contract are the property of the Procuring Entity and all title and interest in them shall vest exclusively in the Procuring Entity upon their creation without need to execute any act or deed.

All Intellectual Property Rights owned by the Procuring Entity shall belong to the Procuring Entity.

Software Licenses

As the owner of any Software developed by the Solutions Provider for the Project under this Contract, the Procuring Entity may cause to modify it or combine it with other programs or materials to form an updated work. The Procuring Entity will not modify Software that bears a copyright notice from any third party (other than the Solutions Provider) without the express written agreement of the copyright owner.

The Procuring Entity shall have the right of perpetual use to all licensed Software included in the New LTO ICT System. For Software owned by third parties, the Solutions Provider will transfer to the Procuring Entity the right to use the Software on the expiration or termination of the Contract. Such transfer will be covered by a license transfer agreement with the licensed Software owner.

This Contract does not transfer to the Procuring Entity title to any Intellectual Property Rights contained in any pre-existing or licensed Software, documentation or proprietary information belonging to third parties.

All obligations of the supplier are demandable on the dates specified herein without need of demand.

Transfer Upon Contract Expiration

Twelve (12) months prior to the date of expiry of this Contract, the Solutions Provider shall deliver to the Procuring Entity a detailed plan setting out the anticipated work, costs and activities associated with the final maintenance/upgrade of the New LTO ICT System and its transfer to the Procuring Entity. The Solutions Provider shall, at its own cost, take all the advanced steps necessary to ensure that the New LTO ICT System is fully transferable to the Procuring Entity upon expiration of the Contract.

No later than six (6) months prior to the end of the Contract, the Parties shall meet and agree on: (a) the transfer arrangements, and (b) the inventories for all equipment, hardware, furnishings, consumable supplies and other materials to be transferred to the Procuring Entity and potentially required for the continued operation of the New LTO ICT System after the date of the transfer.

At the same time, the Parties shall also conduct acceptance tests applying the User Acceptance Tests Procedures that were developed for the Project to determine and ensure that the New LTO ICT System continue to meet the SLA prior to the transfer. The Procuring Entity

shall advise the Solutions Provider of any defects or deficiencies which materially affect the ordinary operation of the New LTO ICT System in accordance with the Technical Specifications and the SLA.

No later than two (2) months after such acceptance tests, the Solutions Provider shall prepare and provide to the Procuring Entity for its review and approval, a maintenance/upgrade schedule which shall set out:

- (a) the proposed timing for a scheduled final maintenance/upgrade of the New LTO ICT System which shall commence no later than six (6) months before the end of the Contract and shall be completed no later than two (2) months before such termination date; and
- (b) a plan to address all defective items identified by the Procuring Entity to ensure that all such items will have been rectified prior to the transfer date.

When the Contract expires or is otherwise terminated by the Procuring Entity, the Solutions Provider shall transfer the New LTO ICT System to the Procuring Entity including all of its rights, title and interests in the Project, free and clear of all Liens, including, without limitation, insofar as they are part of or used in the Project:

- (a) all equipment, hardware, consumables and spare parts;*
- (b) all tangible personal property;*
- (c) all intangible personal property, including patents, patent licenses, patent applications, trade names, trademarks, trademark registrations and applications therefor, trade secrets, copyrights, know-how, and any other Intellectual Property Rights;*
- (d) computerized and non-computerized records, reports, data, files, and information including all Databases, Software and source codes;*
- (e) all drawings, test results, manuals, and documentation;*
- (f) all warranties of equipment, materials and work; and*
- (g) all Project related contract rights.*

Penalties

The Solutions Provider shall pay the penalties that will be indicated in the Service Level Agreement (SLA) for failure to meet the SLA or any of the KPIs. The Procuring Entity is entitled to deduct or legally set off such penalties against the retention money or the remaining

	<p>Installment Payments due to the Solutions Provider under the Contract.</p>
7	<p>In addition, the Solutions Provider expressly warrants that the works to be performed by the subcontractors will conform to the Technical Specifications in all respects and will be free from design, manufacturing, or other defects and deficiencies. The Solutions Provider will exercise complete control over its subcontractors and require them to comply with this Contract, all Legal Requirements, and all applicable policies of the Solutions Provider. It will also require its subcontractors to conform to the highest standards of professionalism and ethical conduct. To the extent permitted by applicable Legal Requirements, the Solutions Provider shall dismiss or discipline any of its subcontractors who do not conform to such standards and shall take immediate action at its own expense to correct any violations of such standards.</p> <p>GCC Clause 7.1 also applies to all subcontractors for the Services.</p>
8	<p>The Procuring Entity shall have the following additional responsibilities:</p> <p>(a) Provide in a timely manner all resources, information and decision making under its control that are called for or are necessary to reach the In-Service Dates in accordance with this Contract;</p> <p>(b) Designate appropriate staff for the training courses to be given by the Solutions Provider; and</p> <p>Carry out the acceptance tests for the New LTO IT System in accordance with the Technical Specifications and the User Acceptance Tests Procedure.</p>
10	<p>Payment shall be made only upon issuance by the Procuring Entity of the Certificate of Acceptance for each milestone in accordance with the User Acceptance Tests Procedure and this Contract.</p> <p>Payment by the Procuring Entity of the Installment Payments shall be done following the terms of Schedule 1 (<i>Payment Schedule</i>) of this SCC.</p>
10.4	<p>Not applicable.</p>
11	<p>The terms and schedule of payments to the Solutions Provider under this Contract are set out in Schedule 1 (<i>Payment Schedule</i>) of this SCC.</p>
12	<p>The term “taxes” shall include any net income, gross income, gross receipts, sales, use, transfer, gains, <i>ad valorem</i>, franchise, profits, capital gains, license, value-added, withholding, payroll, employment, professional, business, excise, stamp, occupation, premium, property,</p>

	environmental, windfall profit, documentary, registration, severance, custom duty, governmental fee, other like assessment or charge of any kind whatsoever imposed pursuant to the laws of any national, local, or foreign jurisdiction or by any political subdivision or taxing authority, together with any interest, penalty or other payment charged, and any liability for such amounts under all applicable laws as a result either of being a member of a combined, consolidated, unitary or affiliated group or of a contractual obligation to indemnify any person or other entity.
13	The Performance Security shall be in the amount and form prescribed in this SCC. No other form of performance security shall be accepted.
13.4(c)	No further instructions.
15	The Goods and Services shall conform to all international, Philippine and industry standards prescribed in the Technical Specifications, the SLA, and relevant provisions of this Contract.
16.1	The inspections and tests that will be conducted are those described in the User Acceptance Tests Procedure as will be prescribed by the Procuring Entity. Testing and commissioning following the steps and procedures in GCC Clause 16 and the User Acceptance Tests Procedure shall be done as soon as the solutions provider certifies that the same is completed and ready for acceptance by the Procuring Entity.
17	<p>Without limitation of the general warranties provided in GCC Clauses 17.1 and 17.2, in the development and implementation of the New LTO ICT System, the Solutions Provider specifically warrants that:</p> <p>(a) All equipment and materials to be provided, furnished, delivered, manufactured, supplied, installed and used by the Solutions Provider are brand new, of good quality, genuine, meet the Technical Specifications, and carry the necessary warranties from their original manufacturers.</p> <p>(b) The equipment and facilities to be provided by the Solutions Provider shall be in sufficient quantities and capacities, and shall at all times be capable of meeting or exceeding the SLA.</p> <p>(c) All applications and Software to be developed or provided, after acceptance testing, will continue to meet the acceptance test criteria prescribed in the User Acceptance Tests Procedure during the Operating Period and until the end of the Contract.</p> <p>(d) All Software developed or used for the Project shall not infringe or contribute to, directly or indirectly, the infringement of Intellectual Property Rights held by subcontractors, vendors, or other third parties and all such rights necessary to fulfill the Solutions Provider's obligations to the Procuring Entity under</p>

	<p>this Contract have been obtained.</p> <p>(e) The New LTO ICT System, including all Goods and Services provided to the Procuring Entity in connection therewith, shall be fit for the purpose for which they are provided.</p> <p>(f) The Solutions Provider’s management and personnel assigned to perform the Services are qualified, diligent, and morally fit to perform all the works and services required in this Contract to the satisfaction of the Procuring Entity, and that each of them shall have the proper skill, training and background to perform the works and services to which they are assigned in a competent, efficient, customer friendly, and highly professional manner.</p> <p>(g) The Solutions Provider will promptly respond to all service requests coursed through the agreed problem determination, problem analysis and warranty service request procedures established by the Solutions Provider and accepted by the Procuring Entity.</p>
17.3	<p>The warranty period shall be five (5) years commencing on the day after a Certificate of Final Acceptance of the New LTO ICT System is issued by the Procuring Entity to the Solutions Provider in accordance with this SCC.</p> <p>The obligation for the warranty shall be covered by, at the Supplier’s option, either retention money in an amount equivalent to at least ten percent (10%) of the final payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price.</p>
17.4	<p>The period for correction of defects in the warranty period is thirty (30) days from notice by the supplier (GCC Clause 5)</p>
18	<p>The Goods shall be delivered and the Services shall be performed and completed in accordance with the Project Milestone Schedule.</p>
19	<p>Liquidated Damages</p> <p>If Tasks 12, 13, 15, and 16 of Section VI. Schedule of Requirements do not occur or are not performed on or before the Effective End Date as indicated therein, the Solutions Provider shall pay the Procuring Entity liquidated damages in the amount indicated in GCC Clause 19.</p> <p>The Procuring Entity shall claim payment of liquidated damages accruing above through invoices. The Solutions Provider shall pay such amount due not later than thirty (30) days after its receipt of each invoice. If the Solutions Provider fails to pay on the due date, then the Procuring Entity shall be entitled to draw from the Performance Security the amount of liquated damages due and payable.</p>

	<p>If the Solutions Provider's liability for liquidated damages exceeds the amount available to be drawn under the Performance Security, the Solutions Provider shall pay the excess upon written demand by the Procuring Entity. The Procuring Entity shall also have the right to deduct any unpaid amount from the Installment Payments or any amount otherwise due the Solutions Provider under this Contract.</p>
21.1	<p>All members of the joint venture or consortium constituting the Solutions Provider shall be jointly and severally liable to the Procuring Entity.</p>
29	<p>See also Annex "D" of the IRR of RA 9184</p>

A. SCHEDULE 1 – PAYMENT SCHEDULE

	Milestone	Start Week	End Week	Payment
1	Advance Payment	1	1	15%
2	Approval of User Acceptance Tests Procedure	8	8	5%
3	Conversion/Migration of Existing Database	5	26	10%
4	Development/Customization of Applications	5	26	10%
5	Site Development and Civil Works	5	36	10%
6	Installation of Equipment and Acquisition of Connectivity	5	36	5%
7	User Acceptance Tests	27	28	5%
8	<u>Maintenance (5 years)</u>	<u>105</u>	<u>364</u>	30%
9	<u>Warranty (5 years)</u>	<u>105</u>	<u>364</u>	10%
				100%

Section VI. Schedule of Requirements

The delivery schedule expressed as weeks/months stipulates hereafter a delivery date which is the date of delivery to the project site.

Task	Description	Responsible	Start Week	End Week
1	Submission of Project Plan and Solution Design	Solutions Provider	1	4
2	Approval of Project Plan and Solution Design	DOTC-LTO	5	5
3	Submission of User Acceptance Tests Procedure	Solutions Provider	5	7
4	Approval of User Acceptance Tests Procedure	DOTC-LTO	8	8
5	Conversion/Migration of Existing Database	Solutions Provider	5	26
6	Development/Customization of Applications	Solutions Provider	5	26
7	Site Development and Civil Works	Solutions Provider	5	36
8	Installation of Equipment and Acquisition of Connectivity	Solutions Provider	5	36
9	User Acceptance Tests	DOTC-LTO	27	28
10	End-Users Training	Solutions Provider /DOTC-LTO	26	35
11	Pilot Implementation	Solutions Provider	29	32
12	Roll-Out of Front Office Applications	Solutions Provider	29	36
13	Technical Trainings	Solutions Provider /DOTC-LTO	42	54
<u>14</u>	<u>Fine Tuning of Front Office Applications</u>	<u>Solutions Provider</u>	<u>37</u>	<u>99</u>
<u>15</u>	<u>Full Acceptance Test</u>	<u>Solutions Provider /DOTC-LTO</u>	<u>100</u>	<u>103</u>
16	Over-all Acceptance	Solutions Provider /DOTC-LTO	104	104

Section VII. Technical Specifications

Technical Specifications

A. STATEMENT OF COMPLIANCE TO TECHNICAL SPECIFICATIONS

For the First Stage of the Bidding: Bidders must state here either “Comply” or “Not Comply” against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of “Comply” or “Not Comply” must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. **Evidence shall be in the form of screenshot of the actual system or document coming from the manufacturer of the proposed solution.** A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of ITB Clause 3.1(a)(ii) and/or GCG Clause 2.1(a)(ii).

*** Screenshot**

**** Document**

For the Second Stage of the Bidding: In addition to stating either “Comply” or “Not Comply” against each of the individual parameters of each Specification, statements of “Comply” or “Not Comply” must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. **Evidence shall be in the form of manufacturer’s un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate.** A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidders statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the provisions of ITB Clause 3.13.1 (a)(ii)(ii) and/or GCC Clause 2.1(a)(ii).

B. CLARIFICATION AND SETTLEMENT OF CONFLICTING INTERPRETATION OF THE TECHNICAL SPECIFICATIONS

In cases of conflicting interpretations, the nature and purpose of the equipment will be the basis of interpretation. The main basis for technical specifications and requirements is the nature and purpose of the systems and applications and their intended use as determined by the doctrinal application of the end-users.

ITEM	SPECIFICATIONS	STATEMENT OF COMPLIANCE
I.	*Project Scope	
	<u>Implementation of a web-based, service oriented architecture, package solution based on an existing system currently in use and developed under industry standard enterprise computing system platform, using industry standard query language database engine to the following major applications:</u>	
	1. <u>Driver's Licensing System</u>	
	2. <u>Motor Vehicle Registration System</u>	
	3. <u>Law Enforcement and Traffic Adjudication System</u>	
	4. <u>Revenue Collection System</u>	
	5. <u>Executive Information System</u>	
	<u>The proposed system must be based on an existing system that is web-based service oriented architecture and is currently in use. Other characteristics of the proposed system are as follows</u>	
	1. <u>The proposed systems must be based on an existing system that is currently in use</u>	
	2. <u>The proposed systems must be web-based</u>	
3. <u>The proposed system must be able to handle a minimum Driver's License Registration of 30,000 transactions daily</u>		
4. <u>The proposed system must be able to handle a minimum Motor Vehicle Registration of 50,000 transactions daily</u>		
<u>II.</u>	<u>**The Service Provider must have an ISO 9001 Certification</u>	
<u>III.</u>	<u>*General System Requirements</u>	
	1. <u>For the general public, access shall be available through any gadget such as desktop computers, smart phones, tablets, etc.</u>	
	2. <u>The facility must be capable of accepting electronic payments for any LTO authorized entity.</u>	
3. <u>Data should be electronically transmitted whenever possible. Manual encoding/uploading if necessary, should be centralized and subject to such rules and regulations promulgated by LTO</u>		
<u>IV.</u>	<u>**System Architecture</u>	
	1. <u>Relational Database Management System</u>	
	a. <u>The proposed RDBMS must be an Enterprise Level RDBMS</u>	
	b. <u>The proposed RDBMS must run on both proprietary and open source Operating System</u>	
c. <u>The proposed RDBMS should support uploading/</u>		

<p><u>downloading from other RDBMS application formats such as but not limited to:</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> <u>Oracle</u> <input type="checkbox"/> <u>SQL Server</u> <input type="checkbox"/> <u>MySQL</u> <input type="checkbox"/> <u>Sybase</u> <input type="checkbox"/> <u>PostgreSQL</u> <input type="checkbox"/> <u>DB2</u> 	
<p><u>2. Middleware</u></p>	
<p><u>a. The proposed system should be an Enterprise Level Middleware</u></p>	
<p><u>b. The proposed system should be able to provide a communication bus for all applications in order to do exchange of data and processes</u></p>	
<p><u>c. The proposed system should be a message oriented middleware</u></p>	
<p><u>3. Business Process Management</u></p>	
<p><u>a. The proposed portal must be an Enterprise level Portal</u></p>	
<p><u>b. The proposed system must have a web-based module that allows administrators to create and customize business processes</u></p>	
<p><u>c. The proposed system must be able to accept business flow and rules</u></p>	
<p><u>4. Portal</u></p>	
<p><u>a. The proposed portal must be an Enterprise Level Portal</u></p>	
<p><u>b. The proposed portal must support a Single Sign On</u></p>	
<p><u>c. The proposed portal must be accessible also using tablets and smart phones. Content and services accessible via web browser should also be accessible</u></p>	
<p><u>5. Security</u></p>	
<p><u>a. The proposed system should provide complete granular user access and authentication control management</u></p>	
<p><u>b. The proposed system should have single sign on</u></p>	
<p><u>c. The proposed system should support the use of digital certificates</u></p>	
<p><u>6. Business Intelligence</u></p>	
<p><u>a. The proposed system should be an Enterprise Level Business Intelligence</u></p>	
<p><u>b. The proposed system should be able to access multiple databases and dump necessary fields to its own database</u></p>	
<p><u>c. The proposed system should have a dashboard</u></p>	

	<u>7. Backup</u>	
	<u>a. The proposed solution should be an Enterprise Level Backup Solution</u>	
	<u>b. The proposed solution should be able to conduct a full, incremental and differential backup, as well as restoration</u>	
	<u>c. The proposed system must provide options for online and offline backup</u>	
	<u>8. Document Management System</u>	
	<u>a. The proposed system should be an Enterprise Level Document Management System that can be open source or proprietary. For open source it should be a commercially supported Document Management System</u>	
	<u>b. The proposed system should have the following minimum requirements:</u> <ul style="list-style-type: none"> - <u>Workflow</u> - <u>Security</u> - <u>Versioning</u> - <u>Integration</u> - <u>Indexing</u> - <u>Publishing</u> - <u>Retrieval</u> - <u>Searching</u> - <u>Metadata</u> - <u>Collaboration</u> 	
	<u>c. The proposed system should be able to log all user activities as well as document</u>	
<u>V.</u>	<u>*Minimum System Requirement</u>	
	<u>1. Driver's Licensing System</u>	
	<u>a. The proposed solution should be able to process a new Driver's License</u>	
	<u>b. The proposed solution should be able to process a renewal of Driver's License</u>	
	<u>2. Motor Vehicle Registration System</u>	
	<u>a. The proposed solution should be able to process a new Motor Vehicle registration</u>	
	<u>b. The proposed solution should be able to process a renewal of Motor Vehicle Registration</u>	
	<u>c. Manufacturers, Assemblers, Importers, Dealers, Accreditation and Reporting System</u>	
	<u>i. The proposed solution should be able to process a new Manufacturer accreditation</u>	

	ii. <u>The proposed solution should be able to process a renewal of Manufacturer accreditation</u>	
	iii. <u>The proposed solution should be able to process a new Assemblers accreditation</u>	
	iv. <u>The proposed solution should be able to process a renewal of Assemblers accreditation</u>	
	v. <u>The proposed solution should be able to process a new Importers accreditation</u>	
	vi. <u>The proposed solution should be able to process a renewal of Importers accreditation</u>	
	vii. <u>The proposed solution should be able to process a new Dealers accreditation</u>	
	viii. <u>The proposed solution should be able to process a renewal of Dealers accreditation</u>	
<u>VI</u>	<u>**Manpower</u> <u>(refer to Section VIII. Bidding Forms for the CV Format)</u>	
	<u>1. Project Director</u>	
	<u>2. Project Manager</u>	
	<u>3. Driver's Licensing Domain Expert</u>	
	<u>4. Motor Vehicle Registration Domain Expert</u>	
	<u>5. Law Enforcement and Traffic Adjudication Domain Expert</u>	
	<u>6. Revenue Collection Domain Expert</u>	
	<u>7. Analytics and Reporting Domain Expert</u>	
	<u>8. Infrastructure and Data Center Lead</u>	
	<u>9. System Implementation and Integration Lead</u>	
	<u>10. Database Administration Lead</u>	
	<u>11. Information Security Lead</u>	
	<u>12. Network Security Lead</u>	
	<u>13. Training Lead</u>	
	<u>14. Change Management Lead</u>	
<u>15. Quality Assurance Lead</u>		
<u>* Screenshot</u>		
<u>** Document</u>		

TERMS OF REFERENCE

PROJECT TITLE: The Customization, Development, Integration, Procurement, Supply, Delivery, Installation, Implementation, Service, and Maintenance of the Information and Communications Technology (ICT) System of the Land Transportation Office (LTO).

A. BACKGROUND

The DOTC is a line agency of the government responsible for nationwide transportation. DOTC intends to have a single, standard, scalable, integrated and robust information system for LTO.

The LTO is an agency of the DOTC established in 1911. It was created as a line bureau in 1968 under Republic Act No. 4136 otherwise known as the Land Transportation and Traffic Code, and subsumed as a sectoral office of the DOTC in 1987 pursuant to Executive Order Nos. 125 and 125A. It is guided by the policy of promoting and maintaining safe, efficient, comfortable and economic land transportation services throughout the country by providing a rationalized system of driver's license issuance, motor vehicle registration, law enforcement and adjudication of traffic violations.

At present, the LTO has 16 Regional Offices, with its Central Office located at Quezon City, Metro Manila and has approximately 300 offices nationwide. These offices are the district offices, extensions offices, driver's license renewal centers. LTO has also five existing Motor Vehicle Inspection Centers nationwide.

To fulfill its mandate, the LTO is geared towards improving its functional efficiency through the use of available information technology solutions with the goal to fully automate its internal and external transactions.

The utilization of IT solutions such as, but not limited to, the following systems require a robust, scalable, secure and stable infrastructure and database:

A.1. LTO Central Office Information and Communication Technology (ICT) Infrastructure (Data Center and LAN)

A.2. LTO Front Office Applications

- A.2.1. Driver's Licensing System (DLS);
- A.2.2. Motor Vehicle Registration System (MVRS) which includes, but is not limited to, the Manufacturers, Assemblers, Importers, Dealers Accreditation and Reporting System (MAIDRS) and the Motor Vehicle Inspection System;
- A.2.3. Law Enforcement and Traffic Adjudication System (LETAS); and
- A.2.4. Revenue Collection System (RCS)

A.3. LTO Executive Application

- A.3.1. Executive Information System

In order to be attuned with the modern way of business transactions as well as to comply with the e-Commerce Law, the DOTC/LTO also envisions the implementation of the e-Clearance system, the implementation of paperless transactions, and the minimization of the need to physically transact business at an LTO Office.

B. PROJECT OBJECTIVES

B.1. General Objectives

DOTC shall select through public bidding a SOLUTION PROVIDER / PRIME CONTRACTOR or Systems Integrator for the acquisition, installation, and integration of ICT resources that has the capability to implement the DOTC Road Transportation IT Infrastructure Project for LTO.

B.2. Specific Objectives

Specific objectives of the DOTC Road Transportation IT Infrastructure Project are:

- B.2.1. To establish an automated, effective, efficient, and secured DOTC Road Transportation ICT System that can be readily deployed nationwide;
- B.2.2. To implement multiple related and integrated databases which will be used for fast, reliable and efficient issuance of LTO certificates/licenses, registrations and other related forms;
- B.2.3. To install robust, secure, and reliable data servers, software, storage, LTO Central Office Data Center and LAN, and workstations that enable fast, accurate and efficient processing of DOTC/LTO transactions;
- B.2.4. To provide assistance in the investigation and reduction of criminal activities such as carjacking, falsification of official documents and forms through timely and accurate information (i.e. avoiding duplicitous information);
- B.2.5. To improve revenue collection;
- B.2.6. To design and implement an Electronic Traffic Violation Ticketing System that will improve the citation and the adjudication process, and that will minimize human errors and contested citations.

C. PROJECT SCOPE

The project calls for the services of a SOLUTIONS PROVIDER, which shall deliver the following project components:

C.1. Implementation of a web-based, service oriented architecture, package solution based on an existing system currently in use and developed under industry standard enterprise computing system platform, using industry standard query language database engine to the following major applications:

- C.1.1. Driver's Licensing System (DLS)
- C.1.2. Motor Vehicle Registration System (MVRS)
- C.1.3. Law Enforcement and Traffic Adjudication System (LETAS)
- C.1.4. Revenue Collection System (RCS)
 - C.1.4.1. Cash Payment
 - C.1.4.2. Credit Card / Debit Card Payment Facility (Point of Sale System)

- C.1.4.3. Bank Payment Facility
- C.1.4.4. Other Payment Facility (e.g. retail outlets)
- C.1.5. Executive Information System
 - C.1.5.1. Performance and Trends of all DOTC/LTO Services and Offices related to hardware and office systems
 - C.1.5.2. Financial and Revenue Collection performance and Trends
 - C.1.5.3. Customer Feedback and Satisfaction Survey Results
 - C.1.5.4. Ad Hoc Reports

C.2. The proposed system must be based on an existing system that is web-based service oriented architecture and is currently in use. Other characteristics of the proposed system are as follows

- C.2.1. The proposed system must be web-based
- C.2.2. Must support Service Oriented Architecture (SOA) and cloud computing platform specifically a virtualization technology
- C.2.3. The system should be able to expose functionality as web services so that the system becomes flexible enough to provide the necessary innovation required by future process scenarios.
- C.2.4. Configurable to address customization requirement
- C.2.5. Must be able to handle the following volume of transaction:
 - C.2.5.1. Vehicle Registration: minimum of 50,000 daily
 - C.2.5.2. Driver's License issuance: minimum of 30,000 daily

C.3. The proposed system must be accessible using different platform, desktop computers, smart phones, tablets, etc.

C.4. Design and Implementation of required databases, including but not limited to:

- C.4.1. Motor Vehicle Registry Database;
- C.4.2. Driver's Licenses Database;
- C.4.3. Law Enforcement and Traffic Adjudication Database;
- C.4.4. Revenue Collection System Database;

C.5. Install at LTO Central Office a Network Infrastructure with provision for WAN connection via IPVPN

C.6. Supply, Delivery, Testing, Documentation and Installation of appropriate Computing Products and other resources relative to the implementation of the project on DOTC/LTO IT Infrastructure and Environment facilities such as:

Item	Location	Quantity
Data and Voice Communication Equipment	LTO Data Center	Specifications and quantity to be determined by the SP (minimum of 500 nodes); <u>standards to be provided in a separate bid bulletin</u>
Structured cabling System	LTO Data Center	Specifications and quantity to be determined

		by the SP
Unified Threat Management	LTO Data Center	Specifications and quantity to be determined by the SP
Servers	LTO Data Center	Specifications and quantity to be determined by the SP
Desktop/Laptop Computers	LTO Data Center	Specifications and quantity to be determined by the SP (minimum of 50 desktop/ laptop computers); <u>standards to be provided in a separate bid bulletin</u>
Fire detection, alarm, and suppression systems for the LTO Data Center	LTO Data Center	Specifications and quantity to be determined by the SP
Data Centers Environment Monitoring Solution	LTO Data Center	Specifications and quantity to be determined by the SP
Creation and maintenance of LTO Configuration Management Database	LTO Data Center	Specifications and quantity to be determined by the SP
Uninterruptible Power Supply (UPS)	LTO Data Center	Specifications and quantity to be determined by the SP.
Generator/s for Data Centers	LTO Data Center	Specifications and quantity to be determined by the SP.
Data Center Air Conditioning (A/C) Systems	LTO Data Center	Specifications and quantity to be determined by the TSP.

C.7. Delivery of all required hardware, peripherals and software, with corresponding licenses in the name of DOTC and warranties to efficiently run the system. All ICT resources, equipment, hardware and software including customized application to be developed under the project and programming source codes are understood to be property of the DOTC.

C.8. To assist LTO to achieve certification by providing a certified ISO consultant and to assist LTO to operate and maintain IT service delivery within the period of three years from the contract, in accordance with ISO 20000 and ISO 27000 standards.

C.9. The Service Provider must have an ISO 9001 Certification.

C.10. Provision of the following IT services:

- C.10.1. Project Management;
- C.10.2. Site Environment Planning and Preparation;
- C.10.3. Systems Installation and Integration;
- C.10.4. Telecommunication Services;
- C.10.5. Business Process re-engineering;
- C.10.6. Education and Training;
- C.10.7. Facilities and Maintenance Support;
- C.10.8. In-House Data Center, Systems, Network /Telecommunication, Operations and Desktop Support;
- C.10.9. In-House Information Systems Security support;
- C.10.10. In-House Service Desk operations and Support;

C.11. Key Performance Indicators shall be covered in a separate Service Level Agreement in accordance with IT Service Management best practice.

C.12. Identify key processes and systems for improvement, efficiency and security of DOTC/LTO Processing and Systems and to implement the identified improvements after consultation to and approval of the LTO.

C.13. The SOLUTIONS PROVIDER shall be responsible for the delivery of the following:

- C.13.1. The detailed design of the solution/s including all hardware, software and services as functional specification;
- C.13.2. Developing and coordinating all relevant documentation regarding the integration and the preparation of standard system documentation as required;
- C.13.3. Coordinate and run the agreed training courses as required;
- C.13.4. Deliver, install and integrate all the equipment, systems, software and services as set out herein and proposed by the provider. The delivery and unpacking of equipment shall be at the proposed LTO Data Center where it shall be utilized or commissioned.
- C.13.5. The infrastructure to be delivered by the Service Provider shall be owned by LTO and no interconnection charges shall be implemented.

D. GENERAL SYSTEM REQUIREMENTS

- D.1.** A secure LTO Online Facility for both LTO authorized personnel and the general public. The facility must be easy to use.
- D.2.** The facility may be accessed initially through registration and, thereafter, by the use of a username password and biometrics for LTO authorized personnel, and username and password for the general public. The facility must have sufficient security measures such that access may be limited by user, location, application, content, equipment and the like.
- D.3.** For the general public, access shall be available through any gadget such as desktop computers, smart phones, tablets, etc.

- D.4. Access to the facility, including the extent of such access, shall be available only to those people or places specifically granted by LTO.
- D.5. The system should provide for real-time electronic validation, verification and analysis of data to and for such persons or entities required by LTO.
- D.6. The system shall be able to receive, collate, analyze data as well as generate reports from such data received from persons or entities required by LTO on a real time basis.
- D.7. The facility must provide a queue management system for both online and onsite transactions such that if there is a need for personal presence in an LTO office, the system must be able to assign an office as well as a date and time for the visit. On the other hand, the onsite queuing system must be able to integrate both the online and walk-in clients subject to the limit on the number of transactions set by LTO on particular LTO offices.
- D.8. The facility must be capable of accepting electronic payments for any LTO authorized entity.
- D.9. All data sent and received shall be permanent and cannot be deleted from the system.
- D.10. The system must be free from all external and internal threats.
- D.11. Data should be electronically transmitted whenever possible. Manual encoding, if necessary, should be centralized and subject to such rules and regulations promulgated by LTO.

E. SYSTEM ARCHITECTURE

E.1. Relational Database Management System (RDBMS)

- E.1.1. The proposed system should be an Enterprise Level Middleware which may be open source or proprietary. For open source it should be a commercially supported open source middleware.
- E.1.2. The proposed RDBMS should comply with the major standards of the industry.
- E.1.3. The proposed RDBMS must run on both proprietary and open source Operating System.
- E.1.4. The proposed RDBMS must have capability to maintain journal before (undo log) and journal after (redo log). It also must have the capability to roll back and recover application data and to roll forward and update data
- E.1.5. The proposed RDBMS should support uploading/ downloading from other RDBMS application formats such as but not limited to:
 - E.1.5.1. Oracle
 - E.1.5.2. SQL Server
 - E.1.5.3. MySQL
 - E.1.5.4. Sybase
 - E.1.5.5. PostgreSQL

E.1.5.6. DB2

- E.1.6. The proposed RDBMS should support a mechanism for load balancing and high-availability capability for server-based components.
- E.1.7. The RDBMS should support an expansive database with unlimited or large description data fields.
- E.1.8. The RDBMS should support access control and indicate the user-id responsible for each transaction.
- E.1.9. The RDBMS should be able to load the current database format of the LTO. The Service Provider shall include in its service the Data Migration and all related services.

E.2. Middleware

- E.2.1. The proposed system should be an Enterprise Level Middleware which may be open source or proprietary. For open source it should be a commercially supported open source middleware.
- E.2.2. The proposed system should be able to provide a communication bus for all applications in order to do exchange of data and processes.
- E.2.3. The proposed system should support enterprise application integration and data integration.
- E.2.4. The proposed system should include an Application Server.
- E.2.5. The proposed system should be a message oriented middleware.

E.3. Business Process Management

- E.3.1. The proposed system should be an Enterprise Level BPM which may be open source or proprietary. For open source it should be a commercially supported open source BPM.
- E.3.2. The proposed system must have a web-based module that allows administrators to create and customize business processes.
- E.3.3. The proposed system must be able to accept business flow and rules.

E.4. Portal

- E.4.1. The proposed system should be an Enterprise Level Portal that can be open source or proprietary. For open source it should be a commercially supported open source Portal.
- E.4.2. The proposed portal should be able to integrate the 5 Main Core Apps of the LTO, namely:
 - E.4.2.1. Driver's Licensing System
 - E.4.2.2. Motor Vehicle Registration System
 - E.4.2.3. Law Enforcement and Traffic Adjudication System
 - E.4.2.4. Revenue Collection System
 - E.4.2.5. Executive Information System
- E.4.3. The proposed portal must have a global security blanket over the 5 Main Core Apps of the LTO.
- E.4.4. The proposed portal must support a Single Sign On.
- E.4.5. The proposed portal must have an access control to limit what content, services or system a user can access based on their roles or responsibility.
- E.4.6. The proposed portal must have a search function and can access data across the 5 Main Core Applications.

- E.4.7. The proposed portal must be accessible via popular web browsers such as not limited to: Safari, Google Chrome, Mozilla Firefox, Opera, Internet Explorer, etc.
- E.4.8. The proposed portal must be accessible also using tablets and smart phones. Content and services accessible via web browser should also be accessible.
- E.4.9. The proposed portal must have an administration module for easy administration and updates of the content.

E.5. Security

- E.5.1. The proposed system should provide complete granular user access and authentication control management.
- E.5.2. The user-ID and password authentication system should have the following features:
 - E.5.2.1. User ID must be unique;
 - E.5.2.2. Enforce a minimum of 8 characters in password length;
 - E.5.2.3. Enforce expiration of passwords for each user-id with a user definable expiration period;
 - E.5.2.4. Enforce change of passwords on issue of new passwords;
 - E.5.2.5. Prevent password reuse of at least 3 previous passwords;
 - E.5.2.6. Password must not be displayed or printed and must be encrypted for storage;
 - E.5.2.7. Revoke user-IDs after a user-definable number of failed logon attempts. It must be possible to set different limits for different groups of users.
- E.5.3. The proposed system should have ability to control user access by content, service and responsibility.
- E.5.4. The proposed system must provide a system-wide privacy and security facility covering all 5 Main Core Applications.
- E.5.5. The proposed system must provide a system-wide privacy and security facility specifically applicable to Internet and public access.
- E.5.6. The proposed system should support secure transmission using Public Key Encryption.
- E.5.7. The proposed system logging of unauthorized access to data, and logs data such as but not limited to:
 - E.5.7.1. IP Address
 - E.5.7.2. Mac Address
 - E.5.7.3. Serial Number of Hardisk
 - E.5.7.4. Username
 - E.5.7.5. Group
- E.5.8. The proposed system must support single sign on (single user identification password) to access all 5 Core Applications to which access is required.
- E.5.9. The proposed system should support the use of digital certificates.
- E.5.10. The proposed system must provide ability for a limit to be placed on the number of unsuccessful/unauthorized attempts at a particular operation, and lock the user accordingly.

E.6. Business Intelligence (BI)

- E.6.1. The proposed system should be an Enterprise Level BI which may be open source or proprietary. For open source it should be a commercially supported open source BI.
- E.6.2. The proposed system should be able to access multiple databases and dump necessary fields to its own database.
- E.6.3. The proposed system should have a dashboard, the content of which would depend on the access level of the user.
- E.6.4. The proposed system should support generating scheduled reports.
- E.6.5. The proposed system should support creation of reports.
- E.6.6. The proposed system should support ad hoc reports.
- E.6.7. The proposed system should be able to generate a Performance and Trends report such as but not limited to:
 - E.6.7.1. Financial and Revenue Collection; and
 - E.6.7.2. LTO Services and Offices.
- E.6.8. The proposed system should be compatible and can be integrated on the Portal.
- E.6.9. The proposed system should be able to do forecasting.

E.7. Backup

- E.7.1. The proposed system should be an Enterprise Level Backup which may be open source or proprietary. For open source it should be a commercially supported open source backup.
- E.7.2. The proposed solution should include backup on the disk and database level.
- E.7.3. The proposed solution should be able to conduct a full, incremental and differential backup, as well as restoration.
- E.7.4. The proposed system should support automatic back up sessions in accordance with user-defined schedules. It should also provide for manually initiated backup sessions. The back up shall be stored centrally at LTO Data Center and should have the capability to create a copy of the backup images/files to a remote site for future requirements.
- E.7.5. The proposed system should support validation of back up data integrity in the event of a hardware or software failure.
- E.7.6. The proposed system must allow for backing up in one single process and restoring all data in one single process.
- E.7.7. The proposed system must provide the facilities (e.g. checkpoint / rollback / roll forward) to support the recovery of data to just before the point of failure, or some other well-defined point in the processing history, in the event of a disastrous processing failure. The database must provide options for selective or full restore.
- E.7.8. The proposed system must allow for backing up and restore groups of data by system, which will allow the user to back-up and restore for specific system.
- E.7.9. The proposed system must provide options for online and offline backup. Online backup meaning the application and database is running, offline means the application and database are stopped for scheduled backup.
- E.7.10. Back up and restore operations should be remotely operable.
- E.7.11. The proposed system should have a logging mechanism in order to properly log all backups and restore activities.

E.8. Document Management System

- E.8.1. The proposed system should be an Enterprise Level Document Management System that can be open source or proprietary. For open source it should be a commercially supported Document Management System.
- E.8.2. The proposed system should have the following minimum requirements:
 - E.8.2.1. Workflow
 - E.8.2.1.1. Should have a rules-based workflow,
 - E.8.2.1.2. Should have a web-based workflow manager;
 - E.8.2.2. Security
 - E.8.2.2.1. Should have rights management in order to configure access to the document based the document type,
 - E.8.2.2.2. Should be integrated with the single sign on;
 - E.8.2.3. Versioning
 - E.8.2.3.1. Should have a versioning module that will allow versioning on documents that have been modified thru checking in and out of the document;
 - E.8.2.4. Integration
 - E.8.2.4.1. Should be integrated to other applications;
 - E.8.2.5. Indexing
 - E.8.2.5.1. Should be able to track documents based on unique document identifiers set on the document;
 - E.8.2.6. Publishing
 - E.8.2.6.1. Should be able to publish a document in within the portal;
 - E.8.2.7. Retrieval
 - E.8.2.7.1. Should allow retrieval of documents based on unique document identifiers set,
 - E.8.2.7.2. Should allow retrieval of old versions of a document;
 - E.8.2.8. Searching
 - E.8.2.8.1. Should allow searching of documents based on set attributes and document tags;
 - E.8.2.9. Metadata
 - E.8.2.9.1. Should allow the user to set metadata or information within the documents, information such as but not limited to:
 - E.8.2.9.1.1. Data,
 - E.8.2.9.1.2. Author, and
 - E.8.2.9.1.3. Description;
 - E.8.2.10. Collaboration
 - E.8.2.10.1. Should allow collaboration within users of the system,
 - E.8.2.10.2. A document that is currently checked out by a user cannot be checked out and modified by another user;
- E.8.3. The proposed system should be able to log all user activities as well as document.
- E.8.4. The proposed system should be compatible and can be integrated on the Portal.

F. MINIMUM SYSTEM REQUIREMENTS

F.1. Driver's Licensing System (DLS)

- F.1.1. Transactions
 - F.1.1.1. Student Permit

- F.1.1.2. New Driver's License
 - F.1.1.2.1. Non-Professional Driver's License
 - F.1.1.2.2. Professional Driver's License
 - F.1.1.2.3. Conductor's License
 - F.1.1.2.4. Conversion of Foreign License
- F.1.1.3. Driver's License Renewal
- F.1.1.4. Miscellaneous
 - F.1.1.4.1. Change Classification
 - F.1.1.4.1.1. From Professional to Non-Professional
 - F.1.1.4.1.2. From Non-Professional to Professional
 - F.1.1.4.2. Duplicate License
 - F.1.1.4.2.1. For loss or mutilated licenses
 - F.1.1.4.3. Revision of Records
 - F.1.1.4.3.1. Name
 - F.1.1.4.3.2. Birth
 - F.1.1.4.3.3. Address
 - F.1.1.4.3.4. Citizenship
 - F.1.1.4.3.5. Marital Status
 - F.1.1.4.4. Additional Restriction Code/s
 - F.1.1.4.4.1. Motorcycle/ Motorized Tricycles / E-Bikes (LSV) Trikes
 - F.1.1.4.4.2. Vehicles up to 4500 kgs. gvw (Manual and Automatic Clutch)
 - F.1.1.4.4.3. Vehicles above 4500 kgs. gvw (Manual and Automatic Clutch)
 - F.1.1.4.4.4. Automatic clutch only up to 4500 kgs. gvw
 - F.1.1.4.4.5. Automatic clutch only above 4500 kgs. gvw
 - F.1.1.4.4.6. Articulated 1600 gvw and below
 - F.1.1.4.4.7. Articulated 1601 up to 4500 gvw
 - F.1.1.4.4.8. Articulated 4501 gvw and above (Truck-Trailer)
 - F.1.1.4.5. Issuance of Driver's License Certification

F.2. Motor Vehicle Registration System (MVRS)

- F.2.1. New Registration Transactions
- F.2.2. Renewal of Registration Transactions
- F.2.3. Locally Purchased
- F.2.4. Imported
- F.2.5. Tax Exempt
- F.2.6. Others
 - F.2.6.1. Imported secondhand exempt from EO 156/877A
 - F.2.6.2. Imported secondhand through the No Dollar Importation Program
 - F.2.6.3. Imported acquired through Donation
 - F.2.6.4. Imported secondhand motorcycle
 - F.2.6.5. Chopped/Cut-up MVs
 - F.2.6.6. Rebuilt with local Chassis/Body and with imported engine
 - F.2.6.7. Rebuilt with engine and/or chassis that are parts of previously registered MV
 - F.2.6.8. Rebuilt Truck/Bus with new or used imported engine and/or chassis

- F.2.6.9. Rebuilt Truck/Bus with imported engine or chassis combined with a previously registered component
- F.2.6.10. Rebuilt Truck/Bus with engine and/or chassis purchased locally or from previously registered or combination thereof
- F.2.6.11. Rebuilt Truck/Bus with imported engine and/or chassis acquired through bidding
- F.2.6.12. Imported MV acquired through public bidding conducted by BOC
- F.2.6.13. Under bond MV
- F.2.6.14. MV under written commitment
- F.2.7. Miscellaneous Transactions
 - F.2.7.1. Transactions requiring change of Certificate of Registration (CR)
 - F.2.7.2. Change Classification
 - F.2.7.3. Private to For-Hire
 - F.2.7.4. Private to For-Hire with encumbrance
 - F.2.7.5. For-Hire to Private
 - F.2.7.6. Government to Private
 - F.2.7.7. Private to Government
 - F.2.7.8. Diplomatic to Private
 - F.2.7.9. OEV to Private
 - F.2.7.10. Change chassis/engine acquired from previously registered MVs
 - F.2.7.11. Registration of MVs acquired through public bidding conducted by government office/entity
 - F.2.7.12. Registration of MVs acquired through Donation
 - F.2.7.13. Registration of MVs obtained at Public Auction before a Notary Public by virtue of a Mechanic's Lien
 - F.2.7.14. Registration of MVs acquired through judicial settlement of estate of a deceased person
 - F.2.7.15. Registration of MVs acquired through extra-judicial settlement of estate of a deceased person
 - F.2.7.16. Transfer of ownership of Underbond MVs
 - F.2.7.17. Transfer of ownership of MVs obtained through a sheriff's certificate of sale
 - F.2.7.18. Transfer of ownership of MVs obtained through a sheriff's certificate of sale issued under an extra-judicial foreclosure sale
 - F.2.7.19. Transfer of ownership of MVs obtained through an extra-judicial foreclosure sale conducted before a notary public
 - F.2.7.20. Transfer of ownership of MVs obtained through a sheriff's certificate of sale pursuant to a money judgment which has become final
 - F.2.7.21. Transfer of ownership of MVs purchased from Diplomatic/Tax Exempt personnel
 - F.2.7.22. Annotation of Mortgages and other Liens or Encumbrances
 - F.2.7.23. Cancellation of Mortgage and other Liens or Encumbrances
 - F.2.7.24. Cancellation of Mortgage when the Financing Company (Mortgagee) no longer exists and the Released Mortgage Contract is missing
 - F.2.7.25. Transfer of ownership of MVs covered by CB No. 1168 purchased from "Balikbayans"
 - F.2.7.26. Change Chassis/Engine
 - F.2.7.27. Transfer of ownership of Private MVs
 - F.2.7.28. Transfer of ownership of For-Hire MVs/MCs
 - F.2.7.29. Change Body/Body design

F.2.7.30. Other Miscellaneous Transactions not requiring change of Certification of Registration (CR)

- F.2.7.30.1. Duplicate Plate/Replacement Sticker
- F.2.7.30.2. Issuance of Vanity License Plate (VLP)
- F.2.7.30.3. Issuance of Optional MV Special Plate
- F.2.7.30.4. Storage of MV license plate
- F.2.7.30.5. Reactivation of stored MV (on-site processing)
- F.2.7.30.6. Recording of MVs
- F.2.7.30.7. Renewal/Issuance of Security Plates/Stickers
- F.2.7.30.8. Change color
- F.2.7.30.9. Re-stamping of engine/chassis numbers
- F.2.7.30.10. Stamping of local chassis identification number
- F.2.7.30.11. Payment through Postal Money Order (PMO) and certified Checks paid as deposit for Motor Vehicle Users Charge (MVUC)
- F.2.7.30.12. Replacement of mutilated MV smart card
- F.2.7.30.13. Replacement of lost MV smart card

F.3. Law Enforcement and Traffic Adjudication System (LETAS)

- F.3.1. Apprehension of Violators
- F.3.2. Adjudication of Apprehension
 - F.3.2.1. Settlement of Admitted Case
 - F.3.2.2. Settlement of Contested Case
- F.3.3. Handling of Alarms
- F.3.4. Access facility for Agency Interconnection
- F.3.5. System validation with other LTO IT System
 - F.3.5.1. Driver's Licensing System
 - F.3.5.2. Motor Vehicle Registration System

F.4. Revenue Collection System

- F.4.1. Common module for the following systems:
 - F.4.1.1. Driver's Licensing System;
 - F.4.1.2. Motor Vehicle Registration System;
 - F.4.1.3. Law Enforcement and Traffic Adjudication System; and
 - F.4.1.4. Executive Information System
- F.4.2. Has the following modules:
 - F.4.2.1. General Ledger;
 - F.4.2.2. Account Receivable;
 - F.4.2.3. Account Payable;
 - F.4.2.4. Billing;
 - F.4.2.5. Bank Reconciliation; and
 - F.4.2.6. E-Payment Processing
 - F.4.2.6.1. Cash Payment
 - F.4.2.6.2. Credit Card/ Debit Card Payment Facility (Point of Sale System);
 - F.4.2.6.3. Bank Payment Facility;
 - F.4.2.6.4. Other Payment Facility (e.g. retail outlets).
- F.4.3. Reports Generation

- F.4.4. Journals
- F.4.5. Support for Taxation
 - F.4.5.1. Value Added Tax
 - F.4.5.2. Documentary Stamp
 - F.4.5.3. Withholding Tax
 - F.4.5.4. Other applicable taxes

F.5. Executive Information System

- F.5.1. Performance and Trends of all DOTC/LTO Services and Offices related to hardware and office systems;
- F.5.2. Financial and Revenue Collection performance and Trends;
- F.5.3. Customer Feedback and Satisfaction Survey Results;
- F.5.4. Ad Hoc Reports; and
- F.5.5. Should have mapping capabilities.

G. MINIMUM MANPOWER REQUIREMENTS

Bidders are required to submit a CV of their proposed manpower (please refer to Section VIII. Bidding Forms for the format)

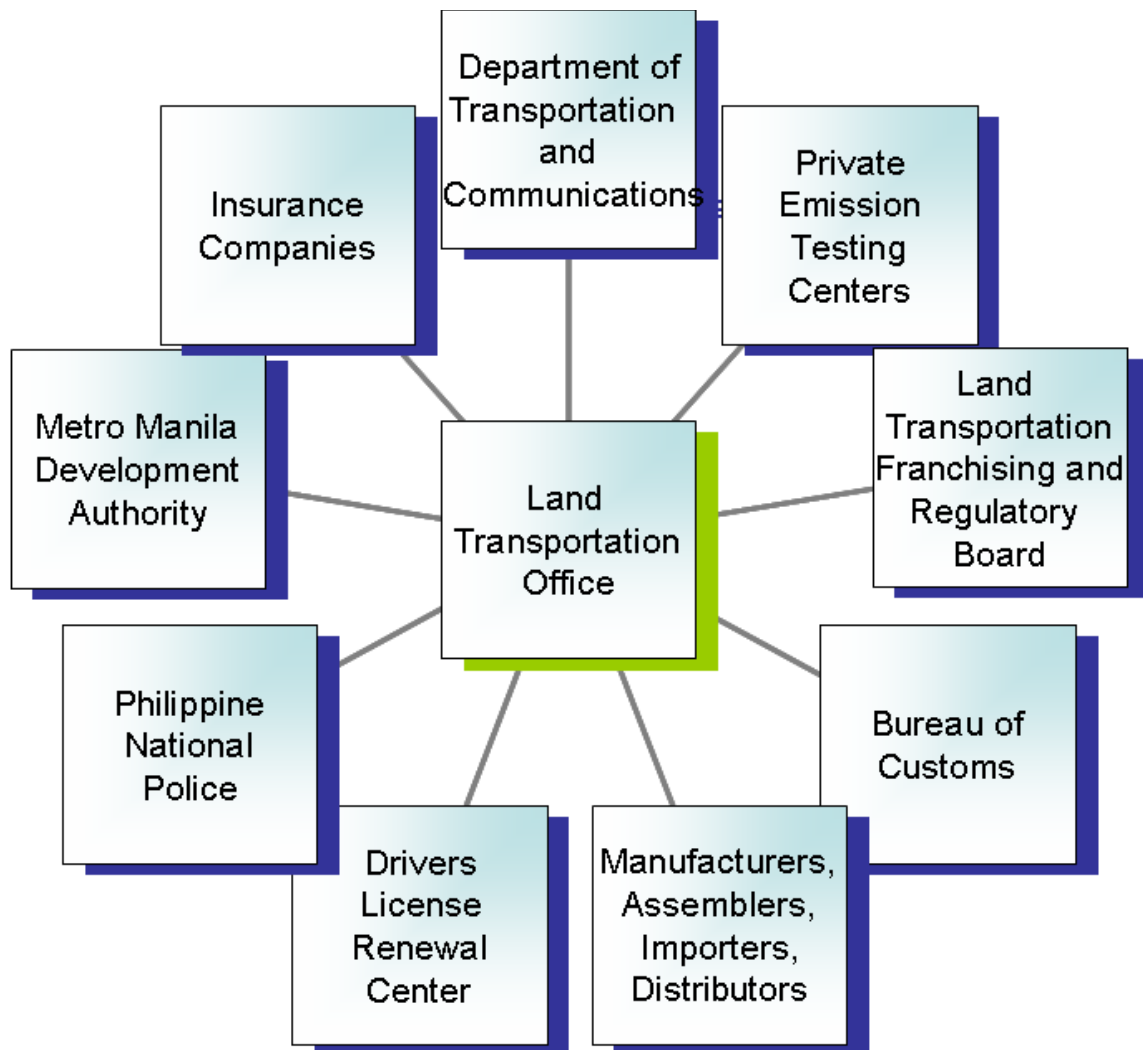
- G.1. Project Director
 - G.1.1. Must have a minimum of 10 years experience in overseeing large-scale ICT Projects
- G.2. Project Manager*
 - G.2.1. Must have a minimum 10 year experience in managing ICT Projects
- G.3. Driver's Licensing Domain Expert (for DLS)**
 - G.3.1. Must have implemented at least 1 Driver's Licensing System Project
- G.4. Motor Vehicle Registration Domain Expert (for MVRS) **
 - G.4.1. Must have implemented at least 1 Motor Vehicle Registration System Project
- G.5. Law Enforcement and Traffic Adjudication Domain Expert (for LETAS) **
 - G.5.1. Must have implemented at least 1 Law Enforcement and Traffic Adjudication System Project
- G.6. Revenue Collection Domain Expert (for RCS)
 - G.6.1. Must have implemented at least 1 Revenue Collection System Project
- G.7. Analytics and Reporting Domain Expert (for EIS)
 - G.7.1. Must have implemented at least 1 Executive Information System Project
- G.8. Infrastructure and Data Center Lead*
 - G.8.1. Must have a minimum 10 years experience in designing an ICT Infrastructure and Data Center projects
- G.9. System Implementation and Integration Lead*

- G.9.1. Must have a minimum 10 years experience in implementing multiple systems and integration
- G.10.** Database Administration Lead*
G.10.1. Must have a minimum 10 years experience in designing and implementing a database for a large scale ICT Project
- G.11.** Information Security Lead*
G.11.1. Must have a minimum 10 years experience in designing and implementing Information Security of an ICT Project
- G.12.** Network Security Lead*
G.12.1. Must have a minimum 10 years experience in designing and implementing a Network Security of an ICT Project
- G.13.** Training Lead **
G.13.1. Must have a minimum 5 years Experience as Training Lead of an ICT project
- G.14.** Change Management Lead **
G.14.1. Must have a minimum 5 years experience in as Change Management Lead of an ICT project
- G.15.** Quality Assurance Lead*
G.15.1. Must have a minimum 5 years experience as Quality Assurance Lead of an ICT project

* Should have certification on the technology component of the proposed solution

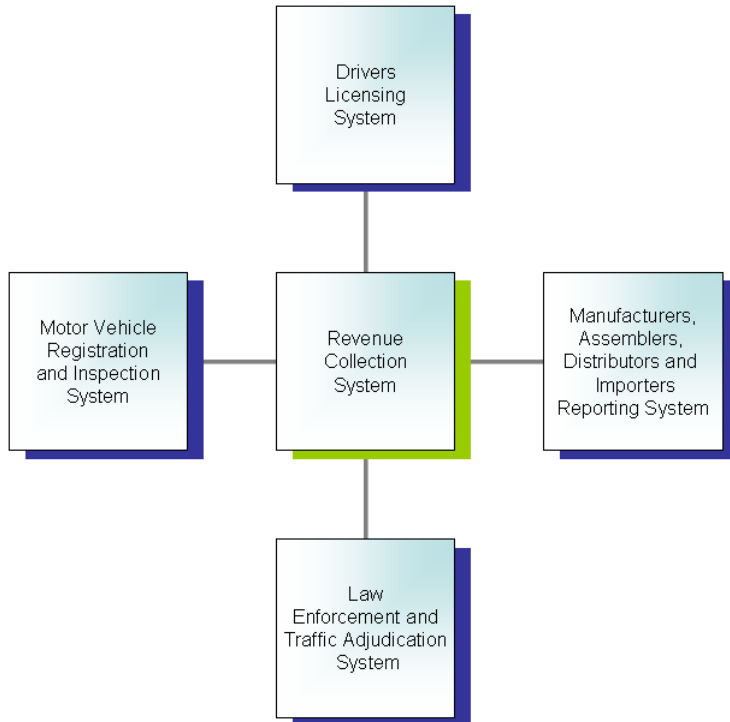
** The bidder may use the same person for these positions, namely: Driver's Licensing Domain Expert (for DLS); Motor Vehicle Registration Domain Expert (for MVRS); Law Enforcement and Traffic Adjudication Domain Expert (for LETAS); Training Lead; Change Management Lead.

1. EXISTING LTO STAKEHOLDERS RELATIONSHIP DIAGRAMS

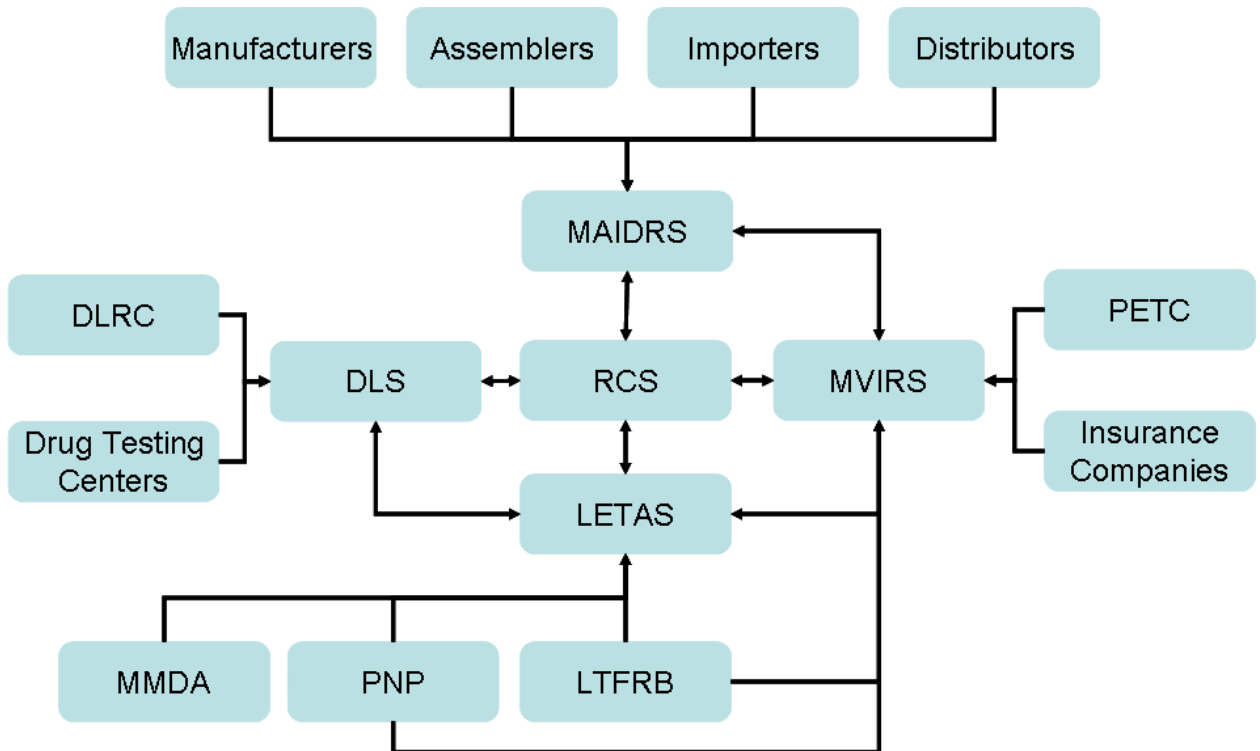


2. EXISTING LTO SERVICES DIAGRAMS

A. Main Applications

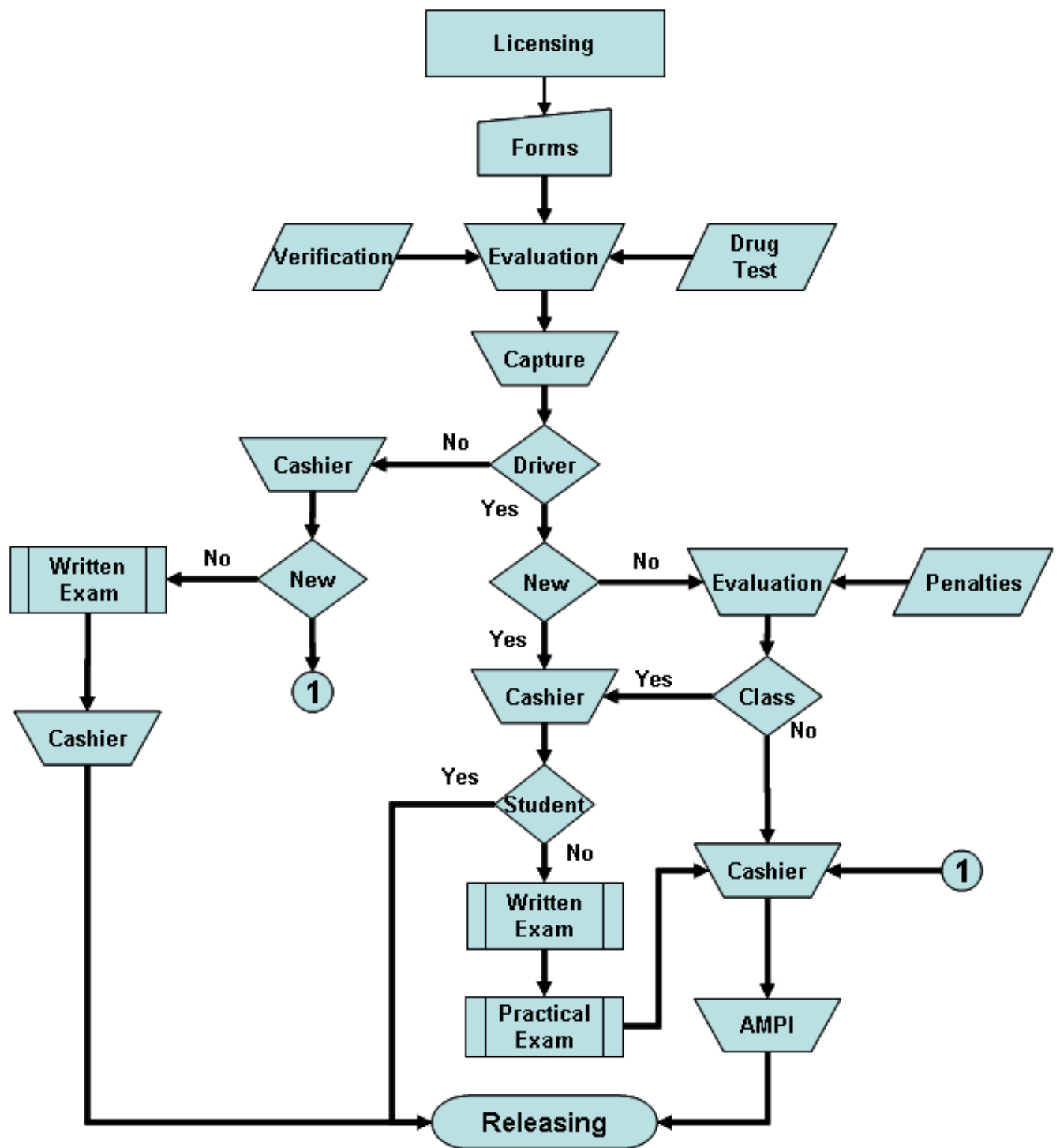


B. Applications-Stakeholders Relationship Diagram

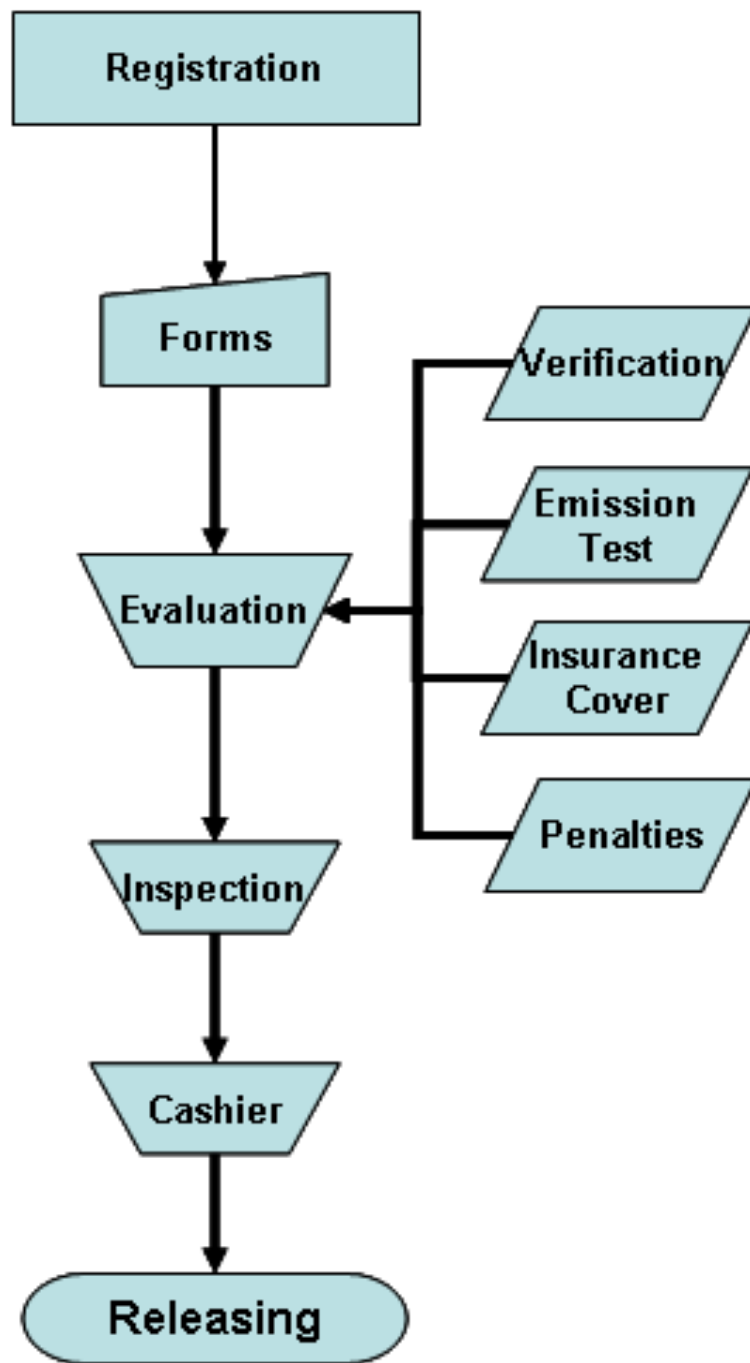


3. EXISTING LTO PROCESSES AND SYSTEMS

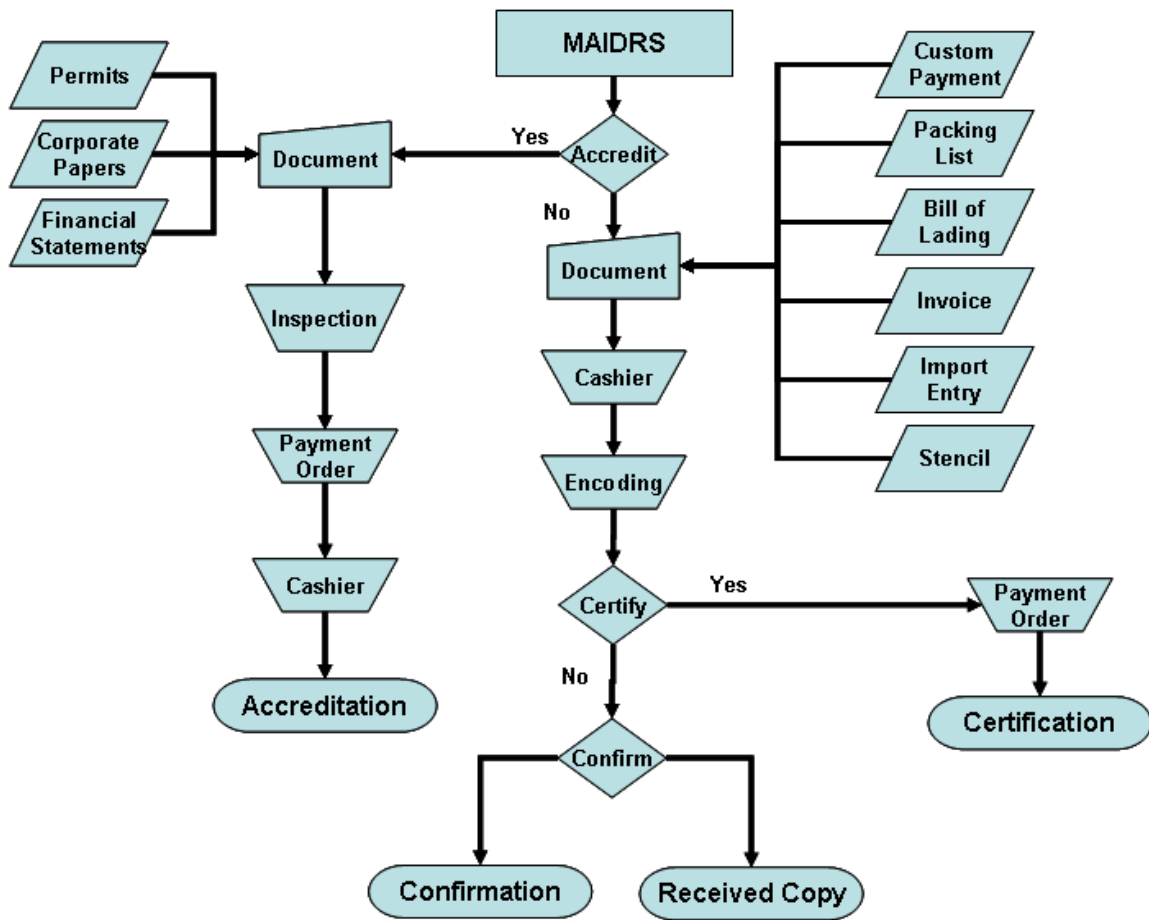
A. Driver's Licensing System



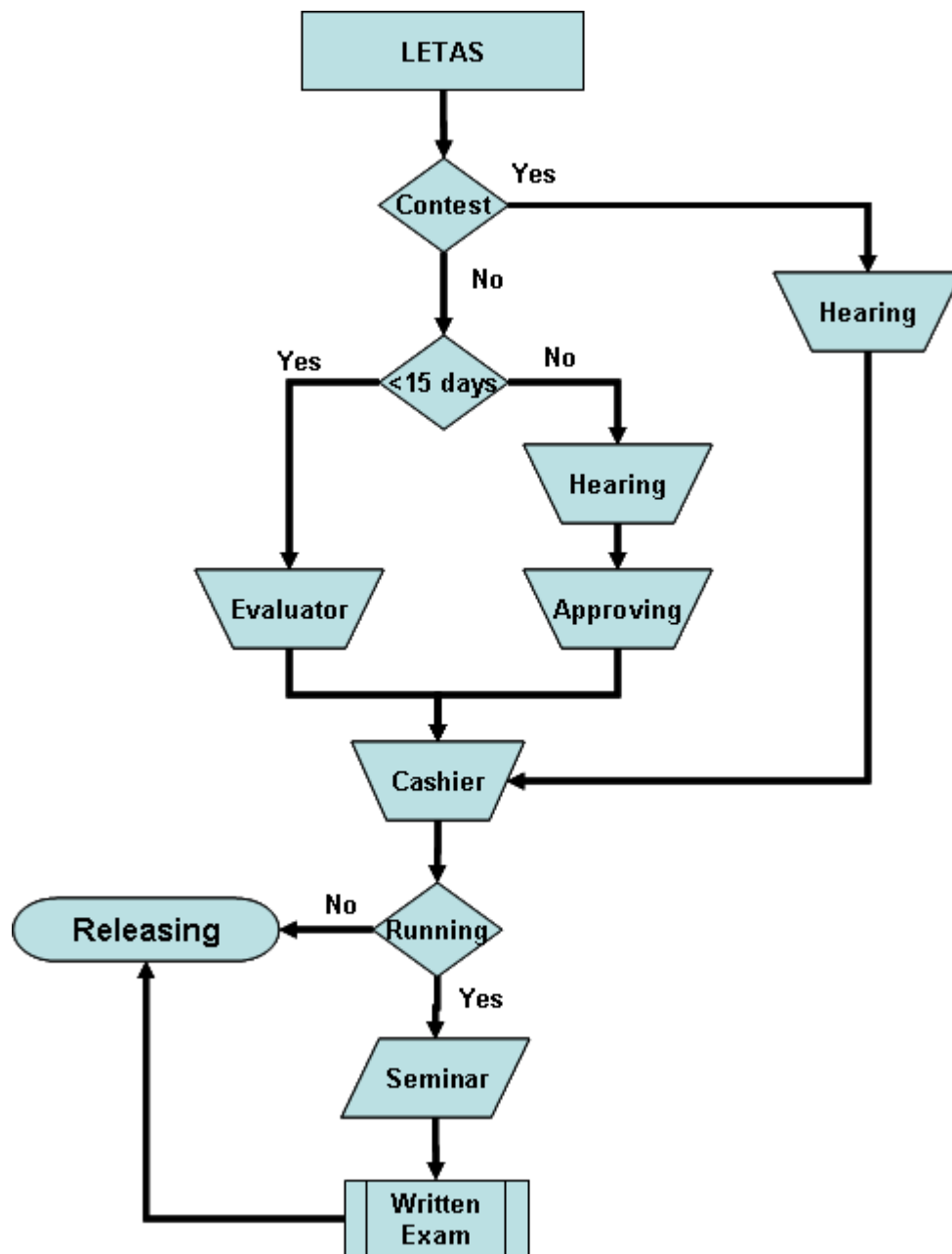
B. Motor Vehicle Registration and Inspection System



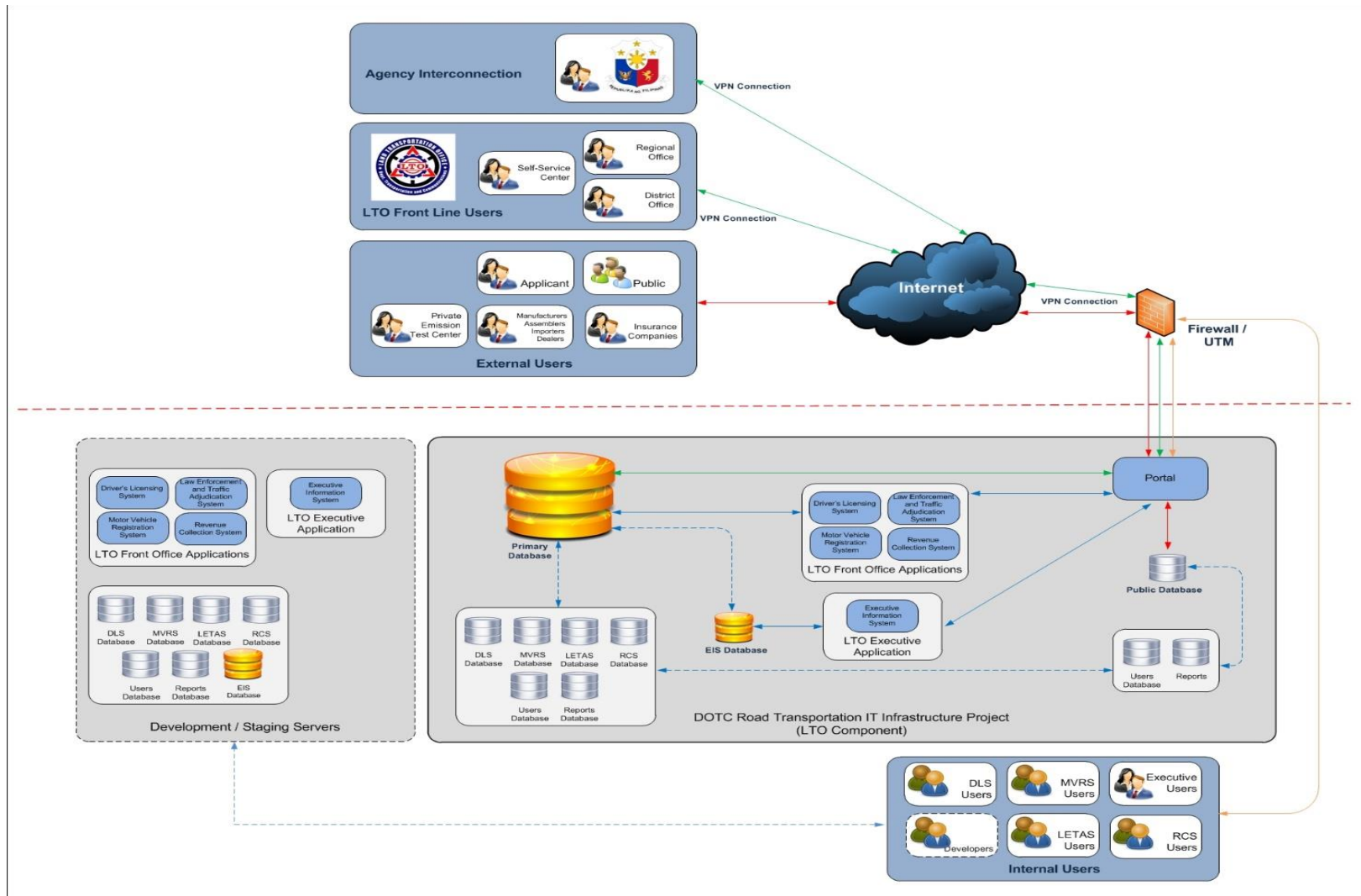
C. Manufacturers, Assemblers, Importers and Distributors Reporting System



D. Law Enforcement and Traffic Adjudication System



4. CONCEPTUAL SOLUTION ARCHITECTURE



Section VIII. Bidding Forms

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Bid Form

Date: _____
Invitation to Bid N^o: _____

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

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to *[supply/deliver/perform]* *[description of the Goods]* in conformity with the said Bidding Documents for the sum of *[total Bid amount in words and figures]* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in **BDS** provision for **ITB** Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

(if none, state "None")

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per **ITB** Clause 5 of the Bidding Documents.

Dated this _____ day of _____ 20_____.

[signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

Contract Agreement Form

THIS AGREEMENT made the _____ day of _____ 20____ between [*name of PROCURING ENTITY*] of the Philippines (hereinafter called “the Entity”) of the one part and [*name of Supplier*] of [*city and country of Supplier*] (hereinafter called “the Supplier”) of the other part:

WHEREAS the Entity invited Bids for certain goods and ancillary services, viz., [*brief description of goods and services*] and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of [*contract price in words and figures*] (hereinafter called “the Contract Price”).

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 referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Bid Form and the Price Schedule submitted by the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Special Conditions of Contract; and
 - (f) the Entity’s Notification of Award.
3. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

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

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

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 Bidding Documents;
- 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]*.

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

Bidder's Representative/Authorized Signatory

[JURAT]

* This form will not apply for WB funded projects.

Bank Guarantee Form for Advance Payment

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

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends Clause 10 of the General Conditions of Contract to provide for advance payment, *[name and address of Supplier]* (hereinafter called the "Supplier") shall deposit with the PROCURING ENTITY a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of *[amount of guarantee in figures and words]*.

We, the *[bank or financial institution]*, as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the PROCURING ENTITY on its first demand without whatsoever right of objection on our part and without its first claim to the Supplier, in the amount not exceeding *[amount of guarantee in figures and words]*.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between the PROCURING ENTITY and the Supplier, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[date]*.

Yours truly,

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]

Bid Securing Declaration

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

BID-SECURING DECLARATION

Invitation to Bid/Request for Expression of Interest No.: *[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, 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, if I/we have committed any of the following actions:
 - (i) Withdrawn my/our Bid during the period of bid validity required in the Bidding Documents; or
 - (ii) Fail or refuse to accept the award and enter into contract or perform any and all acts necessary to the execution of the Contract, in accordance with the Bidding Documents after having been notified of your acceptance of our Bid during the period of bid validity.
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 are declared as the bidder with the Lowest Calculated and Responsive Bid/Highest Rated and Responsive Bid, and I/we have furnished the performance security and signed 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. _____

PTR No. __, [date issued], [place issued]

IBP No. __, [date issued], [place issued]

Doc No. ____

Page No. ____

Book No. ____

Series of ____.

Format of Curriculum Vitae for Proposed Professional Staff

Proposed Position: _____

Name of Firm: _____

Name of Staff: _____

Profession: _____

Date of Birth: _____

Years with Firm/Entity: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned: _____

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on project. Describe degree of responsibility held by staff member on relevant previous projects and give dates and locations. Use about half a page.]

Education:

[Summarize college/university and other specialized education of staff members, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of projects. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]

Languages:

[For each language, indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

_____ Date: _____
[Signature of staff member and authorized representative of the firm] Day/Month/Year

Full name of staff member: _____

Full name of authorized representative: _____

