



Office of the President of the Philippines
GOVERNANCE COMMISSION
FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



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PHILIPPINE BIDDING DOCUMENTS

(As Harmonized with Development Partners)

PROCUREMENT OF SECURITY SERVICES FOR 01 JANUARY 2021 TO 31 DECEMBER 2021

Government of the Republic of the
Philippines

**Sixth Edition
July 2020**

Preface

These Philippine Bidding Documents (PBDs) for the procurement of Goods through Competitive Bidding have been prepared by the Government of the Philippines for use by any branch, constitutional commission or office, agency, department, bureau, office, or instrumentality of the Government of the Philippines, National Government Agencies, including Government-Owned and/or Controlled Corporations, Government Financing Institutions, State Universities and Colleges, and Local Government Unit. The procedures and practices presented in this document have been developed through broad experience, and are for mandatory use in projects that are financed in whole or in part by the Government of the Philippines or any foreign government/foreign or international financing institution in accordance with the provisions of the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184.

The Bidding Documents shall clearly and adequately define, among others: (i) the objectives, scope, and expected outputs and/or results of the proposed contract or Framework Agreement, as the case may be; (ii) the eligibility requirements of Bidders; (iii) the expected contract or Framework Agreement duration, the estimated quantity in the case of procurement of goods, delivery schedule and/or time frame; and (iv) the obligations, duties, and/or functions of the winning bidder.

Care should be taken to check the relevance of the provisions of the PBDs against the requirements of the specific Goods to be procured. If duplication of a subject is inevitable in other sections of the document prepared by the Procuring Entity, care must be exercised to avoid contradictions between clauses dealing with the same matter.

Moreover, each section is prepared with notes intended only as information for the Procuring Entity or the person drafting the Bidding Documents. They shall not be included in the final documents. The following general directions should be observed when using the documents:

- a. All the documents listed in the Table of Contents are normally required for the procurement of Goods. However, they should be adapted as necessary to the circumstances of the particular Procurement Project.
- b. Specific details, such as the “*name of the Procuring Entity*” and “*address for bid submission*,” should be furnished in the Instructions to Bidders, Bid Data Sheet, and Special Conditions of Contract. The final documents should contain neither blank spaces nor options.
- c. This Preface and the footnotes or notes in italics included in the Invitation to Bid, Bid Data Sheet, General Conditions of Contract, Special Conditions of Contract, Schedule of Requirements, and Specifications are not part of the text of the final document, although they contain instructions that the Procuring Entity should strictly follow.

- d. The cover should be modified as required to identify the Bidding Documents as to the Procurement Project, Project Identification Number, and Procuring Entity, in addition to the date of issue.
- e. Modifications for specific Procurement Project details should be provided in the Special Conditions of Contract as amendments to the Conditions of Contract. For easy completion, whenever reference has to be made to specific clauses in the Bid Data Sheet or Special Conditions of Contract, these terms shall be printed in bold typeface on Sections I (Instructions to Bidders) and III (General Conditions of Contract), respectively.
- f. For guidelines on the use of Bidding Forms and the procurement of Foreign-Assisted Projects, these will be covered by a separate issuance of the Government Procurement Policy Board.

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Glossary of Acronyms, Terms, and Abbreviations

ABC – Approved Budget for the Contract.

BAC – Bids and Awards Committee.

Bid – A signed offer or proposal to undertake a contract submitted by a bidder in response to and in consonance with the requirements of the bidding documents. Also referred to as *Proposal* and *Tender*. (2016 revised IRR, Section 5[c])

Bidder – Refers to a contractor, manufacturer, supplier, distributor and/or consultant who submits a bid in response to the requirements of the Bidding Documents. (2016 revised IRR, Section 5[d])

Bidding Documents – The documents issued by the Procuring Entity as the bases for bids, furnishing all information necessary for a prospective bidder to prepare a bid for the Goods, Infrastructure Projects, and/or Consulting Services required by the Procuring Entity. (2016 revised IRR, Section 5[e])

BIR – Bureau of Internal Revenue.

BSP – Bangko Sentral ng Pilipinas.

Consulting Services – Refer to services for Infrastructure Projects and other types of projects or activities of the GOP requiring adequate external technical and professional expertise that are beyond the capability and/or capacity of the GOP to undertake such as, but not limited to: (i) advisory and review services; (ii) pre-investment or feasibility studies; (iii) design; (iv) construction supervision; (v) management and related services; and (vi) other technical services or special studies. (2016 revised IRR, Section 5[i])

CDA - Cooperative Development Authority.

Contract – Refers to the agreement entered into between the Procuring Entity and the Supplier or Manufacturer or Distributor or Service Provider for procurement of Goods and Services; Contractor for Procurement of Infrastructure Projects; or Consultant or Consulting Firm for Procurement of Consulting Services; as the case may be, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

CIF – Cost Insurance and Freight.

CIP – Carriage and Insurance Paid.

CPI – Consumer Price Index.

DDP – Refers to the quoted price of the Goods, which means “delivered duty paid.”

DTI – Department of Trade and Industry.

EXW – Ex works.

FCA – “Free Carrier” shipping point.

FOB – “Free on Board” shipping point.

Foreign-funded Procurement or Foreign-Assisted Project– Refers to procurement whose funding source is from a foreign government, foreign or international financing institution as specified in the Treaty or International or Executive Agreement. (2016 revised IRR, Section 5[b]).

Framework Agreement – Refers to a written agreement between a procuring entity and a supplier or service provider that identifies the terms and conditions, under which specific purchases, otherwise known as “Call-Offs,” are made for the duration of the agreement. It is in the nature of an option contract between the procuring entity and the bidder(s) granting the procuring entity the option to either place an order for any of the goods or services identified in the Framework Agreement List or not buy at all, within a minimum period of one (1) year to a maximum period of three (3) years. (GPPB Resolution No. 27-2019)

GFI – Government Financial Institution.

GOCC – Government-owned and/or –controlled corporation.

Goods – Refer to all items, supplies, materials and general support services, except Consulting Services and Infrastructure Projects, which may be needed in the transaction of public businesses or in the pursuit of any government undertaking, project or activity, whether in the nature of equipment, furniture, stationery, materials for construction, or personal property of any kind, including non-personal or contractual services such as the repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services, as well as procurement of materials and supplies provided by the Procuring Entity for such services. The term “related” or “analogous services” shall include, but is not limited to, lease or purchase of office space, media advertisements, health maintenance services, and other services essential to the operation of the Procuring Entity. (2016 revised IRR, Section 5[r])

GOP – Government of the Philippines.

GPPB – Government Procurement Policy Board.

INCOTERMS – International Commercial Terms.

Infrastructure Projects – Include the construction, improvement, rehabilitation, demolition, repair, restoration or maintenance of roads and bridges, railways,

airports, seaports, communication facilities, civil works components of information technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings, hospital buildings, and other related construction projects of the government. Also referred to as *civil works or works*. (2016 revised IRR, Section 5[u])

LGUs – Local Government Units.

NFCC – Net Financial Contracting Capacity.

NGA – National Government Agency.

PhilGEPS - Philippine Government Electronic Procurement System.

Procurement Project – refers to a specific or identified procurement covering goods, infrastructure project or consulting services. A Procurement Project shall be described, detailed, and scheduled in the Project Procurement Management Plan prepared by the agency which shall be consolidated in the procuring entity's Annual Procurement Plan. (GPPB Circular No. 06-2019 dated 17 July 2019)

PSA – Philippine Statistics Authority.

SEC – Securities and Exchange Commission.

SLCC – Single Largest Completed Contract.

Supplier – refers to a citizen, or any corporate body or commercial company duly organized and registered under the laws where it is established, habitually established in business and engaged in the manufacture or sale of the merchandise or performance of the general services covered by his bid. (Item 3.8 of GPPB Resolution No. 13-2019, dated 23 May 2019). Supplier as used in these Bidding Documents may likewise refer to a distributor, manufacturer, contractor, or consultant.

UN – United Nations.

Section I. Invitation to Bid

Notes on the Invitation to Bid

The Invitation to Bid (IB) provides information that enables potential Bidders to decide whether to participate in the procurement at hand. The IB shall be posted in accordance with Section 21.2 of the 2016 revised IRR of RA No. 9184.

Apart from the essential items listed in the Bidding Documents, the IB should also indicate the following:

- a. The date of availability of the Bidding Documents, which shall be from the time the IB is first advertised/posted until the deadline for the submission and receipt of bids;
- b. The place where the Bidding Documents may be acquired or the website where it may be downloaded;
- c. The deadline for the submission and receipt of bids; and
- d. Any important bid evaluation criteria (e.g., the application of a margin of preference in bid evaluation).

The IB should be incorporated in the Bidding Documents. The information contained in the IB must conform to the Bidding Documents and in particular to the relevant information in the Bid Data Sheet.



INVITATION TO BID FOR THE PROCUREMENT OF SECURITY SERVICES FOR 01 JANUARY 2021 TO 31 DECEMBER 2021

1. The Governance Commission for GOCCs (GCG) through the General Appropriations Act of 2021 (GAA 2021) intends to apply the sum of Two Million Two Hundred Fifty Thousand Pesos Only (**₱2,250,000.00**) being the ABC to payments under the contract for the procurement of Security Services for 01 January 2021 to 31 December 2021 (P.R.No. 20-0038). Bids received in excess of the ABC shall be automatically rejected at bid opening.
2. The GCG now invites bids for the above Procurement Project. Delivery of the Services is required beginning 01 January 2021 until 31 December 2021. Bidders should have completed, within three (3) years from the date of submission and receipt of bids, a contract similar to the Project. Service provider must also be in the security service business for at least five (5) years and with at least twenty (20) existing corporate clients. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II (Instructions to Bidders).
3. Bidding will be conducted through open competitive bidding procedures using a non-discretionary "pass/fail" criterion as specified in the 2016 revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184.

Bidding is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to RA No. 5183.

4. Prospective Bidders may obtain further information from the GCG office and inspect the Bidding Documents at the address given below during *the hours of 8:00am to 3:30pm, Mondays to Fridays*.
5. A complete set of Bidding Documents may be acquired by interested Bidders on 10 May 2021 from the given address and website(s) below *and upon payment of the applicable fee for the Bidding Documents, pursuant to the latest Guidelines issued by the GPPB, in the amount of Five Thousand Pesos Only (₱ 5,000.00)*. The Procuring Entity shall allow the bidder to present its proof of payment for the fees *in person, by facsimile, or through electronic means provided that the presentation of the same be done before the scheduled bid opening*.
6. The GCG will hold a Pre-Bid Conference on **18 May 2021, 2:00PM at the GCG Office, 3rd BDO Towers Paseo (formerly Citibank Center), Paseo de Roxas, Makati City** and/or through video conferencing or webcasting *via Microsoft Teams* which shall be open to prospective bidders. Prospective bidders that intend to participate through video conferencing may confirm their attendance by sending their email address to procurement@gcg.gov.ph to receive the meeting invite.

7. Bids must be duly received by the BAC Secretariat through **manual submission of the physical documents** at the office address indicated below on or before **31 May 2021, 2:00PM**. Late bids will not be accepted.
8. All Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in **ITB Clause 14**.
9. Bid opening shall be on **31 May 2021, 2:00PM** at the given address below. Bids will be opened in the presence of the bidders' representatives who choose to attend the activity either physically at the given address below or through video conferencing.
10. The GCG reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract at any time prior to contract award in accordance with Sections 35.6 and 41 of the 2016 revised IRR of RA No. 9184, without thereby incurring any liability to the affected bidder or bidders.
11. In cases involving a tie among bidders, the procuring entity will bring the concerned service providers/suppliers to agree on a method to break the tie which shall be non-discretionary/non-discriminatory and is similarly based on sheer luck or chance.
12. For further information, please refer to:
Christian Paul N. Pinote
Supervising Administrative Officer
Procurement Management Division

Governance Commission for GOCCs
3/F BDO Towers Paseo (formerly Citibank Center), Paseo de Roxas
Makati City, Philippines 1226
cpnpinote@gcg.gov.ph / procurement@gcg.gov.ph
Tel. No. (632) 5328-2030 loc. 371 and 415
Fax No. (632) 5328-2030
www.gcg.gov.ph
13. You may visit the website, www.gcg.gov.ph for downloading of bidding documents

07 May 2021

DIR. JOHANN CARLOS S. BARCENA
BAC Chairman



Section II. Instructions to Bidders

Notes on the Instructions to Bidders

This Section on the Instruction to Bidders (ITB) provides the information necessary for bidders to prepare responsive bids, in accordance with the requirements of the Procuring Entity. It also provides information on bid submission, eligibility check, opening and evaluation of bids, post-qualification, and on the award of contract.

1. Scope of Bid

The Procuring Entity, GCG wishes to receive Bids for the procurement of Security Services for 01 January 2021 to 31 December 2021 Project with identification number P.R. No. 20-0038.

The Procurement Project (referred to herein as “Project”) is composed of 1 lot the details of which are described in Section VII (Technical Specifications).

2. Funding Information

2.1. The GOP through the source of funding as indicated below for 2021 in the amount of Two Million Two Hundred Fifty Thousand Pesos Only **(P2,250,000.00)**

2.2. The source of funding is the NGA, the National Expenditure Program.

3. Bidding Requirements

The Bidding for the Project shall be governed by all the provisions of RA No. 9184 and its 2016 revised IRR, including its Generic Procurement Manuals and associated policies, rules and regulations as the primary source thereof, while the herein clauses shall serve as the secondary source thereof.

Any amendments made to the IRR and other GPPB issuances shall be applicable only to the ongoing posting, advertisement, or **IB** by the BAC through the issuance of a supplemental or bid bulletin.

The Bidder, by the act of submitting its Bid, shall be deemed to have verified and accepted the general requirements of this Project, including other factors that may affect the cost, duration and execution or implementation of the contract, project, or work and examine all instructions, forms, terms, and project requirements in the Bidding Documents.

4. Corrupt, Fraudulent, Collusive, and Coercive Practices

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. They or through an agent shall not engage in corrupt, fraudulent, collusive, coercive, and obstructive practices defined under Annex “I” of the 2016 revised IRR of RA No. 9184 or other integrity violations in competing for the Project.

5. Eligible Bidders

5.1. Only Bids of Bidders found to be legally, technically, and financially capable will be evaluated.

- 5.2. Foreign ownership limited to those allowed under the rules may participate in this Project.
- 5.3. Pursuant to Section 23.4.1.3 of the 2016 revised IRR of RA No.9184, the Bidder shall have an SLCC that is at least one (1) contract similar to the Project the value of which, adjusted to current prices using the PSA's CPI, must be at least equivalent to:
 - a. For the procurement of Non-expendable Supplies and Services: The Bidder must have completed a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.
- 5.4. The Bidders shall comply with the eligibility criteria under Section 23.4.1 of the 2016 IRR of RA No. 9184.

6. Origin of Goods

There is no restriction on the origin of goods other than those prohibited by a decision of the UN Security Council taken under Chapter VII of the Charter of the UN, subject to Domestic Preference requirements under **ITB** Clause 18.

7. Subcontracts

- 7.1. The Procuring Entity has prescribed that Subcontracting is not allowed.

8. Pre-Bid Conference

The Procuring Entity will hold a pre-bid conference for this Project on **18 May 2021, at 2:00 PM and at the GCG Office, 3rd Floor, BDO Towers Paseo (formerly Citibank Center), Paseo de Roxas, Makati City** and/or through video conferencing or webcasting *via Microsoft Teams* as indicated in paragraph 6 of the **IB**.

9. Clarification and Amendment of Bidding Documents

Prospective bidders may request for clarification on and/or interpretation of any part of the Bidding Documents. Such requests must be in writing and received by the Procuring Entity, either at its given address or through electronic mail indicated in the **IB**, at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.

10. Documents comprising the Bid: Eligibility and Technical Components

- 10.1. The first envelope shall contain the eligibility and technical documents of the Bid as specified in **Section VIII (Checklist of Technical and Financial Documents)**.

- 10.2. The Bidder's SLCC as indicated in **ITB** Clause 5.3 should have been completed within three (3) years prior to the deadline for the submission and receipt of bids.
- 10.3. If the eligibility requirements or statements, the bids, and all other documents for submission to the BAC are in foreign language other than English, it must be accompanied by a translation in English, which shall be authenticated by the appropriate Philippine foreign service establishment, post, or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines. Similar to the required authentication above, for Contracting Parties to the Apostille Convention, only the translated documents shall be authenticated through an apostille pursuant to GPPB Resolution No. 13-2019 dated 23 May 2019. The English translation shall govern, for purposes of interpretation of the bid.

11. Documents comprising the Bid: Financial Component

- 11.1. The second bid envelope shall contain the financial documents for the Bid as specified in **Section VIII (Checklist of Technical and Financial Documents)**.
- 11.2. If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification issued by DTI shall be provided by the Bidder in accordance with Section 43.1.3 of the 2016 revised IRR of RA No. 9184.
- 11.3. Any bid exceeding the ABC indicated in paragraph 1 of the **IB** shall not be accepted.
- 11.4. For Foreign-funded Procurement, a ceiling may be applied to bid prices provided the conditions are met under Section 31.2 of the 2016 revised IRR of RA No. 9184.

12. Bid Prices

- 12.1. 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);
 - ii. The cost of all customs duties and sales and other taxes already paid or payable;
 - iii. The cost of transportation, insurance, and other costs incidental to delivery of the Goods to their final destination; and

- iv. The price of other (incidental) services, if any, listed in e.
- b. For Goods offered from abroad:
 - i. Unless otherwise stated in the **BDS**, the price of the Goods shall be quoted delivered duty paid (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, as listed in **Section VII (Technical Specifications)**.

13. Bid and Payment Currencies

- 13.1. For Goods that the Bidder will supply from outside the Philippines, the bid prices may be quoted in the local currency or tradeable currency accepted by the BSP at the discretion of the Bidder. 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.
- 13.2. Payment of the contract price shall be made in Philippine Pesos.

14. Bid Security

- 14.1. The Bidder shall submit a Bid Securing Declaration¹ or any form of Bid Security in the amount indicated in the **BDS**, which shall be not less than the percentage of the ABC in accordance with the schedule in the **BDS**.
- 14.2. The Bid and bid security shall be valid for a period of One Hundred Twenty (120) calendar days from date of the opening of bids. Any Bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.

¹ In the case of Framework Agreement, the undertaking shall refer to entering into contract with the Procuring Entity and furnishing of the performance security or the performance securing declaration within ten (10) calendar days from receipt of Notice to Execute Framework Agreement.

15. Sealing and Marking of Bids

Each Bidder shall submit ten (10) copies of the first and second components of its Bid.

The Procuring Entity may request additional hard copies and/or electronic copies of the Bid. However, failure of the Bidders to comply with the said request shall not be a ground for disqualification.

16. Deadline for Submission of Bids

16.1. The Bidders shall submit on the specified date and time at the physical address indicated in paragraph 7 of the **IB**.

17. Opening and Preliminary Examination of Bids

17.1. The BAC shall open the Bids in public at the time, on the date, and at the place specified in paragraph 9 of the **IB**. The Bidders' representatives who are present shall sign a register evidencing their attendance. In case videoconferencing, webcasting or other similar technologies will be used, attendance of participants shall likewise be recorded by the BAC Secretariat.

In case the Bids cannot be opened as scheduled due to justifiable reasons, the rescheduling requirements under Section 29 of the 2016 revised IRR of RA No. 9184 shall prevail.

17.2. The preliminary examination of bids shall be governed by Section 30 of the 2016 revised IRR of RA No. 9184.

18. Domestic Preference

18.1. The Procuring Entity will grant a margin of preference for the purpose of comparison of Bids in accordance with Section 43.1.2 of the 2016 revised IRR of RA No. 9184.

19. Detailed Evaluation and Comparison of Bids

19.1. The Procuring BAC shall immediately conduct a detailed evaluation of all Bids rated "*passed*," using non-discretionary pass/fail criteria. The BAC shall consider the conditions in the evaluation of Bids under Section 32.2 of the 2016 revised IRR of RA No. 9184.

19.2. If the Project allows partial bids, bidders may submit a proposal on any of the lots or items, and evaluation will be undertaken on a per lot or item basis, as the case maybe. In this case, the Bid Security as required by **ITB** Clause 15 shall be submitted for each lot or item separately.

- 19.3. The descriptions of the lots or items shall be indicated in **Section VII (Technical Specifications)**, although the ABCs of these lots or items are indicated in the **BDS** for purposes of the NFCC computation pursuant to Section 23.4.2.6 of the 2016 revised IRR of RA No. 9184. The NFCC must be sufficient for the total of the ABCs for all the lots or items participated in by the prospective Bidder.
- 19.4. The Project shall be awarded as follows:
- One Project having several items that shall be awarded as one contract.
- 19.5. Except for bidders submitting a committed Line of Credit from a Universal or Commercial Bank in lieu of its NFCC computation, all Bids must include the NFCC computation pursuant to Section 23.4.1.4 of the 2016 revised IRR of RA No. 9184, which must be sufficient for the total of the ABCs for all the lots or items participated in by the prospective Bidder. For bidders submitting the committed Line of Credit, it must be at least equal to ten percent (10%) of the ABCs for all the lots or items participated in by the prospective Bidder.

20. Post-Qualification

- 20.1. Within a non-extendible period of five (5) calendar days from receipt by the Bidder of the notice from the BAC that it submitted the Lowest Calculated Bid, the Bidder shall submit its latest income and business tax returns filed and paid through the BIR Electronic Filing and Payment System (eFPS) and other appropriate licenses and permits required by law and stated in the **BDS**.

21. Signing of the Contract

- 21.1. The documents required in Section 37.2 of the 2016 revised IRR of RA No. 9184 shall form part of the Contract. Additional Contract documents are indicated in the **BDS**.

Section III. Bid Data Sheet

Notes on the Bid Data Sheet

The Bid Data Sheet (BDS) consists of provisions that supplement, amend, or specify in detail, information, or requirements included in the ITB found in Section II, which are specific to each procurement.

This Section is intended to assist the Procuring Entity in providing the specific information in relation to corresponding clauses in the ITB and has to be prepared for each specific procurement.

The Procuring Entity should specify in the BDS information and requirements specific to the circumstances of the Procuring Entity, the processing of the procurement, and the bid evaluation criteria that will apply to the Bids. In preparing the BDS, the following aspects should be checked:

- a. Information that specifies and complements provisions of the ITB must be incorporated.
- b. Amendments and/or supplements, if any, to provisions of the ITB as necessitated by the circumstances of the specific procurement, must also be incorporated.

Bid Data Sheet

ITB Clause	
5.3	For this purpose, contracts similar to the Project shall be: <ol style="list-style-type: none"> a. Security Services b. completed within three (3) years prior to the deadline for the submission and receipt of bids.
7.1	<i>Subcontracting is not allowed</i>
12	The price of the Goods shall be quoted DDP <i>Makati City</i> or the applicable International Commercial Terms (INCOTERMS) for this Project.
14.1	The bid security shall be in the form of a Bid Securing Declaration, or any of the following forms and amounts: <ol style="list-style-type: none"> a. The amount of not less than ₱45,000.00 if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; or b. The amount of not less than ₱112,500.00 if bid security is in Surety Bond.
14.2	<p>The PE may request the bidders to extend the validity of their bid securities beyond one hundred twenty (120) calendar days, prior to their expiration, if the funding source for the Procurement Project has yet to be approved and made effective.</p> <p>A change in the form of the bid security is allowed if this is made prior to the expiration of the bid validity sought to be extended.</p> <p>If the bidder refuses to extend the bid validity, the PE shall reject the bid submitted by said bidder. (<i>GPPB Circular 06-2019</i>)</p>
15	Each Bidder shall submit <i>ten (10)</i> copies of the first and second components of its bid.
19.3	<i>Not applicable</i>
20.2	<i>License to Operate issued by the PNP through the PNP Supervisory Office for Security and Investigation Agencies (SOSIA)</i>
21.2	<ul style="list-style-type: none"> • <i>Must submit proof of payment of remittances of statutory contributions to SSS, Pag-IBIG, and PhilHealth for the preceding year. Payments must conform with the schedule of payments as prescribed under SSS Circular No. 2019-12, HDMF Circular No. 275, and Philhealth Circular No. 0001 or any extension of payments as approved by the social welfare agency.</i>

	<ul style="list-style-type: none">• <i>For purposes of complying with the bid specifications, the following conditions shall be required in case of delay/s:</i><ol style="list-style-type: none">1. <i>All delayed payments shall have been made within six (6) months when the premium is due.</i>2. <i>For the past two (2) years, the maximum number of delayed payments shall not exceed six (6) per year and per social welfare agency</i>3. <i>Delays due to fortuitous events shall be supported by extensions granted by the respective social welfare agency.</i>
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Section IV. General Conditions of Contract

Notes on the General Conditions of Contract

The General Conditions of Contract (GCC) in this Section, read in conjunction with the Special Conditions of Contract in Section V and other documents listed therein, should be a complete document expressing all the rights and obligations of the parties.

Matters governing performance of the Supplier, payments under the contract, or matters affecting the risks, rights, and obligations of the parties under the contract are included in the GCC and Special Conditions of Contract.

Any complementary information, which may be needed, shall be introduced only through the Special Conditions of Contract.

1. Scope of Contract

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. All the provisions of RA No. 9184 and its 2016 revised IRR, including the Generic Procurement Manual, and associated issuances, constitute the primary source for the terms and conditions of the Contract, and thus, applicable in contract implementation. Herein clauses shall serve as the secondary source for the terms and conditions of the Contract.

This is without prejudice to Sections 74.1 and 74.2 of the 2016 revised IRR of RA No. 9184 allowing the GPPB to amend the IRR, which shall be applied to all procurement activities, the advertisement, posting, or invitation of which were issued after the effectivity of the said amendment.

Additional requirements for the completion of this Contract shall be provided in the **Special Conditions of Contract (SCC)**.

2. Advance Payment and Terms of Payment

2.1. Advance payment of the contract amount is provided under Annex "D" of the revised 2016 IRR of RA No. 9184.

2.2. The Procuring Entity is allowed to determine the terms of payment on the partial or staggered delivery of the Goods procured, provided such partial payment shall correspond to the value of the goods delivered and accepted in accordance with prevailing accounting and auditing rules and regulations. The terms of payment are indicated in the **SCC**.

3. Performance Security

Within ten (10) calendar days from receipt of the Notice of Award by the Bidder from the Procuring Entity but in no case later than prior to the signing of the Contract by both parties, the successful Bidder shall furnish the performance security in any of the forms prescribed in Section 39 of the 2016 revised IRR of RA No. 9184 Inspection and Tests

The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Project. In addition to tests in the **SCC, Section IV (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.

All reasonable facilities and assistance for the inspection and testing of Goods, including access to drawings and production data, shall be provided

by the Supplier to the authorized inspectors at no charge to the Procuring Entity.

4. Inspection and Tests

The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Project specifications at no extra cost to the Procuring Entity in accordance with the Generic Procurement Manual. In addition to tests in the **SCC, Section IV (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.

All reasonable facilities and assistance for the inspection and testing of Goods, including access to drawings and production data, shall be provided by the Supplier to the authorized inspectors at no charge to the Procuring Entity.

5. Warranty

5.1 In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier as provided under Section 62.1 of the 2016 revised IRR of RA No. 9184.

5.2 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, repair or replace the defective Goods or parts thereof without cost to the Procuring Entity, pursuant to the Generic Procurement Manual.

6. Liability of the Supplier

The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

If the Supplier is a joint venture, all partners to the joint venture shall be jointly and severally liable to the Procuring Entity.

Section V. Special Conditions of Contract

Notes on the Special Conditions of Contract

Similar to the BDS, the clauses in this Section are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in the GCC found in Section IV.

The Special Conditions of Contract (SCC) complement the GCC, specifying contractual requirements linked to the special circumstances of the Procuring Entity, the Procuring Entity's country, the sector, and the Goods purchased. In preparing this Section, the following aspects should be checked:

- a. Information that complements provisions of the GCC must be incorporated.
- b. Amendments and/or supplements to provisions of the GCC as necessitated by the circumstances of the specific purchase, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of the GCC should be incorporated herein.

Special Conditions of Contract

GCC Clause	
1	<p><i>[List here any additional requirements for the completion of this Contract. The following requirements and the corresponding provisions may be deleted, amended, or retained depending on its applicability to this Contract:]</i></p> <p>Delivery and Documents –</p> <p>For purposes of the Contract, “EXW,” “FOB,” “FCA,” “CIF,” “CIP,” “DDP” and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris. The Delivery terms of this Contract shall be as follows:</p> <p><i>[For Goods supplied from abroad, state:]</i> “The delivery terms applicable to the Contract are DDP delivered <i>[indicate place of destination]</i>. In accordance with INCOTERMS.”</p> <p><i>[For Goods supplied from within the Philippines, state:]</i> “The delivery terms applicable to this Contract are delivered <i>[indicate place of destination]</i>. Risk and title will pass from the Supplier to the Procuring Entity upon receipt and final acceptance of the Goods at their final destination.”</p> <p>Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in Section VI (Schedule of Requirements).</p> <p>For purposes of this Clause the Procuring Entity’s Representative at the Project Site is <i>[indicate name(s)]</i>.</p> <p>Incidental Services –</p> <p>The Supplier is required to provide all of the following services, including additional services, if any, specified in Section VI. Schedule of Requirements:</p> <p>The Service Provider may be required by the GCG, at any time during the year, to provide a random drug test result for each of the security guards assigned.</p> <p>The Contract price for the Goods shall include the prices charged by the Supplier for incidental services and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.</p> <p>The Supplier is required to provide all of the following materials, notifications, and information pertaining to spare parts manufactured or</p>

distributed by the Supplier:

a. such spare parts as the Procuring Entity may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under this Contract; and

b. in the event of termination of production of the spare parts:

i. advance notification to the Procuring Entity of the pending termination, in sufficient time to permit the Procuring Entity to procure needed requirements; and

ii. following such termination, furnishing at no cost to the Procuring Entity, the blueprints, drawings, and specifications of the spare parts, if requested.

The spare parts and other components required are listed in **Section VI (Schedule of Requirements)** and the cost thereof are included in the contract price.

The Supplier shall carry sufficient inventories to assure ex-stock supply of consumable spare parts or components for the Goods for a period of *[indicate here the time period specified. If not used indicate a time period of three times the warranty period]*.

Spare parts or components shall be supplied as promptly as possible, but in any case, within *[insert appropriate time period]* months of placing the order.

Packaging –

The Supplier 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.

The packaging, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified below, and in any subsequent instructions ordered by the Procuring Entity.

	<p>The outer packaging must be clearly marked on at least four (4) sides as follows:</p>
	<p>Name of the Procuring Entity Name of the Supplier Contract Description Final Destination Gross weight Any special lifting instructions Any special handling instructions Any relevant HAZCHEM classifications</p>
	<p>A packaging list identifying the contents and quantities of the package is to be placed on an accessible point of the outer packaging if practical. If not practical the packaging list is to be placed inside the outer packaging but outside the secondary packaging.</p> <p>Transportation –</p> <p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP, or DDP, transport of the Goods to the port of destination or such other named place of destination in the Philippines, as shall be specified in this Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.</p> <p>Where the Supplier is required under this Contract to transport the Goods to a specified place of destination within the Philippines, defined as the Project Site, transport to such place of destination in the Philippines, including insurance and storage, as shall be specified in this Contract, shall be arranged by the Supplier, and related costs shall be included in the contract price.</p>
	<p>Where the Supplier is required under Contract to deliver the Goods CIF, CIP or DDP, Goods are to be transported on carriers of Philippine registry. In the event that no carrier of Philippine registry is available, Goods may be shipped by a carrier which is not of Philippine registry provided that the Supplier obtains and presents to the Procuring Entity certification to this effect from the nearest Philippine consulate to the port of dispatch. In the event that carriers of Philippine registry are available but their schedule delays the Supplier in its performance of this Contract the period from when the Goods were first ready for shipment and the actual date of shipment the period of delay will be considered force majeure.</p> <p>The Procuring Entity accepts no liability for the damage of Goods during transit other than those prescribed by INCOTERMS for DDP deliveries. In the case of Goods supplied from within the Philippines or supplied by domestic Suppliers risk and title will not be deemed to have passed to</p>

	<p>the Procuring Entity until their receipt and final acceptance at the final destination.</p> <p>Intellectual Property Rights –</p> <p>The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.</p> <p>The Supplier shall indemnify the Procuring Entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof.</p>
2.2	<p>The terms of payment shall be as follows:</p> <p>Payment of the janitorial services shall be pro-rated based on the actual days or period of services rendered over twelve (12) months (01 January 2021 – 31 December 2021), payable within twenty (20) working days upon receipt of complete documents, <i>i.e.</i>, billing statement / statement of account, and other pertinent documents.</p>
4	<p>The inspections and tests that will be conducted are: <i>[Indicate the applicable inspections and tests]</i></p>

Section VII. Technical Specifications

Notes for Preparing the Technical Specifications

A set of precise and clear specifications is a prerequisite for Bidders to respond realistically and competitively to the requirements of the Procuring Entity without qualifying their Bids. In the context of Competitive Bidding, the specifications (e.g. production/delivery schedule, manpower requirements, and after-sales service/parts, descriptions of the lots or items) must be prepared to permit the widest possible competition and, at the same time, present a clear statement of the required standards of workmanship, materials, and performance of the goods and services to be procured. Only if this is done will the objectives of transparency, equity, efficiency, fairness, and economy in procurement be realized, responsiveness of bids be ensured, and the subsequent task of bid evaluation and post-qualification facilitated. The specifications should require that all items, materials and accessories to be included or incorporated in the goods be new, unused, and of the most recent or current models, and that they include or incorporate all recent improvements in design and materials unless otherwise provided in the Contract.

Samples of specifications from previous similar procurements are useful in this respect. The use of metric units is encouraged. Depending on the complexity of the goods and the repetitiveness of the type of procurement, it may be advantageous to standardize the General Technical Specifications and incorporate them in a separate subsection. The General Technical Specifications should cover all classes of workmanship, materials, and equipment commonly involved in manufacturing similar goods. Deletions or addenda should then adapt the General Technical Specifications to the particular procurement.

Care must be taken in drafting specifications to ensure that they are not restrictive. In the specification of standards for equipment, materials, and workmanship, recognized Philippine and international standards should be used as much as possible. Where other particular standards are used, whether national standards or other standards, the specifications should state that equipment, materials, and workmanship that meet other authoritative standards, and which ensure at least a substantially equal quality than the standards mentioned, will also be acceptable. The following clause may be inserted in the Special Conditions of Contract or the Technical Specifications.

Sample Clause: Equivalency of Standards and Codes

Wherever reference is made in the Technical Specifications to specific standards and codes to be met by the goods and materials to be furnished or tested, the provisions of the latest edition or revision of the relevant standards and codes shall apply, unless otherwise expressly stated in the Contract. Where such standards and codes are national or relate to a particular country or region, other authoritative standards that ensure substantial equivalence to the standards and codes specified will be acceptable.

Reference to brand name and catalogue number should be avoided as far as possible; where unavoidable they should always be followed by the words “*or at least equivalent.*” References to brand names cannot be used when the funding source is the GOP.

Where appropriate, drawings, including site plans as required, may be furnished by the Procuring Entity with the Bidding Documents. Similarly, the Supplier may be requested to provide drawings or samples either with its Bid or for prior review by the Procuring Entity during contract execution.

Bidders are also required, as part of the technical specifications, to complete their statement of compliance demonstrating how the items comply with the specification.

TERMS OF REFERENCE

I	BACKGROUND
	The Governance Commission for GOCCs (GCG) intends to procure SECURITY SERVICES FOR 01 JANUARY TO 31 DECEMBER 2021 to safeguard its personnel, premises, and properties.
II	OBJECTIVE
	The purpose of the procurement of the security services is to guard and protect the GCG personnel, visitors, properties and equipment from assault, trespass, arson, theft, robbery, mischief, or other unlawful acts or negligence.
III	PARTICULARS
	<ul style="list-style-type: none"> • The contract duration shall be for one (1) year and the Approved Budget for the Contract is ₱ 2,250,000.00. • The security services shall be effective for a period of one (1) year COMMENCING on 01 January 2021 to 31 December 2021 or on a later date as may be mutually agreed by both parties. • Service provider must be duly registered entity under the Philippine Law. • Must be a Platinum PhilGEPS registered supplier/service provider. • Service provider must be in the security service business for at least five (5) years and with at least twenty (20) existing corporate clients. • Service provider should have completed, within three (3) years preceding the date of submission and receipt of bids, a contract similar to this Project. • Service provider must have valid and current Regular License to Operate issued by the PNP through the PNP Supervisory Office for Security and Investigation Agencies (SOSIA) • Must submit proof of payment of remittances of statutory contributions to SSS, Pag-IBIG, and PhilHealth for the preceding year. Payments must conform with the schedule of payments as prescribed under SSS Circular No. 2019-12, HDMF Circular No. 275, and Philhealth Circular No. 0001 or any extension of payments as approved by the social welfare agency. • For purposes of complying with the bid specifications, the following conditions shall be required in case of delay/s: <ol style="list-style-type: none"> 1. All delayed payments shall have been made within six (6) months when the premium is due. 2. For the past two (2) years, the maximum number of delayed payments shall not exceed six (6) per year and per social welfare agency

3. Delays due to fortuitous events shall be supported by extensions granted by the respective social welfare agency.

- The project site is GCG Principal Office located at 3rd floor Citibank Center Building, 8741 Paseo de Roxas Makati City and extension office.
- Payment of the security services shall be pro-rated based on the actual days or period of services rendered.
- Must comply with the following requirements:
 - Areas covered (**Annex A**)
 - Requirements from the contractor, including among others manpower requirements and contractor's equipment (**Annex B**)
 - Service Level Agreement (**Annex C**)
 - Warranties of the contract (**Annex D**)
 - Confidentiality of data (**Annex E**)
 - Terms of payment (**Annex F**)
 - Pre-termination of the contract (**Annex G**)
 - Standard Operating Procedure (**Annex H**)
 - Contract (**Annex I**)
- Service provider must provide six (6) security guards to serve eight (8) hours a day and seven (7) days a week.
- Service provider must provide security guard for selection of the GCG.
- Must have one (1) supervisor to visit the detailed guards in the office.
- Must provide their own logbook and DTR for the detailed guard.
- Must install ten (10) Closed Circuit Television (CCTV) with Digital Video Recorder with at least 30 days retention time of recorded footages.

Location of CCTV:

- Reception – one (1) unit
- Server Room – one (1) unit
- Training Room – two (2) units, (hallway & stage)
- Entrance at AFO – one (1) unit
- Entrance at Board Room – one (1) unit
- Near Commissioner – A Office Entrance – one (1) unit
- Near Commissioner – B Office Entrance – one (1) unit
- Pantry – one (1) unit facing refrigerator
- Chairman's Office Secretary Area – one (1) unit

	<ul style="list-style-type: none"> • Additional Set of Requirements: <ul style="list-style-type: none"> • Readily available relievers • Personnel Requirements (Recruitment and Selection Criteria) <ul style="list-style-type: none"> ○ Good moral character and reputation, courteous, alert and without criminal or police records ○ Physically and mentally fit ○ Must be of legal age ○ At least 5’6” for male and 5’2” for female in height ○ Duly licensed by PNP Supervisory Office for Security and Investigation Agencies (SOSIA) ○ Cleared and passed the drug test administered by SOSIA or any government hospital ○ Should not have any previous record of conviction or pending criminal case. Submission of photocopy of NBI Clearance is required
	ANNEX A “Areas Covered”
	<p>The Service Provider shall cover the whole office area of the GCG including extension office and not limited to their ingress and egress of the office.</p>
	ANNEX B “Requirements to the Service Provider”
	<p>1. MANPOWER REQUIREMENTS</p> <p>1.1 The SERVICE PROVIDER shall provide the GCG with detachment of six (6) guards.</p> <p>1.2 The SERVICE PROVIDER shall provide at GCG, subject to the determination of the GCG Administrative Division, security guards who are:</p> <p>1.2.1 of good moral character and reputation, courteous, alert and without criminal or police records;</p> <p>1.2.2 physically and mentally fit;</p> <p>1.2.3 must be of legal age and at least five feet six inches (5’6”) for male and five feet two inches (5’2”) for female in height;</p>

1.2.4 duly licensed by PNP Supervisory Office for Security and Investigation Agencies (SOSIA)

1.2.5 cleared and passed the drug test administered by SOSIA or any government hospital.

The SERVICE PROVIDER shall submit to the GCG Administrative Division a sworn statement attesting to the compliance of Section 1.2 duly supported by a copy of their license to operate issued by PNP-SOSIA, drug test certificate/clearance issued by SOSIA or any government hospital, latest NBI clearance and Neuro Examination Certificate within seven (7) calendar days.

1.3 The SERVICE PROVIDER shall provide the security guards with appropriate uniforms, guns and ammunitions and metal detector.

1.4 The security detachment shall operate twenty-four (24) hours service daily according to assignments of shifts approved by the GCG Administrative Division.

1.5 The SERVICE PROVIDER shall not allow any guard to work more than twelve (12) hours of continuous shift within 24 hours period except in cases of emergencies, fortuitous events, natural calamities, imminent threat on the life of GCG Officer's and personnel and loss of GCG properties which shall immediately be responded by the guard on duty and to be reported to the GCG Administrative Division.

1.6 The SERVICE PROVIDER shall provide at least two (2) relievers, pre-qualified by the GCG Administrative Division, who met the criteria in section 1.2 and whose services shall be made available whenever needed.

The relievers shall also render service whenever additional guards are required by GCG.

1.7 The SERVICE PROVIDER agrees that the GCG reserves the right to screen and to deny or accept the assignment of any security personnel recommended by the SERVICE PROVIDER to perform the service.

1.8 The SERVICE PROVIDER shall immediately replace any of the assigned Security Guards any time when performance of any of them is found to be below standards, or whose conduct is unsatisfactory, or is

	<p>prejudicial to the interest of GCG. The judgment of the GCG on such matters shall be final and binding upon the SERVICE PROVIDER and should the latter refuse, the former may consider the same valid cause for the termination of this Security Service Contract.</p> <p>1.9 The SERVICE PROVIDER shall submit to the GCG Administrative Division all the bio-data and proofs of compliance as specified in Section 1.2 of the regular security guards and their respective relievers.</p> <p>1.10 The SERVICE PROVIDER shall submit one (1) week advance the monthly list of names of the guards and their assignment/deployment, for purposes of monitoring shift rotations. Any change in the list shall be relayed addressed to the GCG Director IV of Administrative and Finance Office within three (3) days before the implementation.</p> <p>1.11 The SERVICE PROVIDER shall increase or decrease the number of the guard when necessary. Upon the written requirement of the GCG subject with the provisions of RA 9184.</p> <p>1.12 The SERVICE PROVIDER shall allow GCG to conduct periodic or surprise inspections of the detachment at any time, day or night to respective post of duty and their duties are properly performed and enforced in accordance with the Standard Operating Procedure as required by GCG.</p>
	<p>ANNEX C “Service Level Agreement”</p>
	<p>1. The GCG shall maintain a Service Level Agreement (SLA) with the SERVICE PROVIDER. With provision for liquidated damages for non-compliance, the terms and condition of the SLA are enumerated below:</p>

CRITERIA	DESCRIPTION	LIQUIDATED DAMAGES
Manpower Requirements	The SERVICE PROVIDER shall submit to the GCG Administrative Division a sworn statement attesting to the compliance of Section 1.2, Annex B, duly supported by a copy of the license to operate issued by PNP-SOSIA, drug test certificate/clearance issued by SOSIA or any government hospital, attest NBI clearance and Neuro Examination Certificate within seven (7) calendar days before the commencement of the contract.	1/10 th of one percent (1%) of the gross monthly billing for each day of non - deployment.
Deployment of Guards	The SERVICE PROVIDER shall ensure that the required number of guards are deployed and are at their respective posts during their shift assignments as specified in 1.8 of the MANPOWER REQUIRMENTS of Annex B.	

2. Any damage arising from faults, negligence or omission by the Security Guard shall be borne by the SERVICE PROVIDER to the satisfaction of GCG.
3. GCG shall have the right to blacklist the SERVICE PROVIDER after ten (10) instances of non-compliance to Section 1 of Annex C at any given time during the contract period.

ANNEX D

“Warranties of Contract”

1. The SERVICE PROVIDER warrants that it shall conform strictly to the terms and conditions of the Terms of Reference.
2. The SERVICE PROVIDER warrants, represents and undertakes reliability of the services and that their manpower complements are hardworking qualified/reliable and dedicated to do the service required to the satisfaction

of GCG. It shall employ well behave and honest employees with IDs displayed conspicuously while working within the premises. It shall not employ any guard to work in any other capacity except security related work.

3. The SERVICE PROVIDER shall comply with the law governing employee's compensation, Philhealth, Social Security and labor standards, and other laws, rules and regulations applicable to each personnel employed by the SERVICE PROVIDER on account of the contracted services. The SERVICE PROVIDER shall pay its personnel not less than the minimum wage and other benefits mandated by law and GCG shall require the SERVICE PROVIDER to submit documents to prove compliance therewith.
4. The SERVICE PROVIDER in the performance of its services shall secure, maintain at its own expense all registration, licenses or permits required by National or Local law and shall comply with the rules, regulations and directives of any Regulatory Authorities. The SERVICE PROVIDER undertakes to pay all fees or charges payable to any other duly constituted authority relating to the use or operation of the installation.
5. The SERVICE PROVIDER's personnel shall take all necessary precautions for the safety of all persons and properties at or near their area of work and shall comply with all the standard and established safety regulations, rules and practices.
6. The SERVICE PROVIDER shall coordinate with the authorized and/or designated GCG personnel in the performance of their jobs.
7. The SERVICE PROVIDER shall be liable for loss, damage or injury due directly or indirectly through the fault, negligence or omission of its personnel and representative. It shall assume full responsibility thereof and GCG shall be specifically released from any and all liabilities arising there from.
8. The SERVICE PROVIDER shall neither assign, transfer, pledge, nor subcontract any part or interest embodied in the security contract.
9. The SERVICE PROVIDER warrants that it carries on an independent business and has substantial capital or investment as well qualified technical personnel and reliable work force which are necessary for the conduct of its business ad performance of its work.

	<p>10. The SERVICE PROVIDER shall assume full responsibility for the proper performance of the duties of its employees. GCG shall be specifically released from any/or liabilities to employees of GCG and third parties arising from any negligent act or omission committed by the employees of SERVICE PROVIDER.</p> <p>11. It is understood and agreed that the employees of the SERVICE PROVIDER are not the employees of the GCG. Hence, GCG shall not in any way be liable or responsible for any personal injury or damage including death sustained or caused by any of the employees of the SERVICE PROVIDER during the performance of their duties. The SERVICE PROVIDER shall stand solely responsible and liable for such death, injuries or damages arising there from.</p> <p>12. The SERVICE PROVIDER shall hold GCG free from any action claim by any or all its personnel that the due and faithful compliance with law relating to employment and services performed by personnel of the SERVICE PROVIDER shall be the sole responsibility of the latter.</p>
ANNEX E	“Confidentiality of Data”
	<p>To ensure the confidentiality of all information that will come to the knowledge of the SERVICE PROVIDER, it shall uphold strict confidentiality of any information regarding the business, income or estate of any taxpayer, and further agrees not to reproduce, transcribe or disclose any Information to third parties without prior written approval of GCG.</p> <p>Further, the SERVICE PROVIDER shall warrant that the Security Guards deployed to GCG shall uphold the confidentiality of data and that will require them to sign non-disclosure agreements in favor of GCG.</p>
ANNEX F	“Terms of Payment”
	<p>1. The SERVICE PROVIDER shall be paid monthly on actual number of security guards who rendered service subject to the required Expanded Withholding Tax (EWT) of two percent (2%) and Final Withholding VAT of five percent (5%).</p>

PRICE SCHEDULE

Cost Distribution per Month

Wage Order No. NCR-22

Effective 22 November 2018

	Monday to Sunday	
PARTICULARS	7 days a week / 8 hrs	
No. of Days Per Year	393.8	
New Daily Wage	(minimum of ₱ 537.00)	
SCHEDULE 1: Amount paid directly to Security Guards	Day Shift	Night Shift
1.1 Average pay/month = (DW x No. of days per year/12)		
1.2 Night Differential Pay=(Ave. Pay/month x 10%)		
1.3 13th Month Pay = (DWx 365/12/12)		
1.4.5 Days Incentive Pay =(dw x 5/12)		
1.5 Uniform		
Sub -Total Amount	₱ -	₱ -
SCHEDULE 2: Amount Paid to Government in Favor of Security Guard		
2.1 Retirement Benefit (R.A. 7641) (DW * 22.5 / 12)		
2.2 SSS Prem		
2.3 Philhealth Contribution		
2.4 State Insurance Fund (ECC)		

2.5. Pag -ibig Fund (RA7742)	-	-	-
Sub Total Amount:		₱ -	₱ -
TOTAL AMOUNT TO GUARD AND GOVT		₱ -	₱ -
SCHEDULE 3:			
3.1 Overhead and Margin		-	-
SCHEDULE 4:			
4.1 Value Added Tax (Agency fee * 12% vat-rmc-39-2007)		-	-
GRAND TOTAL PER GUARD		₱ -	₱ -

SUMMARY OF BID			
8 hrs. Duty (Monday to Sunday)	No. of Guard	Total Monthly Rate	Total Annual Security Services
Rate per guard	Day Shift	₱ -	₱ -
	Night Shift	₱ -	₱ -
Grand Total in words and in Figure			₱ -
Rental of CCTV and DVR per month (rental per unit inclusive of VAT x 10 units x 12 months)			
TOTAL APPROVED BUDGET for the CONTRACT			-

STATEMENT OF CONFORMITY WITH TECHNICAL SPECIFICATIONS

Item	Specification	Statement of Compliance
		<p><i>[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 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 Bidder’s 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 applicable laws and issuances.]</i></p>

Item	Specification	Statement of Compliance
PARTICULARS		
1.1	The security services shall be effective for a period of one (1) year COMMENCING on 01 January 2021 to 31 December 2021 or on a later date as may be mutually agreed by both parties.	
1.2	Service provider must be duly registered entity under the Philippine Law.	
1.3	Must be a Platinum PhilGEPS registered supplier/service provider.	
1.4	Service provider must be in the security service business for at least five (5) years and with at least twenty (20) existing corporate clients.	
1.5	Service provider should have completed, within three (3) years preceding the date of submission and receipt of bids, a contract similar to this Project.	
1.6	Service provider must have valid and current Regular License to Operate issued by the PNP through the PNP Supervisory Office for Security and Investigation Agencies (SOSIA)	
1.7	Must submit proof of payment of remittances of statutory contributions to SSS, Pag-IBIG, and PhilHealth for the preceding year. Payments must conform with the schedule of payments as prescribed under SSS Circular No. 2019-12, HDMF Circular No. 275, and Philhealth Circular No. 0001 or any extension of payments as approved by the social welfare agency	
1.8	<p>For purposes of complying with the bid specifications, the following conditions shall be required in case of delay/s:</p> <ol style="list-style-type: none"> 1. <i>All delayed payments shall have been made within six (6) months when the premium is due.</i> 2. <i>For the past two (2) years, the maximum number of delayed payments shall not exceed six (6) per year and per social welfare agency</i> 3. <i>Delays due to fortuitous events shall be supported by extensions granted by the respective social welfare agency.</i> 	
1.9	The project site is GCG Principal Office located at 3rd floor Citibank Center Building, 8741 Paseo de Roxas Makati City and extension office.	
1.10	Payment of the security services shall be pro-rated based on the actual days or period of services rendered.	

1.10	Must comply with the following requirements:	
	1.10.1 - Areas covered (Annex A)	
	1.10.2 - Requirements from the contractor, including among others manpower requirements and contractor's equipment (Annex B)	
	1.10.3 - Service Level Agreement (Annex C)	
	1.10.4 - Warranties of the contract (Annex D)	
	1.10.5 - Confidentiality of data (Annex E)	
	1.10.6 - Terms of payment (Annex F)	
	1.10.7 - Pre-termination of the contract (Annex G)	
	1.10.8 - Standard Operating Procedure (Annex H)	
1.11	Service provider must provide six (6) security guards to serve eight (8) hours a day and seven (7) days a week.	
1.12	Service provider must provide security guard for selection of the GCG.	
1.13	Must have one (1) supervisor to visit the detailed guards in the office.	
1.14	Must provide their own logbook and DTR for the detailed guard.	
1.15	Must install ten (10) Closed Circuit Television (CCTV) with Digital Video Recorder with at least 30 days retention time of recorded footages.	
1.16	Location of CCTV:	
	1.16.1 - Reception – one (1) unit	
	1.16.2 - Server Room – one (1) unit	
	1.16.3 – Training Room – two (2) units, (hallway & stage)	
	1.16.4 - Entrance at AFO – one (1) unit	
	1.16.5 - Entrance at Board Room – one (1) unit	
	1.16.6 - Near Commissioner – A Office Entrance – one (1) unit	
	1.16.7 - Near Commissioner – B Office Entrance – one (1) unit	
	1.16.8 - Pantry – one (1) unit facing refrigerator	
	1.16.9 - Chairman's Office Secretary Area – one (1) unit	

1.23	Additional Set of Requirements:	
	1.23.1 - Readily available relievers	
	1.23.2 - Personnel Requirements (Recruitment and Selection Criteria):	
	1.23.2.1 - Good moral character and reputation, courteous, alert and without criminal or police records	
	1.23.2.2 - Physically and mentally fit	
	1.23.2.3 - Must be of legal age	
	1.23.2.4 - At least 5'6" for male and 5'2" for female in height	
	1.23.2.5 - Duly licensed by PNP Supervisory Office for Security and Investigation Agencies (SOSIA)	
	1.23.2.6- Cleared and passed the drug test administered by SOSIA or any government hospital	
	1.23.2.7 - Should not have any previous record of conviction or pending criminal case. Submission of photocopy of NBI Clearance is required	
ANNEX A – AREAS COVERED		
2.1	The Service Provider shall cover the whole office area of the GCG including extension office and not limited to their ingress and egress of the office.	
ANNEX B – REQUIREMENTS TO THE SERVICE PROVIDER		
3.1	MANPOWER REQUIREMENTS:	
	3.1.1 - The SERVICE PROVIDER shall provide the GCG with detachment of six (6) guards.	
	3.1.2 - The SERVICE PROVIDER shall provide at GCG, subject to the determination of the GCG Administrative Division, security guards who are:	
	3.1.2.1 - of good moral character and reputation, courteous, alert and without criminal or police records;	
	3.1.2.2 - physically and mentally fit;	
	3.1.2.3 - must be of legal age and at least five feet six inches (5'6") for male and five feet two inches (5'2") for female in height;	
	3.1.2.4 - duly licensed by PNP Supervisory Office for Security and Investigation Agencies (SOSIA)	
	3.1.2.5 - cleared and passed the drug test administered by SOSIA or any government hospital.	

	<p>3.1.2.6 - The SERVICE PROVIDER shall submit to the GCG Administrative Division a sworn statement attesting to the compliance of Section 1.2 of Annex B_duly supported by a copy of their license to operate issued by PNP-SOSIA, drug test certificate/clearance issued by SOSIA or any government hospital, latest NBI clearance and Neuro Examination Certificate within seven (7) calendar days.</p>	
	<p>3.1.3 - The SERVICE PROVIDER shall provide the security guards with appropriate uniforms, guns and ammunitions and metal detector.</p>	
	<p>3.1.4 - The security detachment shall operate twenty-four (24) hours service daily according to assignments of shifts approved by the GCG Administrative Division.</p>	
	<p>3.1.5 –The SERVICE PROVIDER shall not allow any guard to work more than twelve (12) hours of continuous shift within 24 hours period except in cases of emergencies, fortuitous events, natural calamities, imminent threat on the life of GCG Officer’s and personnel and loss of GCG properties which shall immediately be responded by the guard on duty and to be reported to the GCG Administrative Division.</p>	
	<p>3.1.6 - The SERVICE PROVIDER shall provide at least two (2) relievers, pre-qualified by the GCG Administrative Division, who met the criteria in section 1.2 and whose services shall be made available whenever needed.</p> <p>The relievers shall also render service whenever additional guards are required by GCG.</p>	
	<p>3.1.7 - The SERVICE PROVIDER agrees that the GCG reserves the right to screen and to deny or accept the assignment of any security personnel recommended by the SERVICE PROVIDER to perform the service.</p>	
	<p>3.1.8 - The SERVICE PROVIDER shall immediately replace any of the assigned Security Guards any time when performance of any of them is found to be below standards, or whose conduct is unsatisfactory, or is prejudicial to the interest of GCG. The judgment of the GCG on such matters shall be final and binding upon the SERVICE PROVIDER and should the latter refuse, the former may consider the same valid cause for the termination of this Security Service Contract.</p>	
	<p>3.1.9 - The SERVICE PROVIDER shall submit to the GCG Administrative Divisionall the bio-data and proofs of compliance as specified in Section 1.2 of the regular security guards and their respective relievers.</p>	

	3.1.10 - The SERVICE PROVIDER shall submit one (1) week advance the monthly list of names of the guards and their assignment/deployment, for purposes of monitoring shift rotations. Any change in the list shall be relayed addressed to the GCG Director IV of Administrative and Finance Office within three (3) days before the implementation.	
	3.1.11 The SERVICE PROVIDER shall increase or decrease the number of the guard when necessary. Upon the written requirement of the GCG subject with the provisions of RA 9184.	
	3.1.12 The SERVICE PROVIDER shall allow GCG to conduct periodic or surprise inspections of the detachment at any time, day or night to respective post of duty and their duties are properly performed and enforced in accordance with the Standard Operating Procedure as required by GCG..	

ANNEX C – SERVICE LEVEL AGREEMENT

4.1	<p>The GCG shall maintain a Service Level Agreement (SLA) with the SERVICE PROVIDER. With provision for liquidated damages for non-compliance, the terms and condition of the SLA are enumerated below:</p> <table border="1"> <thead> <tr> <th>CRITERIA</th> <th>DESCRIPTION</th> <th>LIQUIDATED DAMAGES</th> </tr> </thead> <tbody> <tr> <td>Manpower Requirements</td> <td>The SERVICE PROVIDER shall submit to the GCG Administrative Division a sworn statement attesting to the compliance of Section 1.2, Annex B, duly supported by a copy of the license to operate issued by PNP-SOSIA, drug test certificate/clearance issued by SOSIA or any government hospital, attest NBI clearance and Neuro Examination Certificate within seven (7) calendar days before the commencement of the contract.</td> <td rowspan="2">1/10th of one percent (1%) of the gross monthly billing for each day of non-deployment.</td> </tr> <tr> <td>Deployment of Guards</td> <td>The SERVICE PROVIDER shall ensure that the required number of guards are deployed and are at their respective posts during their shift assignments as specified in 1.5 of the MANPOWER REQUIREMENTS of Annex B.</td> </tr> </tbody> </table>	CRITERIA	DESCRIPTION	LIQUIDATED DAMAGES	Manpower Requirements	The SERVICE PROVIDER shall submit to the GCG Administrative Division a sworn statement attesting to the compliance of Section 1.2, Annex B, duly supported by a copy of the license to operate issued by PNP-SOSIA, drug test certificate/clearance issued by SOSIA or any government hospital, attest NBI clearance and Neuro Examination Certificate within seven (7) calendar days before the commencement of the contract.	1/10 th of one percent (1%) of the gross monthly billing for each day of non-deployment.	Deployment of Guards	The SERVICE PROVIDER shall ensure that the required number of guards are deployed and are at their respective posts during their shift assignments as specified in 1.5 of the MANPOWER REQUIREMENTS of Annex B.	
CRITERIA	DESCRIPTION	LIQUIDATED DAMAGES								
Manpower Requirements	The SERVICE PROVIDER shall submit to the GCG Administrative Division a sworn statement attesting to the compliance of Section 1.2, Annex B, duly supported by a copy of the license to operate issued by PNP-SOSIA, drug test certificate/clearance issued by SOSIA or any government hospital, attest NBI clearance and Neuro Examination Certificate within seven (7) calendar days before the commencement of the contract.	1/10 th of one percent (1%) of the gross monthly billing for each day of non-deployment.								
Deployment of Guards	The SERVICE PROVIDER shall ensure that the required number of guards are deployed and are at their respective posts during their shift assignments as specified in 1.5 of the MANPOWER REQUIREMENTS of Annex B.									
4.2	Any damage arising from faults, negligence or omission by the Security Guard shall be borne by the SERVICE PROVIDER to the satisfaction of GCG.									

4.3	GCG shall have the right to blacklist the SERVICE PROVIDER after ten (10) instances of non-compliance to Section 1 of Annex C at any given time during the contract period.	
ANNEX D – WARRANTIES OF CONTRACT		
5.1	The SERVICE PROVIDER warrants that it shall conform strictly to the terms and conditions of the Terms of Reference.	
5.2	The SERVICE PROVIDER warrants, represents and undertakes reliability of the services and that their manpower complements are hardworking qualified/reliable and dedicated to do the service required to the satisfaction of GCG. It shall employ well behave and honest employees with IDs displayed conspicuously while working within the premises. It shall not employ any guard to work in any other capacity except security related work.	
5.3	The SERVICE PROVIDER shall comply with the law governing employee's compensation, Philhealth, Social Security and labor standards, and other laws, rules and regulations applicable to each personnel employed by the SERVICE PROVIDER on account of the contracted services. The SERVICE PROVIDER shall pay its personnel not less than the minimum wage and other benefits mandated by law and GCG shall require the SERVICE PROVIDER to submit documents to prove compliance therewith.	
5.4	The SERVICE PROVIDER in the performance of its services shall secure, maintain at its own expense all registration, licenses or permits required by National or Local law and shall comply with the rules, regulations and directives of any Regulatory Authorities. The SERVICE PROVIDER undertakes to pay all fees or charges payable to any other duly constituted authority relating to the use or operation of the installation.	
5.5	The SERVICE PROVIDER's personnel shall take all necessary precautions for the safety of all persons and properties at or near their area of work and shall comply with all the standard and established safety regulations, rules and practices.	
5.6	The SERVICE PROVIDER shall coordinate with the authorized and/or designated GCG personnel in the performance of their jobs.	
5.7	The SERVICE PROVIDER shall be liable for loss, damage or injury due directly or indirectly through the fault, negligence or omission of its personnel and representative. It shall assume full responsibility thereof and GCG shall be specifically released from any and all liabilities arising there from.	
5.8	The SERVICE PROVIDER shall neither assign, transfer, pledge, nor subcontract any part or interest embodied in the security contract.	

5.9	The SERVICE PROVIDER warrants that it carries on an independent business and has substantial capital or investment as well qualified technical personnel and reliable work force which are necessary for the conduct of its business and performance of its work.	
5.10	The SERVICE PROVIDER shall assume full responsibility for the proper performance of the duties of its employees. GCG shall be specifically released from any/or liabilities to employees of GCG and third parties arising from any negligent act or omission committed by the employees of SERVICE PROVIDER.	
5.11	It is understood and agreed that the employees of the SERVICE PROVIDER are not the employees of the GCG. Hence, GCG shall not in any way be liable or responsible for any personal injury or damage including death sustained or caused by any of the employees of the SERVICE PROVIDER during the performance of their duties. The SERVICE PROVIDER shall stand solely responsible and liable for such death, injuries or damages arising there from.	
5.12	The SERVICE PROVIDER shall hold GCG free from any action claim by any or all its personnel that the due and faithful compliance with law relating to employment and services performed by personnel of the SERVICE PROVIDER shall be the sole responsibility of the latter..	
ANNEX E – CONFIDENTIALITY OF DATA		
6.1	To ensure the confidentiality of all information that will come to the knowledge of the SERVICE PROVIDER, it shall uphold strict confidentiality of any information regarding the business, income or estate of any taxpayer, and further agrees not to reproduce, transcribe or disclose any Information to third parties without prior written approval of GCG. Further, the SERVICE PROVIDER shall warrant that the Security Guards deployed to GCG shall uphold the confidentiality of data and that will require them to sign non-disclosure agreements in favor of GCG.	
ANNEX F – TERMS OF PAYMENT		
7.1	The SERVICE PROVIDER shall be paid monthly on actual number of security guards who rendered service subject to the required Expanded Withholding Tax (EWT) of two percent (2%) and Final Withholding VAT of five percent (5%).	
7.2	Payment shall be made within a reasonable time from submission of monthly billing and Certificate of Service Rendered issued by the GCG Administrative Division and all other required documents based on existing GCG issuances, and required by Commission on Audit rules and regulations.	
7.3	No advance payment shall be made as provided in Section 88 of PD 1445.	
7.4	Maintain Landbank account for payment.	

ANNEX G – PRE-TERMINATION OF THE CONTRACT		
8.1	The contract for the Security Service may be pre-terminated by GCG for any violation of the terms of the contract. In case of pre-termination, the SERVICE PROVIDER shall be informed by GCG thirty (30) days prior to such pre-termination.	
8.2	In case of pre-termination, the SERVICE PROVIDER shall be liable for liquidated damages equivalent to one-tenth (1/10) of one percent (1%) of the contract price provided by the Government Accounting and Auditing Manual (GAAM) and forfeiture of the performance security.	
8.3	GCG shall have the right to blacklist the SERVICE PROVIDER in case of pre-termination and to forfeit the Performance Security.	
ANNEX H – STANDARD OPERATING PROCEDURE		
9.1	The GCG Administrative Division shall formulate a basic Standard Operating Procedure for security guards, the scope of which shall be commonly agreed upon by the SERVICE PROVIDER and the said Division, and shall be part of the Contract Agreement. It shall include among others reasonable provisions concerning general and special duties of a guard, courtesy, attitude, personal obligations, and such other provisions that can help to ensure safeguard the best interest of the GCG Principal Office.	
10.1	ANNEX I – CONTRACT	
PRICE SCHEDULE		
11.1	In accordance with the attached Cost Distribution per month	

Section VIII. Checklist of Technical and Financial Documents

Notes on the Checklist of Technical and Financial Documents

The prescribed documents in the checklist are mandatory to be submitted in the Bid, but shall be subject to the following:

- a. GPPB Resolution No. 09-2020 on the efficient procurement measures during a State of Calamity or other similar issuances that shall allow the use of alternate documents in lieu of the mandated requirements; or
- b. Any subsequent GPPB issuances adjusting the documentary requirements after the effectivity of the adoption of the PBDs.

The BAC shall be checking the submitted documents of each Bidder against this checklist to ascertain if they are all present, using a non-discretionary “pass/fail” criterion pursuant to Section 30 of the 2016 revised IRR of RA No. 9184.

Checklist of Technical and Financial Documents

I. TECHNICAL COMPONENT ENVELOPE	
<i>Class "A" Documents</i>	
<u>Legal Documents</u>	
<input type="checkbox"/>	(a) Valid PhilGEPS Registration Certificate (Platinum Membership) (all pages); or
<input type="checkbox"/>	(b) Registration certificate from Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives or its equivalent document, and
<input type="checkbox"/>	(c) Mayor's or Business permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas ² ; and
<input type="checkbox"/>	(d) Tax clearance per E.O. No. 398, s. 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).
<u>Technical Documents</u>	
<input type="checkbox"/>	(f) Statement of the prospective bidder of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid; and
<input type="checkbox"/>	(g) Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid, except under conditions provided for in Sections 23.4.1.3 and 23.4.2.4 of the 2016 revised IRR of RA No. 9184, within the relevant period as provided in the Bidding Documents; and
<input type="checkbox"/>	(h) Original copy of Bid Security. If in the form of a Surety Bond, submit also a certification issued by the Insurance Commission; or Original copy of Notarized Bid Securing Declaration; and
<input type="checkbox"/>	(i) Conformity with the Technical Specifications, which may include production/delivery schedule, manpower requirements, and/or after-sales/parts, if applicable; and

² Expired Business/Mayor's Permit may be accepted provided an Official Receipt for renewal application is attached, provided further, that a copy of the Renewed Business/Mayor's Permit shall be submitted after the award of the contract. (GPPB Resolution No. 05-2020 dated 20 March 2020)

<input type="checkbox"/>	(j) Original duly signed Omnibus Sworn Statement (OSS) ³ ; and if applicable, Original Notarized Secretary's Certificate in case of a corporation, partnership, or cooperative; or Original Special Power of Attorney of all members of the joint venture giving full power and authority to its officer to sign the OSS and do acts to represent the Bidder.
<u>Financial Documents</u>	
<input type="checkbox"/>	(k) The Supplier's audited financial statements, showing, among others, the Supplier's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission; and
<input type="checkbox"/>	(l) The prospective bidder's computation of Net Financial Contracting Capacity (NFCC); or A committed Line of Credit from a Universal or Commercial Bank in lieu of its NFCC computation.
<u>Class "B" Documents</u>	
<input type="checkbox"/>	(m) If applicable, a duly signed joint venture agreement (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.
<u>Other documentary requirements under RA No. 9184 (as applicable)</u>	
<input type="checkbox"/>	(n) <i>[For foreign bidders claiming by reason of their country's extension of reciprocal rights to Filipinos]</i> Certification from the relevant government office of their country stating that Filipinos are allowed to participate in government procurement activities for the same item or product.
<input type="checkbox"/>	(o) Certification from the DTI if the Bidder claims preference as a Domestic Bidder or Domestic Entity.

25 FINANCIAL COMPONENT ENVELOPE

<input type="checkbox"/>	(a) Original of duly signed and accomplished Financial Bid Form; and
<input type="checkbox"/>	(b) Original of duly signed and accomplished Price Schedule(s).

³ Unnotarized OSS may be accepted, subject to compliance therewith after award of the contract. (GPPB Resolution No. 05-2020 dated 20 March 2020)

AGREEMENT
PROCUREMENT FOR ONE (1) LOT SECURITY SERVICES FOR 1 JANUARY 2020 TO 31 DECEMBER 2021 FOR THE GOVERNANCE COMMISSION FOR GOCCs

THIS AGREEMENT made and entered into this _____ 2021 between:

GOVERNANCE COMMISSION FOR GOCCs, a central advisory, monitoring, and oversight body attached to the Office of the President of the Philippines duly organized and existing pursuant to and by virtue of Republic Act No. 10149, with principal office address at 3rd Floor, Citibank Center, 8741 Paseo de Roxas, Makati City, represented herein by its Chairman, **SAMUEL G. DAGPIN JR.** (hereinafter called "**GCG**");

-and-

_____, a corporation duly organized and existing under the laws of the Republic of the Philippines and registered with the Securities and Exchange Commission under SEC Reg. No. CS201005006, issued on 29 March 2010, with principal business address at 3/F EBC, Sen. Gil Puyat St. corner Makati Avenue, Makati City, represented herein by its _____, _____ (hereinafter called "**SERVICE PROVIDER**");

WHEREAS, the GCG published through its Bids and Awards Committee the Invitation to Bid and Bidding Documents for the "Procurement for the One (1) Lot Security Services for 1 January 2021 to 31 December 2021 for the Governance Commission for GOCCs" in the PhilGEPS and GCG websites continuously for seven (7) calendar days;

WHEREAS, the GCG pursuant to existing laws, particularly R.A. No. 9184, otherwise known as the Government Procurement Reform Act, its Revised Implementing Rules and Regulations (IRR) and all the related rules and regulations, has found _____ to have submitted the Single Calculated Responsive Bid for the subject goods and/or services having submitted a bid in the amount of _____ (**P** _____);

WHEREAS, GCG has awarded to _____ the contract for the supply of goods and/or services for the "Procurement for the One (1) Lot Security Services for 1 January 2021 to 31 December 2021 for the Governance Commission for GOCCs";

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties have agreed as follows:

ARTICLE 1
ENTIRE AGREEMENT

1.1 This Contract, including the documents specified in Section 37.2.3 of the Revised Implementing Rules and Regulation (IRR) of R.A. No. 9184 and those specified below, contains all covenants, stipulations and provisions agreed by the **Parties**. No agent or representative of either Party has authority to make any statement, representation, promise, or agreement not set forth herein of which the **Parties** shall not be bound by or be liable for.

- 1.2 “Contract Documents” refer to the following:
- 1.2.1 Invitation to Apply for Eligibility and to Bid;
 - 1.2.2 Instructions to Bidders;
 - 1.2.3 Bid Data Sheet;
 - 1.2.4 Addenda and/or Supplemental/bid Bulletins, if any;
 - 1.2.5 Bid Form, including all the documents/statements contained in the Bidder’s bidding envelopes, as annexes;
 - 1.2.6 Eligibility requirements, documents and/or statement;
 - 1.2.7 Technical Specifications for the “Procurement for the One (1) Lot Security Services for 1 January 2021 to 31 December 2021 for the Governance Commission for GOCCs”;
 - 1.2.8 General and Special Conditions of Contract;
 - 1.2.9 Performance Security;
 - 1.2.10 Notification of Award of Contract and the Bidder’s conforme thereto; and
 - 1.2.11 Other contract documents that may be required by existing laws and/or the GCG.

ARTICLE 2 DEFINITIONS

- 2.1 In this Contract, the following terms shall be interpreted as indicated:
- (a) “The Contract” means the agreement entered into between the **GCG** and the **SERVICE PROVIDER**, 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 **SERVICE PROVIDER** 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 **SERVICE PROVIDER** is required to provide to the **GCG** 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 **SERVICE PROVIDER** covered under the Contract.
 - (e) “The **SERVICE PROVIDER**” means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract.
 - (f) The “Funding Source” is the the Government of the Philippines (GOP) through the General Appropriations Act of 2021.
 - (g) “The Project Site,” where applicable, is the Governance Commission for GOCCs located at the 3rd Floor, Citibank Center, 8741 Paseo de Roxas, Makati City.
 - (h) “Day” means calendar day.
 - (i) The “Effective Date” of the contract will be the date of signing the contract, however the **SERVICE PROVIDER** shall commence performance of its

obligations only upon receipt of the Notice to Proceed and copy of the approved contract.

- (j) "Verified Report" refers to the report submitted by the Implementing Unit to the Head of the **GCG** 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.

2.2 In this Contract Agreement, words and expressions shall have the same meaning as are respectively assigned to them in the Contract Documents referred to.

ARTICLE 3 SCOPE OF CONTRACT

3.1 The GOODS and Related Services to be provided shall be as specified in Purchase Request.

3.2 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. In consideration of the payments to be made by **GCG** to **SERVICE PROVIDER** as hereinafter mentioned, **SERVICE PROVIDER** hereby agrees to provide **GCG** with One (1) Lot Security Services for the **GCG** covering the period 1 January 2021 to 31 December 2021 and to remedy all defects therein in conformity with the provisions of the Contract and the Contract Documents.

3.3 In particular, the **SERVICE PROVIDER** shall provide at its own expense the following security equipment to its security personnel, per bidding documents submitted, to ensure efficiency in the pursuit of their mandated duties and responsibilities and for speedy response to emergency calls:

- 3.3.1 Ten (10) pieces CCTV Camera
- 3.3.2 One (1) unit DVR
- 3.3.3 One (1) unit Monitor
- 3.3.4 One (1) unit Search Light
- 3.3.5 One (1) unit Metal Detector
- 3.3.6 Twenty-five (25) pieces Visitors Pass ID

ARTICLE 4 CONTRACT PRICE

4.1 In consideration of the subject goods and services to be provided by the **SERVICE PROVIDER** under the terms of this Contract and Contract Documents, the **GCG** hereby covenants to pay the **SERVICE PROVIDER** the equivalent total contract price of _____ (₱ _____) inclusive of all taxes, 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.

4.2 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 Article.

4.3 Prices charged by the **SERVICE PROVIDER** for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the

SERVICE PROVIDER in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with **Article 29**.

ARTICLE 5 CONTRACT DURATION

- 5.1 This Contract shall be effective from receipt of the Notice to Proceed. The contract shall be until 31 December 2021 or unless sooner terminated in accordance with pertinent provisions herein stipulated or other causes provided for by applicable laws.
- 5.2 Notwithstanding the foregoing, **SERVICE PROVIDER** hereby agrees that the Contract Duration is subject to the availability of funds of the **GCG**. In this regard, the **GCG** may terminate this Contract upon its failure to present **SERVICE PROVIDER** with a Certificate for Availability of Funds. In such case, this Contract shall be deemed terminated and the **GCG** may obtain the subject goods and services from other suppliers in accordance with Republic Act (R.A.) No. 9184, its 2016 revised Implementing Rules and Regulations (IRR), and all relevant laws and issuances.

ARTICLE 6 HEADINGS

- 6.1 The headings shall not limit, alter or affect the meaning of this Contract.

ARTICLE 7 GOVERNING LAW

- 7.1 This Contract, its meaning and interpretation, and the relation between the **Parties** shall be governed by the Applicable Law.
- 7.2 The **SERVICE PROVIDER** shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that the Personnel of the **SERVICE PROVIDER** complies with the Applicable Law. The **GCG** shall notify the **SERVICE PROVIDER** in writing of relevant local customs, and the **SERVICE PROVIDER** shall, after such notification, respect such customs.
- 7.3 If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the **SERVICE PROVIDER** in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the **SERVICE PROVIDER** under this Contract shall be increased or decreased on a *no loss-no gain* basis, and corresponding adjustments shall be made to the ceiling amounts specified in Article 17.1, provided that the cost is within the Approved Budget for the Contract (ABC).

ARTICLE 8 LANGUAGE

- 8.1 This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract exchanged by the parties shall be written in English.

ARTICLE 9 INSPECTION AND AUDIT BY THE FUNDING SOURCE

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

ARTICLE 10 NOTICES

- 10.1 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 the principal offices of the Parties as indicated herein.
- 10.2 Notice shall be deemed to have been given or made as follows:
- (a) in case of personal delivery or registered mail, telegrams or courier, upon delivery; and
 - (b) in the case of facsimiles and electronic mail, within twenty-four (24) hours following confirmed transmission.
- 10.3 A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in Article 10.2.

ARTICLE 11 SUBCONTRACTING

- 11.1 The **SERVICE PROVIDER** shall obtain the **GCG's** prior approval in writing before entering into a subcontract for the performance of any part of the Services, it being understood that:
- (i) the selection of the Subconsultant and the terms and conditions of the subcontract shall have been approved in writing by the **GCG** prior to the execution of the subcontract; and
 - (ii) the **SERVICE PROVIDER** shall remain fully liable for the performance of the Services by the Subconsultant and its Personnel pursuant to this Contract.
- 11.2 Subcontracting of any portion of the Services, if allowed, does not relieve the **SERVICE PROVIDER** of any liability or obligation under this Contract. The **SERVICE PROVIDER** will be responsible for the acts, defaults, and negligence of any subconsultant, its agents, servants or workmen as fully as if these were the **SERVICE PROVIDER's** own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 11.3 Subconsultant 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 **GCG**.

ARTICLE 12 GCG'S RESPONSIBILITIES

- 12.1 Whenever the performance of the obligations in this Contract requires that the **SERVICE PROVIDER** obtain permits, approvals, import, and other licenses from local public authorities, the **GCG** shall, if so needed by the **SERVICE**

PROVIDER, make its best effort to assist the **SERVICE PROVIDER** in complying with such requirements in a timely and expeditious manner.

- 12.2 The **GCG** shall pay all costs involved in the performance of its responsibilities in accordance with Article 3.

ARTICLE 113 PAYMENT

- 13.1 Payments shall be made only upon a certification by the Head of the **GCG** 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 **SERVICE PROVIDER's** warranty obligations under this Contract as described in Article 19.

- 13.2 The **SERVICE PROVIDER's** request(s) for payment shall be made to the **GCG** in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the Article 3, and upon fulfillment of other obligations stipulated in this Contract.

- 13.3 Pursuant to Section 13.2, payments shall be made promptly by the **GCG**, but in no case later than sixty (60) days after submission of an invoice including proof of payments of statutory contribution or claim by the **SERVICE PROVIDER**.

- 13.4 The currency in which payment is made to the **SERVICE PROVIDER** under this Contract shall be in Philippine Pesos.

13.5 Schedule of Payments

- 13.5.1 Payments shall be made only upon a certification by the Chairman of the **GCG** to the effect that the Services have been rendered or delivered in accordance with the terms of this Contract and have been duly accepted. Except with the prior approval of the Chairman of the **GCG**, no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract.

- 13.5.2 Payments shall be made promptly by the **GCG**, but in no case later than twenty (20) days after submission of an invoice or claim including complete documentary requirements by the **SERVICE PROVIDER**.

13.6 Method of Payment

- 13.6.1 The currency in which payment is made to the **SERVICE PROVIDER** under this Contract shall be in Philippine Pesos.

- 13.6.2 All payments by **GCG** to the **SERVICE PROVIDER** shall be made using the Direct Payment Scheme (DPS) via bank debit system through issuance of List of Due and Demandable Accounts Payable - Authority to Debit Account (LDDAP-ADA). However, should the payments be credited to a bank other than Land Bank, any bank fees and charges shall be for the account of the **SERVICE PROVIDER**.

- 13.6.3 Any amount which the **GCG** has paid or caused to be paid in accordance with this Article in excess of the amounts actually payable in accordance with the provisions of this Contract shall be reimbursed by the **SERVICE PROVIDER** to the **GCG** within thirty (30) days after receipt by the **SERVICE PROVIDER** of notice thereof. Any such claim by the **GCG** for reimbursement must be made within twelve (12) calendar months after receipt by the **GCG** of a final report and a final statement approved by the **GCG** in accordance with the above.
- 13.7 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.
- 13.8 All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.

**ARTICLE 14
TAXES AND DUTIES**

- 14.1 The **SERVICE PROVIDER** shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

**ARTICLE 15
PERFORMANCE SECURITY**

- 15.1 Within ten (10) calendar days from receipt of the Notice of Award from the **GCG** but in no case later than the signing of the contract by both parties, the **SERVICE PROVIDER** shall furnish the performance security in any the forms prescribed in Section 15.2.
- 15.2 The performance security shall be denominated in Philippine Pesos and posted in favor of the **GCG** 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
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- 15.3 The performance security posted in favor of the **GCG** shall be forfeited in the event it is established that the **SERVICE PROVIDER** is in default in any of its obligations under the contract.
- 15.4 The performance security shall remain valid until issuance by the **GCG** of the Certificate of Final Acceptance.
- 15.5 The performance security may be released by the **GCG** and returned to the **SERVICE PROVIDER** after the issuance of the Certificate of Final Acceptance subject to the following conditions:
- (a) There are no pending claims against the **SERVICE PROVIDER** or the surety company filed by the **GCG**; and
 - (b) The **SERVICE PROVIDER** has no pending claims for labor and materials filed against it.
 - (c) The **SERVICE PROVIDER** shall submit a letter requesting the refund of the performance security.
- 15.6 In case of a reduction of the contract value, the **GCG** 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.

ARTICLE 16 USE OF CONTRACT DOCUMENTS AND INFORMATION

- 16.1 The **SERVICE PROVIDER** shall not, except for purposes of performing the obligations in this Contract, without the **GCG**'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 **GCG**. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 16.2 Any document, other than this Contract itself, enumerated in Section 14.1 shall remain the property of the **GCG** and shall be returned (all copies) to the **GCG** on completion of the **SERVICE PROVIDER**'s performance under this Contract if so required by the **GCG**.

ARTICLE 17 STANDARDS

- 17.1 The Goods provided under this Contract shall conform to the standards mentioned in the **Error! Reference source not found.**; 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.

ARTICLE 18 INSPECTION AND TESTS

- 18.1 The **GCG** 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 **GCG**. The **GCG** shall notify the **SERVICE PROVIDER** in writing, in a timely manner, of the identity of any representatives retained for these purposes.

- 18.2 If applicable, the inspections and tests may be conducted on the premises of the **SERVICE PROVIDER**, at point of delivery, and/or at the goods' final destination. If conducted on the premises of the **SERVICE PROVIDER**, all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the **GCG**.
- 18.3 The **GCG** or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Article provided that the **GCG** 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.
- 18.4 The **GCG** 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 **SERVICE PROVIDER** shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the **GCG**, and shall repeat the test and/or inspection, at no cost to the **GCG**, upon giving a notice pursuant to Article 7.
- 18.5 The **SERVICE PROVIDER** agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the **GCG** or its representative, shall release the **SERVICE PROVIDER** from any warranties or other obligations under this Contract.

ARTICLE 19 WARRANTY

- 19.1 The **SERVICE PROVIDER** 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 **GCG** provides otherwise.
- 19.2 The **SERVICE PROVIDER** 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 **SERVICE PROVIDER** that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 19.3 In order to assure that manufacturing defects shall be corrected by the **SERVICE PROVIDER**, a warranty shall be required from the **SERVICE PROVIDER** for a minimum period of three (3) months after acceptance by the Procuring Entity of the delivered Goods or after the Goods are consumed, whichever is earlier. The obligation for the warranty shall be covered by, at the **SERVICE PROVIDER**'s option, either retention money in an amount equivalent to at least ten percent (10%) of every progress payment, or a special bank guarantee equivalent to at least ten percent (10%) of the Contract Price. The said amounts shall only be released after the lapse of the warranty period; 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.
- 19.4 **GCG** shall promptly notify the **SERVICE PROVIDER** in writing of any claims arising under this warranty. Upon receipt of such notice, the **SERVICE PROVIDER** shall, within two (2) weeks from the release of the results and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the **GCG**.

- 19.5 If the **SERVICE PROVIDER**, having been notified, fails to remedy the defect(s) within the period specified Section 19.4, **GCG** may proceed to take such remedial action as may be necessary, at the **SERVICE PROVIDER**'s risk and expense and without prejudice to any other rights which the **GCG** may have against the **SERVICE PROVIDER** under the Contract and under the applicable law.

ARTICLE 20 DELAYS IN THE SERVICE PROVIDER'S PERFORMANCE

- 20.1 Delivery of the Goods and/or performance of Services shall be made by the **SERVICE PROVIDER** in accordance with the time schedule prescribed in Article 5.
- 20.2 If at any time during the performance of this Contract, the **SERVICE PROVIDER** should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the **SERVICE PROVIDER** shall promptly notify the **GCG** in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the **SERVICE PROVIDER**'s notice, and upon causes provided for under Article 24, the **GCG** shall evaluate the situation and may extend the **SERVICE PROVIDER**'s time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 20.3 Except as provided under Article 24, a delay by the **SERVICE PROVIDER** in the performance of its obligations shall render the **SERVICE PROVIDER** liable to the imposition of liquidated damages pursuant to Article 21, unless an extension of time is agreed upon pursuant to Article 32 without the application of liquidated damages.

ARTICLE 21 LIQUIDATED DAMAGES

- 21.1 Subject to Articles 20 and 24, if the **SERVICE PROVIDER** 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 **GCG** shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages pursuant to Section 21.2. Once the maximum is reached, the **GCG** shall rescind the Contract pursuant to Article 25, without prejudice to other courses of action and remedies open to it.
- 21.2 The applicable rate is 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, up to a maximum deduction of the percentage. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, **GCG** shall rescind the contract, without prejudice to other courses of action and remedies open to it.

ARTICLE 22 SETTLEMENT OF DISPUTES

- 22.1 If any dispute or difference of any kind whatsoever shall arise between the **GCG** and the **SERVICE PROVIDER** 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.

- 22.2 If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the **GCG** or the **SERVICE PROVIDER** 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.
- 22.3 Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Article shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.
- 22.4 Arbitration proceedings shall be conducted in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 22.5 Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the **GCG** shall pay the **SERVICE PROVIDER** any monies due the **SERVICE PROVIDER**.
- 22.6 Should any litigation arise from, or in relation or incidental to this Agreement, the same shall be exclusively filed with the competent court of Makati City to the exclusion of all other courts.

ARTICLE 23 LIABILITY OF THE SERVICE PROVIDER

- 23.1 The **SERVICE PROVIDER**'s liability under this Contract shall be as provided by the laws of the Republic of the Philippines.
- 23.2 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 **SERVICE PROVIDER** to the **GCG** shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

ARTICLE 24 FORCE MAJEURE

- 24.1 The **SERVICE PROVIDER** shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 24.2 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.
- 24.3 If a *force majeure* situation arises, the **SERVICE PROVIDER** shall promptly notify the **GCG** in writing of such condition and the cause thereof. Unless otherwise directed by the **GCG** in writing, the **SERVICE PROVIDER** 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*.

ARTICLE 25 TERMINATION FOR DEFAULT

- 25.1 The **GCG** shall terminate this Contract for default when any of the following conditions attends its implementation:
- (a) Outside of *force majeure*, the **SERVICE PROVIDER** 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 **GCG** pursuant to a request made by the **GCG** prior to the delay, and such failure amounts to at least ten percent (10%) of the contact price;
 - (b) As a result of *force majeure*, the **SERVICE PROVIDER** 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 **GCG** stating that the circumstance of force majeure is deemed to have ceased; or
 - (c) The **SERVICE PROVIDER** fails to perform any other obligation under the Contract.
 - (d) In the event the **GCG** terminates this Contract in whole or in part, for any of the reasons provided under Articles 25 to 28, the **GCG** may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the **SERVICE PROVIDER** shall be liable to the **GCG** for any excess costs for such similar Goods or Services. However, the **SERVICE PROVIDER** shall continue performance of this Contract to the extent not terminated.
 - (e) 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 **SERVICE PROVIDER**, the **GCG** may terminate this Contract, forfeit the **SERVICE PROVIDER**'s performance security and award the same to a qualified **SERVICE PROVIDER**.

ARTICLE 26 TERMINATION FOR INSOLVENCY

- 26.1 The **GCG** shall terminate this Contract if the **SERVICE PROVIDER** 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 **SERVICE PROVIDER**, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the **GCG** and/or the **SERVICE PROVIDER**.

ARTICLE 27 TERMINATION FOR CONVENIENCE

- 27.1 The **GCG** may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the **GCG** 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.
- 27.2 The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the **SERVICE PROVIDER**'s receipt of Notice to Terminate shall be accepted by the **GCG** at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the **GCG** 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 **SERVICE PROVIDER** an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the **SERVICE PROVIDER**.
- 27.3 If the **SERVICE PROVIDER** suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the **GCG** 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 **SERVICE PROVIDER** to the satisfaction of the **GCG** before recovery may be made.

ARTICLE 28 TERMINATION FOR UNLAWFUL ACTS

- 28.1 The **GCG** may terminate this Contract in case it is determined *prima facie* that the **SERVICE PROVIDER** 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;
 - (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.

ARTICLE 29 PROCEDURES FOR TERMINATION OF CONTRACTS

- 29.1 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 **GCG** shall terminate this Contract only by a written notice to the

SERVICE PROVIDER 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 **SERVICE PROVIDER** to show cause as to why this Contract should not be terminated; and
 - (iv) special instructions of the **GCG**, 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 **SERVICE PROVIDER** shall submit to the Head of the **GCG** a verified position paper stating why this Contract should not be terminated. If the **SERVICE PROVIDER** fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the **GCG** shall issue an order terminating this Contract;
- (e) The **GCG** may, at anytime before receipt of the **SERVICE PROVIDER**'s verified position paper to 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 **SERVICE PROVIDER**'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 **GCG** shall decide whether or not to terminate this Contract. It shall serve a written notice to the **SERVICE PROVIDER** of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the **SERVICE PROVIDER** 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 **GCG** 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 **GCG**; and
- (h) The **SERVICE PROVIDER** must serve a written notice to the **GCG** 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 **GCG**.

ARTICLE 30 CONFIDENTIALITY OF DATA

- 30.1 The **SERVICE PROVIDER** shall not disclose to any third party any information regarding the business of **GCG** and its personnel, unless otherwise specifically allowed or when it falls within the requirement of the performance of the duties and obligations of the **SERVICE PROVIDER** to **GCG**. It shall not reproduce, transcribe

or disclose any Confidential Information to third parties without prior written approval of **GCG**.

For purposes of this Contract, “**confidential information**” shall mean, without limitation, all information other than information in published form or expressly designated by the **GCG** in writing as non-confidential, which is directly or indirectly disclosed to **SERVICE PROVIDER** by virtue of the services performed by the latter for the former, regardless of the form in which it is disclosed.

30.2 The **SERVICE PROVIDER** shall comply with all applicable laws, rules, and regulations on data protection and data privacy, including but not limited to RA No. 10173 or the “Data Privacy Act of 2012”.

**ARTICLE 31
ASSIGNMENT OF RIGHTS**

31.1 The **SERVICE PROVIDER** shall not assign his rights or obligations under this Contract, in whole or in part, except with the **GCG**’s prior written consent.

**ARTICLE 32
CONTRACT AMENDMENT**

32.1 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.

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.

**GOVERNANCE COMMISSION
FOR GOCCs**

By:

By:

SAMUEL G. DAGPIN JR.
Chairman

SIGNED IN THE PRESENCE OF:

JAYPEE O. ABESAMIS
Witness

Witness

Certified Funds Available:

RAUL T. ABAD
Chief Accountant

ACKNOWLEDGEMENT

Republic of the Philippines)
CITY OF _____) S.S.

BEFORE ME, a Notary Public for and in the City of _____, Philippines on this _____ day of _____, 2019 personally appeared the following:

NAME	VALID I.D. NO.	DATE AND PLACE ISSUED
SAMUEL G. DAGPINJR.	Driver's License No.: L02-93-087009	Davao

Known to me to be the same persons who executed the foregoing Contract and who acknowledged to me that the same is free and voluntary act and deed and of the entities they respectively represent.

This **AGREEMENT3 FOR THE PROCUREMENT FOR ONE (1) LOT SECURITY SERVICES FOR 1 JANUARY 2021 TO 31 DECEMBER 2021 FOR THE GOVERNANCE COMMISSION FOR GOCCs** was signed by the parties and their material witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL this _____ day of _____, 2021.

Doc No. _____;
Page No. _____;
Book No. _____;
Series of 20__

Republic of the Philippines



Government Procurement Policy Board