



# NATIONAL FOOD AUTHORITY

Ilocos Regional Office (Region 1)

Urbiztondo, San Juan, La Union, 2514 Tel. No. (072) 682-9143 Fax No. (072) 242-59 [region1@nfa.gov.ph](mailto:region1@nfa.gov.ph)

## REQUEST FOR QUOTATION

Date : \_\_\_\_\_

Quotation No. : \_\_\_\_\_

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Address

Please quote your lowest price on the item/s listed below, subject to the attached Terms and Conditions for the Negotiated Procurement (Emergency Cases) of **Private Milling Services for NFA Region 1 CY 2020 (4<sup>th</sup> Quarter) (Left-Out Lot/Volume)**.

Please submit your Quotation to the RBAC Secretariat, NFA-Region I located at Brgy. Urbiztondo, San Juan, La Union **on or before January 11, 2021 at 1:30 PM** for the Opening of Sealed Quotation.

The opening of envelope of your quoted price/s shall be undertaken with or without you or your representative at the NFA Regional Office I San Juan, La Union. Please see to it the envelope of your quotation is properly sealed.

The NFA reserves the right to reject any or all bids/offers, to waive any formality herein or to accept conditions most advantageous to the agency.

**CECILIA A. CONCUBIERTA**

Asst. Regional Director / RBAC Chairperson

PROVINCE	APPROVED BUDGET FOR THE CONTRACT (PhP)	TOTAL VOLUME IN PALAY/50KG NET	% RECOVERY (63% GMR) (BAGS)	TOTAL RICE RECOVERY IN BAG/50 KG NET	BID OFFER, INCLUSIVE OF VAT (PhP)				
					DELIVERY FEE/BAG	MILLING FEE/BAG	TOTAL MILLING FEE	TOTAL DELIVERY FEE	TOTAL BID OFFER

After having carefully read and accepted your Terms and Conditions, I/We quote you on the item at prices noted above.

\_\_\_\_\_  
Printed Name/Signature

\_\_\_\_\_  
Date

**Note: To be accomplished if supplier cannot attend the opening of Quotation.**

### WAIVER

I hereby waive my right to be present and/or to witness the opening of price quotation/Sealed Canvass to be undertaken by the procuring entity at the place and time mentioned above.

\_\_\_\_\_  
Printed Name/Signature

\_\_\_\_\_  
Date

**IMPORTANT: ERASURES WILL INVALIDATE THE OFFER.**



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## TERMS AND CONDITIONS

### PROCUREMENT OF PRIVATE MILLING SERVICES FOR NFA REGION I CY 2020 (4<sup>TH</sup> QUARTER) THROUGH NEGOTIATED PROCUREMENT (EMERGENCY CASES) (LEFT-OUT VOLUME)

#### A. SUBMISSION OF SEALED QUOTATIONS

1. Date and Time of Submission : **On or before January 11, 2021; 1:30 PM**
2. Form of Submission : Thru sealed envelope/Personal Delivery
3. Authorized person to receive quotation : RBAC Sec. Head Liza R. Balagot

#### B. OPENING OF SEALED QUOTATION

1. Date and Time of Opening : **January 11, 2021; 1:30 PM onwards**
2. Place/Venue : NFA Reg'l Office 1, San Juan, La Union
3. Parties to be present : RBAC/TWG/Secretariat/End-Users  
Supplier/Authorized Representative  
Observer

#### C. SCHEDULE OF REQUIREMENT

##### 1. APPROVED BUDGET FOR THE CONTRACT

LOT NO.	LOCATION / AREA	ESTIMATED VOLUME FOR MILLING (In bags of 50 kg)	RICE OUTPUT AT GUARANTEED MILLING RECOVERY (63% GMR) In bags of 50 kg	RATE/BAG*, (Incl. of VAT) Php	APPROVED BUDGET FOR THE CONTRACT (ABC) Incl. of VAT
1	La Union Branch	60,000	37,800	115.00	4,347,000.00
	Pangasinan Branch				
2	East Pang.	85,000	53,550	115.00	6,158,250.00
3	West Pang.	105,000	66,150	115.00	7,607,250.00
	<b>Total East Pangasinan Branch</b>	<b>190,000</b>	<b>119,700</b>	<b>115.00</b>	<b>13,765,500.00</b>
<b>TOTAL</b>		<b>250,000</b>	<b>157,500</b>		<b>18,112,500.00</b>

*\*Milling Fee and Delivery Fee*

Bids will be opened in the presence of the bidders or their representatives who choose to attend. Late bids shall not be accepted.

The amount of bidding fees are as follows:

Volume to be Milled *	Cost of Bidding Documents (Php)
4,000 bags and below	500.00
More than 4,000 bags up to 8,000 bags	1,000.00
More than 8,000 bags up to 40,000 bags	5,000.00
More than 40,000 bags up to 80,000 bags	10,000.00
More than 80,000 bags up to 400,000 bags	25,000.00

*\*Based on the Approved ABC*

## 2. WITHDRAWAL AND DELIVERY POINTS

Lot No.	Location/ Area	Withdrawal Points	Rice Output at Guaranteed Milling Recovery (GMR) in bags of 50kg	Delivery Points
1	La Union	Benemerito, Seahorse, San Juan GID 1 & 2, Ormita Warehouses	37,800	La Union Warehouses
2	East Pangasinan	Binalonan, Rosales & San Quintin Warehouses	53,550	East Pang. Warehouses
3	West Pangasinan	Alaminos, Mangatarem, Ferrer, Star Genieleen & Unique Warehouses	66,150	West Pang. Warehouses
<b>Total</b>			<b>157,500</b>	

## 3. TECHNICAL SPECIFICATIONS OF MILLED RICE OUTPUT (REGULAR AND WELL MILLED RICE)

SPECIFICATIONS	WMR
Palay Input (Variety Code)	PD1
Rice Output (Variety Code)	WD1
Broken (maximum) total including brewers (1% max)	40%
Head Rice (minimum)	60%
Foreign Matter (maximum)	0.20%
Paddy (maximum) number per 1,000 grams	25
Moisture Content (maximum)	14.00%
Milling Degree	Well Milled
Bran Streaks (number of kernels per 100 grains)	1-19%

### Legend:

**PD1** - Palay dry with purity of 95%-100% or 90%-94.9%; Chalky and Immature Kernel of 12% maximum; Discolored and Damaged Kernels of 0 to 7%; Red Kernel of 5% maximum; Moisture Content of 14% and below

**WD1** - Milled rice output of PD1 with milling degree of well-milled

A.1. Milled Rice shall be free from objectionable odor and insect infestation.

#### D. ELIGIBLE BIDDERS

- a. Interested Miller-contractor/s compliant with the minimum specification of multi-pass rice mill are allowed to participate in the bidding.

In extreme cases and places where there is no existing multi-pass rice mill in the area, the use of single pass rice mills shall be allowed.

##### MINIMUM SPECIFICATION OF MULTI-PASS RICE MILLS

###### Rice Mill Parameters

1. Classification : Multi pass rice mill
2. Capacity : 0.7 TPH based on paddy input (minimum)
3. Recovery : Minimum 63.0% for Well Milled Rice (WMR)  
(Rice kernel from which the hull, the germ, the outer bran layers have been removed but part of the lengthwise streaks of the bran layers shall be within the range of 1-19% for WMR)

###### Rice mill Equipment

1. Dehuller : Should be rubber-roll type  
75.0% Hulling Efficiency (minimum)
2. Polisher : a combination of Abrasive and/or Friction-type polishers
3. Destoner : Required

##### MINIMUM SPECIFICATION OF SINGLE-PASS RICE MILLS

###### Rice mill Parameters

1. Classification : Single Pass
2. Capacity : 0.7 TPH based on paddy input (minimum)
3. Recovery : Minimum 63.0% for Well Milled Rice (WMR)  
(Rice kernel from which the hull, the germ, the outer bran layers have been removed but part of the lengthwise streaks of the bran layers shall be within the range of 1-19% for WMR)

###### Rice mill Equipment

1. Dehuller : Rubber Roll  
75.0% Hulling Efficiency (minimum)
- Milling Degree : can accommodate RMR and WMR

- b. Must be in the palay milling/processing business prior to the deadline for submission and receipt of quotation.
- c. Must have passed the latest test milling procedure conducted by the Provincial Office.
- d. Must comply with other requirements stated in *Section F. Eligibility Requirements*.

- e. Must be free from any outstanding obligation/s with NFA.
- f. Must not suffer from disqualifications on the ground of blacklisting by the GPPB or of declaration by the NFA as defaulting miller-contractor.

**E. SUBCONTRACTS**

Subcontracting shall not be allowed.

**F. ELIGIBILITY REQUIREMENTS**

1. Current Mayor's/Business Permit
2. Income/Business Tax Return

Quarterly Income/Business Tax Returns for the 2<sup>nd</sup> quarter and 3<sup>rd</sup> quarter 2020.

Document Particulars	Individual Taxpayer	Non-Individual Taxpayer
	BIR FORM NO.	
Quarterly Income Tax Return	1701Q	1702Q
Quarterly Value Added Tax (VAT) Return (if applicable)	2550Q/ 2551Q	2550Q/ 2551Q

3. Omnibus Sworn Statement by the prospective bidder or its duly authorized representative in accordance with Section 25.3 of the revised IRR of RA 9184; (**Annex B**)

**G. TECHNICAL SPECIFICATIONS**

SPECIFICATIONS	WMR
Palay Input (Variety Code)	PD1
Rice Output (Variety Code)	WD1
Brokens (maximum) total including brewers (1% max)	40%
Head Rice (minimum)	60%
Foreign Matter (maximum)	0.20%
Paddy (maximum) number per 1,000 grams	25
Moisture Content (maximum)	14.00%
Milling Degree	Well Milled
Bran Streaks (number of kernels per 100 grains)	1-19%

Milled Rice shall be free from objectionable odor and insect infestation.

**Required Milling Recovery**

- a. The Contractor guarantees a Milling Recovery Rate at a minimum of 63% for Well Milled Rice.
- b. Bidding shall be on a per volume per lot basis within the area of responsibility per province. A specific volume per lot shall be awarded to the winning bidder.

- c. Payment for milling services shall be in the form of rice recoveries in excess of the awarded percentage (%) milling recovery and the rice by-products recovered.

#### H. **BID PRICES**

All prices shall be quoted in Philippine currency and likewise with the payment of contract price.

#### I. **BID VALIDITY**

Bids shall remain valid for one hundred twenty (120) calendar days from the date of the opening of sealed quotations.

#### J. **HOW TO BID**

1. Bidding shall be on a per lot basis within the area of responsibility per province. The Bids/Quotation shall only be for Percentage Recovery for **Well Milled Rice (WMR) Output** with corresponding amount of milling fee.
2. Volume for bidding per ricemill shall be based on the latest input capacity per CY 2020 average WMR test milling results, computed on a 12-hour/day operation at five (5) days a week and equivalent to the number of days milling period as indicated in *Section Y. Duration Clause*.
3. Bidders shall indicate in their offer the Lot/Province where preferred stocks are to be bid, volume to be bid, the percentage (%) GMR which should not be lower than the minimum GMR of 63.0% for WMR and the corresponding milling fee which should not be higher than the ABC of the lot to be bid. Any bid falling below the minimum 63.0% for WMR or higher than the ABC of the lot shall be automatically disqualified.
4. Bidders shall be ranked according to their bid percentage GMR. Award shall be given first to the bidder who offered the highest percentage GMR after post-qualification procedures, then to the next ranking bidder until all the volume have been completely exhausted.
5. Bidders shall have the option to submit bid offer on any or all of the lots. Bid evaluation and contract award will be undertaken on a per lot basis.
6. In case of tie in the offered GMR between two or more bidders after post-qualification procedures, award shall be given first to the bidder with the highest volume bid/offered, then to the next highest until all the volume have been completely exhausted.
7. Total Bid offer shall be **inclusive** of taxes such as, but not limited to VAT, income tax, local tax and other levies.
8. The awarding of lot depends on the value of the highest offered Guaranteed Milling Recovery (GMR) with the corresponding lowest computed milling fee.
9. A prospective bidder shall not be awarded more than its capacity to mill, taking into consideration both the GMR and schedule period of delivery.

10. In case there is a remaining volume for milling in specific lot, after the award to the bidder who offered the Highest GMR, the next highest bidder shall take the volume in excess, provided that the GMR and schedule period of delivery must not be compromised. In no case shall the award be made excess of the total volume covered per lot.

Non-conformity with these instructions shall be a ground for disqualification.

**K. SEALING AND MARKING OF BIDS**

Each Bidder shall submit one (1) certified photocopy of each of the first and second components of its bid in two (2) separate envelopes.

**L. POST-QUALIFICATION**

1. The Lowest Calculated Quotation shall undergo post-qualification in order to determine whether the bidder concerned complies with and responsive to all the requirements and conditions as specified in the Terms and Conditions.
2. The post qualification shall verify, validate and ascertain all statements made in the legal, technical, financial requirements/documents submitted by the bidder with the Lowest Calculated Bid, using the non-discretionary “pass/fail” criterion.

**M. OBLIGATIONS OF NFA**

The NFA shall:

1. Issue the Notice to Proceed for the palay milling services.
2. Provide Timeline and Schedule of Delivery to the prospective bidder.
3. Assign a Milling Supervisor to the contractor’s mill site with the following functions:
  - 3.1. Supervise milling operations and monitor compliance of output specifications; and
  - 3.2. Submit at the end of the day a daily milling report showing the detailed daily issuances of palay and balances of milled rice recoveries of a particular batch, as well as the running totals for issues. The report shall also include issues, receipts and balances of empty sacks.
4. Issue Warehouse Stock Issue (WSI) for palay withdrawn by the CONTRACTOR from designated issuing warehouses and Warehouse Stock Receipt (WSR) for milled rice recoveries from the CONTRACTOR’s mill delivered to the NFA designated receiving warehouses.
5. Provide empty sacks to CONTRACTOR to serve as containers for the milled rice due to the NFA using Empty Sack Issue (ESI) to document all issuance(s) of empty sacks to miller-contractor and Empty Sack Receipt (ESR) to document all empty sacks returned to NFA from the CONTRACTOR’s trust and mill site.

6. Allow interested millers to undertake validation of laboratory test milling result. Drawing of palay samples for validation purposes shall be made with the supervision of NFA technical personnel using NFA Sampling Method.
7. Initially issue two (2) batches of palay. Each batch shall be equivalent to one (1) day to three (3) days of milling capacity of the mill on a 12-hour operation at five (5) days a week. A succeeding batch shall be issued only after one preceding batch is fully liquidated through the submission of a Milling Report together with relevant documents, certified correct by the Milling Supervisor and noted by the Provincial Manager.
8. For the purpose of issuance of stocks to the Contractor, one Authority to Issue (AI) shall cover only one batch.
9. Under no circumstances shall NFA have stocks with the Contractor in excess of the 5-day milling capacity of the mill on a 12-hour operation at any one time. Neither shall NFA issue palay of a different variety code and/or require different output unless the two batches of stocks previously issued has been fully liquidated by NFA Management.
10. Not issue stocks for milling in the absence of Performance Security in the form and amount acceptable to NFA.
11. Stocks for milling shall only be issued to the Contractor/Attorney-in-Fact or his/her duly authorized representative. They shall sign on the "received by" portion.
12. Review and evaluate the Statement of Milling Liquidation prepared by the miller-contractor per batch.
13. NFA shall shoulder all handling expenses incurred from the NFA pile up to the carrier (truck) during withdrawal of palay and empty sacks and from the carrier (truck) up to the NFA pile upon receipt of rice recoveries and empty sacks based on the approved existing NFA handling rates.
14. Accept all deliveries of milled rice that conform to NFA specifications.
15. Pay the CONTRACTOR the delivery expenses that the latter will incur in the delivery to NFA of the Contracted Milling Recovery Output from the CONTRACTOR's mill-site to the NFA designated warehouse at the NFA approved trucking rates.
16. In case NFA receives written report from the CONTRACTOR regarding suspension or stoppage of milling operations due to mechanical breakdown, the NFA shall:
  - a. Issue suspension order if the suspension or stoppage of milling operations will not delay / compromise the original schedule of delivery; and
  - b. Deny the request through a written notice if the suspension or stoppage of milling operations will delay / compromise the original schedule of delivery. Demand in writing that the Miller shall look for another Rice Mill under the same at contractor's expense until the latter can comply with his / her obligations with corresponding, if



any, otherwise rescind the contract with damages. In this event, a new bidding of milling services shall be conducted.

17. Suspend the implementation of the contract in cases of emergency / force majeure/fortuitous event, until the situation returns to normal.

**N. OBLIGATIONS OF THE MILLER-CONTRACTOR**

The Contractor shall:

1. Withdraw and transport the palay and empty sacks from NFA warehouse to mill site as well as unused empty sacks free of charge. The contractor shall not charge storage fee while the stocks / empty sacks are in his custody.
2. Acknowledge all palay and empty sacks issued by NFA in the WSI and ESI. The Authority to Issue (AI), Warehouse Stock Issue (WSI), Sack Issuance Authority (SIA), Empty Sack Issue (ESI), Warehouse Stock Receipt (WSR), and Empty Sack Receipt (ESR) shall be the bases for the examination of the CONTRACTOR's accountability for palay, empty sacks, and recoveries.
3. Prioritize the milling of the NFA stocks and Milling shall be exclusive and continuous at a minimum volume per batch of one (1) to three (3) days of milling capacity on a 12-hr operation input at least five (5) days a week. In case CONTRACTOR fails to continuously and exclusively mill the NFA stocks, CONTRACTOR acknowledges NFA's right to terminate the contract with or without notice.
4. In case the Contractor was awarded two or more lots (provinces) he/she shall prioritize the milling of the awarded volume from the province where his/her ricemill is located. The next priority will be based on the scheduled date of completion of the provinces where he/she was awarded the contract or simultaneously if same lots have the same date of completion. The miller contractor shall compute the milling schedule of his/her ricemill based on the lot/s his/her intending to participate and shall complete his/her milling contract based on the scheduled date of completion.
5. Shoulder all handling expenses incurred from the carrier (truck) up to the miller's pile during the receipt of palay / empty sack and from miller's pile up to the carrier (truck) upon deliveries of milled rice, as well as unused empty sacks.
6. **Since milling of NFA stocks is exclusive and continuous, Contractor shall ensure that NFA palay stocks, rice recoveries and empty sacks are segregated and are made identifiable from Contractor's stocks or piles. There shall be no co-mingling of Contractor's palay/rice/MTS stocks with NFA stocks. Enough space shall be provided for NFA stocks to allow for easy identification and inspection. In addition, bin cards shall be placed in every pile.**
7. Place the 50 kg of milled rice in the containers provided by NFA. The NFA stocks, empty sacks and recoveries shall be segregated and be made identifiable from other stocks or piles. Bin cards shall be placed in every pile.
8. Ensure that palay sacks are not damaged during milling operations. Hence, hooks shall not be used in handling the NFA's palay and milled rice stocks.

9. Deliver the milled stocks, palay MTS, and unused empty rice sacks, if any, not later than the third (3<sup>rd</sup>) day from the date of the last WSI issued for a particular AI (batch) and shall be completed not later than the fifth (5<sup>th</sup>) day from date of said last WSI.
10. Suspend the milling operation in case the milled rice does not conform with the required milling quality / specification and notify NFA in writing within 24 hours. Failure of the CONTRACTOR to notify NFA in writing shall make the CONTRACTOR liable for the consequences.
11. CONTRACTOR to allow the Regional/Provincial Task Force and any NFA authorized representative to conduct monitoring and inspection in the millsite from time to time, to check adherence to quality specifications and other aspects in connection with the milling operation.
12. Secure Fire Insurance from an insurer duly registered with the Insurance Commission and acceptable to the NFA to cover fire, floods and typhoons in an amount equivalent to One Hundred Percent (100%) of the book value of issued stocks from a minimum of two (2)-day to a maximum of six (6)-day palay input capacity of the CONTRACTOR's mill on a 12-hour per day operation. Such insurance shall be effective on the day of the first issuance of stocks to the CONTRACTOR.

In case the Contractor opted to file a "Cash Bond", the bond may also apply to cover/answer incidence of fire, floods, typhoons and other Acts of God to reduce the number of securities required in the contract.

13. Responsible for the filing and payment of necessary taxes related to his / her palay milling transactions with the NFA, if applicable.
14. In consonance with Republic Act No. 10611 or the Food Safety Act of 2013, ensure that trucks to be used in the delivery of rice recoveries are suited for grains cargo transport, do not have holes / ruptures on the flooring to avoid pilferage / spillage, free from objectionable odor, toxic, and hazardous substances and foreign matters / dirt that may cause damage and / or adulteration / contamination of rice stocks.

#### **O. PAYMENT**

Payment for the milling services rendered shall be in kind. The CONTRACTOR agrees to accept as full payment, any and all by-products as well as the rice recoveries in excess of the Contracted Milling Recovery (GMR) of the actual volume milled. Hence, there shall be NO CASH OUTLAY from NFA for payment of milling services except for payment for the delivery of rice recoveries from mill to designated receiving warehouses.

#### **Computation of Value Added Tax**

Based on Provision (B)(f) of Sec. 4.109-1 of Revenue Regulations No. 16-2005: Consolidated Value-Added Tax Regulations of 2005 dated September 1, 2005, it is stated that "*Services by agricultural contract growers and milling for others of palay into rice, corn into grits, and sugar into raw sugar*" is considered under the VAT-Exempt Transactions.

Value Added Tax (VAT) shall only be deducted from the delivery fees paid to the contractor.

**P. PERFORMANCE SECURITY**

1. To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
2. The Performance Security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount not less than the percentage of the total contract price in accordance with the following schedule:

<b>Form of Performance Security</b>	<b>Amount of Performance Security (Not less than the Percentage of the Total Contract Price)</b>
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.  <i>For biddings conducted by the LGUs, the Cashier's/Manager's Check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i>	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.  <i>For biddings conducted by the LGUs, the Bank Draft/ Guarantee or Irrevocable Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</i>	
(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.	Thirty percent (30%)

3. Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall have a fresh period to initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for recommendation of contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement, if necessary.

**Q. SUBCONTRACTS**

Subcontracting shall not be allowed for this particular project.

**R. DEFAULT AND PENALTY**

1. The Contractor shall be in default under the following conditions:
  - a. The NFA palay was substituted with newly harvested palay or palay with inferior quality, and/or mixed/blended with sub-standard rice or substituted with inferior quality rice, the Contractor shall automatically be deemed in default;
  - b. Failure to meet NFA specifications; and
  - c. Failure to deliver the milled rice recovery **within five (5) days**, reckoned from the date of issuance of the WSI of a particular AI / batch under *Section M.7* hereof. The CONTRACTOR shall pay a penalty for delay computed at  $1/10^{\text{th}}$  of 1% of the book value of the undelivered stocks / sacks per day of delay;
2. Upon the occurrence of any the foregoing events of default, the NFA shall require the CONTRACTOR within fifteen (15) days from Notice of Default to either:
  - a. For Item 1.a., to pay a penalty computed at  $1/10^{\text{th}}$  of 1% of the book value of the undelivered stocks / sacks per day of delay;
  - b. For Items 1.b and 1.c, restitute the undelivered stocks / sacks by delivering rice or palay or MTS plus pay a penalty computed at  $1/10^{\text{th}}$  of 1% of the book value of the undelivered stocks / sacks per day of delay starting from the day of default:
    - b.1 If restitution shall be in rice form, the rice should be in accordance with the specification required of the stocks issued him and in such quantity that should be equivalent to the recoveries of the palay issued him plus the corresponding penalty.
    - b.2 If restitution shall be in palay form such palay should be of the same quality as that issued to him and in such quantity that should be equivalent to the quantity issued him plus the corresponding penalty.

**S. SPECIAL PROVISIONS**

1. The NFA does not warrant the full milling of the awarded volume during the effectivity of the contract;
2. The CONTRACTOR shall be accountable for NFA's palay, rice, by-products and empty sacks from the time it acknowledges the receipts until such time that all milled rice and empty sacks have been fully delivered to and accepted by the NFA;
3. The CONTRACTOR shall be held liable in case of failure to comply with terms and conditions in accordance with existing laws and decrees of the fault is attributable to him / her;

4. In case the CONTRACTOR has any outstanding obligations with the NFA, the latter shall have the right to retain 100% of the money value of whatever receivables the CONTRACTOR may have from NFA and apply the same by way of compensation for the obligations;
5. In case of litigation arising from this contract, the CONTRACTOR agrees to pay liquidated damages in the amount of not less than Fifty Thousand Pesos (Php50,000.00) plus cost of suit;
6. The basis for the examination of accountabilities of CONTRACTOR shall be the palay, by-products and empty sacks issued vis-à-vis the rice delivered and empty sacks returned; and
7. The minimum volume to be issued for milling at any one time shall be based on the milling capacity of the rice mill equivalent to two (2) batches of its 12-hrs milling capacity per day.

**T. CONDUCT OF MILLING PROPER OPERATIONS**

1. The Notice to Proceed (NTP) shall be issued and served to the winning bidder indicating the province and awarded volume.
2. Based on the Notice to Proceed, the Provincial Manager of concerned province will serve the following notices to the winning contractors to fast track the conduct of the milling activities:
  - a. **Notice to Start** - specify date of start (reckoned on the date the first WSI is to be issued), volume to be milled and destination/receiving warehouse. The conduct of milling shall be continued until completion of the volume to be delivered as per Notice to Proceed.
  - b. **Notice to Suspend Milling** - in cases beyond the control of the winning Contractor (like bad weather, machine breakdown, report on non-conformance with stock specifications wherein the Provincial Milling Committee will undertake inspection/probing, etc.)
  - c. **Notice to Resume** - shall be issued after causes of disruption as stated in the Notice of Suspension has been resolved and milling shall be resumed.
  - d. **Notice of Default/Failure to Comply** - shall be served to the Contractor if the Contractor fails to comply with the provisions of *Section R* and be liable for the adverse effects of non-compliance. Failure of the Contractor to comply with the instructions of the Provincial Manager as stated in the aforesaid notices will make Contractor liable for payment of penalties to be imposed.

To facilitate issuance of Notices, all winning Contractors shall provide/submit to the concerned Provincial Managers their official contact persons/numbers like fax numbers, landline and cellphone numbers.

**U. ARBITRATION**

Any and all disputes arising from the implementation of a contract covered by RA 9184 and its IRR-A shall be submitted to arbitration in the Philippines according to the provisions of RA No.

876, otherwise known as the "Arbitration Law". Provided, however, that disputes that are within the competence of the Construction Industry Arbitrary Commission to resolve shall be referred to. The process of arbitration shall be incorporated as a provision in the contract that will be executed pursuant to the provisions of the Act and its IRR-A. Provided, further, that by mutual agreement, the parties may agree in writing to resort to other alternatives/modes of dispute resolution.

**V. ENTIRETY CLAUSE**

No alterations, amendments, and/or modifications to the Contract shall be considered valid unless agreed upon by both parties contained in a duly notarized document.

**W. VENUE OF ACTION**

Legal actions arising out of or relating to this Contract shall be filed with any of the competent courts in the City of San Fernando, La Union.

**X. RESERVATION CLAUSE**

1. Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said Bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.
2. Based on the following grounds, the Procuring Entity reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
  - (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the Bidders, or if the collusion is between or among the bidders themselves, or between a Bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
  - (b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
  - (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:
    - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the HoPE;
    - (ii) If the project is no longer necessary as determined by the HoPE; and
    - (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

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

- (a) No bids are received;
- (b) All prospective Bidders are declared ineligible;
- (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
- (d) The bidder with the LCRB refuses, without justifiable cause to accept the award of contract, and no award is made in accordance with Section 40 of the IRR of RA 9184.

**Y. DURATION CLAUSE**

The contract becomes effective upon the date of signing by the parties and shall remain in full force until the date indicated below or until the total awarded volume shall have been milled, whichever comes first:

PROVINCE	DATE OF COMPLETION
LA UNION	February 28, 2021
EAST PANG	March 31, 2021
WEST PANG	February 28, 2021

Prepared by: **TECHNICAL WORKING GROUP (TWG)**

**ALEXIS J. CACHERO**

Actg Supvg. GOO (RE)/Chairman

**JAY MARK M. MALVAR**

Actg Accountant IV/Member

**MARICRIS A. MERCADO**

Actg Info. Officer III/Member

Recommending Approval: **REGIONAL BIDS AND AWARDS COMMITTEE (RBAC)**

**FREDERICK B. DULAY**

Branch Manager-Member

**JONATHAN U. CORPUZ**

Branch Manager-Member

**VERALEW DG. DE VERA**

Branch Manager-Vice Chairman

**CECILIA A. CONCUBIERTA**

Asst. Regional Director-Chairperson

**APPROVED:**

**YOLANDA R. NAVARRO, Ph.D.**

Regional Director – Head of Procuring Entity

**Omnibus Sworn Statement (Revised)**  
***[shall be submitted with the Bid]***

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REPUBLIC OF THE PHILIPPINES )  
 CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

**AFFIDAVIT**

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

1. *[Select one, delete the other:]*

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

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

2. *[Select one, delete the other:]*

*[If a sole proprietorship:]* As the owner and sole proprietor, or authorized representative of [Name of Bidder], I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached duly notarized Special Power of Attorney;

*[If a partnership, corporation, cooperative, or joint venture:]* I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached [state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)];

3. [Name of Bidder] is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board, **by itself or by relation, membership, association, affiliation, or controlling interest with another blacklisted person or entity as defined and provided for in the Uniform Guidelines on Blacklisting;**

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

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

6. *[Select one, delete the rest:]*

*[If a sole proprietorship:]* The owner or sole proprietor is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working



Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

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

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

7. *[Name of Bidder]* complies with existing labor laws and standards; and
8. *[Name of Bidder]* is aware of and has undertaken the responsibilities as a Bidder in compliance with the Philippine Bidding Documents, which includes:
  - a. Carefully examining all of the Bidding Documents;
  - b. Acknowledging all conditions, local or otherwise, affecting the implementation of the Contract;
  - c. Making an estimate of the facilities available and needed for the contract to be bid, if any; and
  - d. Inquiring or securing Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.
9. *[Name of Bidder]* did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.
10. **In case advance payment was made or given, failure to perform or deliver any of the obligations and undertakings in the contract shall be sufficient grounds to constitute criminal liability for Swindling (Estafa) or the commission of fraud with unfaithfulness or abuse of confidence through misappropriating or converting any payment received by a person or entity under an obligation involving the duty to deliver certain goods or services, to the prejudice of the public and the government of the Philippines pursuant to Article 315 of Act No. 3815 s. 1930, as amended, or the Revised Penal Code.**

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of \_\_\_, 20\_\_ at \_\_\_\_\_, Philippines.

*[Insert NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE]*

*[Insert signatory's legal capacity]*  
Affiant

**(Jurat)**

*[Format shall be based on the latest Rules on Notarial Practice]*