

Republic of the Philippines  
**NATIONAL FOOD AUTHORITY**  
Regional Office 1  
San Juan, La Union

**REQUEST FOR QUOTATION**

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

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

\_\_\_\_\_  
Address

Dear Sir/Ma'am:

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 Trucking Services for the Intra and Inter-Regional Transfer of Grains of NFA - Region 1 for CY 2021.**

Please submit your **Quotation** to the RBAC Secretariat, NFA -Region 1 located at Brgy. Urbiztondo, San Juan, La Union **on or before January 15, 2021 at 10:00 AM** for the opening of RFQ/Bid.

  
**CECILIA A. CONCUBIERTA**

Asst. Regional Director & RBAC Chairperson

LOT NO.	ROUTE			TRUCK RQMT*	VOLUME (50-kg)	ABC (Incl. 12% VAT)		BID OFFER, Inclusive of VAT		
	PROVINCE	SOURCE -WAREHOUSE	DESTINATION			RATE/BAG	AMOUNT (PHP)	RATE/BAG	AMOUNT (PHP)	
1	I. INTER-REGIONAL TRANSFER									
	ILOCOS SUR	BANTAY GID	VALENZUELA CITY	20	5,000	109.20	546,000.00			
		CANDON WHSE.	VALENZUELA CITY		5,000	98.20	491,000.00			
	LA UNION	BENEMERITO WHSE/AGOO	QUEZON CITY		10,000	78.20	782,000.00			
		SAN JUAN GID	QUEZON CITY		10,000	82.80	828,000.00			
	EAST PANG	ROSALES WHSES	ANTIPOLO CITY		8,000	66.60	532,800.00			
		BINALONAN WHSES	GEN. TRIAS CITY		7,000	78.20	547,400.00			
		ROSALES WHSES	VALENZUELA CITY		10,000	62.20	622,000.00			
		BINALONAN WHSES	VALENZUELA CITY		10,000	67.00	670,000.00			
	WEST PANG	ALAMINOS GID	VALENZUELA CITY		10,000	76.60	766,000.00			
		MANGATAREM GID	VALENZUELA CITY		15,000	64.80	972,000.00			
		LINGAYEN WHSES	VALENZUELA CITY		10,000	71.80	718,000.00			
	TOTAL FOR INTER-REGIONAL TRANSFER				100,000		7,475,200.00			
	II. INTRA-REGIONAL TRANSFER									
	LOCOS NORT	LAOAG GID	Loakan, Baguio City	10	5,000	123.36	616,800.00			
		DINGRAS GID	Loakan, Baguio City		10,000	125.16	1,251,600.00			
	SUB-TOTAL		15,000			1,868,400.00				
	ILOCOS SUR	BANTAY GID	Loakan, Baguio City		5,000	106.76	533,800.00			
		CANDON WHSE.	Loakan, Baguio City		3,000	95.56	286,680.00			
		TAGUDIN FLGC	Loakan, Baguio City		2,000	88.56	177,120.00			
		SUB-TOTAL			10,000		997,600.00			
	TOTAL FOR INTRA-REGIONAL TRANSFER				25,000		2,866,000			
	GRAND TOTAL				30	125,000	10,341,200.00			
	* Ten (10) wheeler trucks @ 500 bags capacity or Trailer trucks computed as 1.5 units									
	** Trucking rate are computed using the Modified Hauling rate per bag per distance in kilometer. The rate is applicable for all vice versa route.									
	*** Additional 20% based on modified hauling rate per bag/distance in kilometer for mountainous terrain.									

After having carefully read and accepted your terms and conditions above, we quote you on the items at prices noted above.

SERVICE PROVIDER'S NAME:		DATE:
ADDRESS:		TIN NO.:
TELEPHONE NO.:		FAX NO.:
SERVICE PROVIDER'S AUTHORIZED REPRESENTATIVE SIGNATURE OVER PRINTED NAME		E-MAIL ADDRESS:



# NATIONAL FOOD AUTHORITY

Ilocos Regional Office (Region 1)

Urbiztondo, San Juan, La Union, 2514 Tel. No. (072) 682-9143 Fax No. (072) 242-5907 [region1@nfa.gov.ph](mailto:region1@nfa.gov.ph)

## TERMS AND CONDITIONS

### PROCUREMENT OF TRUCKING SERVICES FOR THE INTRA AND INTER-REGIONAL TRANSFER OF GRAINS OF NFA - REGION 1 FOR CY 2021 THROUGH NEGOTIATED PROCUREMENT (EMERGENCY CASES)

#### A. SUBMISSION OF SEALED QUOTATIONS

1. Date and Time of Submission : not later than 10:00 AM of **January 15, 2021**
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 15, 2021; 11:00 AM 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

LOT NO.	SOURCE		DESTINATION	APPROX. DIK	TRUCK RQMT*	VOLUME (50-kg	RATE/BAG /DIK*	ABC (INCL. VAT)
	PROVINCE	WAREHOUSE						
1	I. INTER-REGIONAL TRANSFER							
	ILOCOS NORTE BRANCH							
	ILOCOS SUR	BANTAY GID	VALENZUELA CITY	396	20	5,000	109.20	546,000.00
		CANDON WHSE.	VALENZUELA CITY	341		5,000	98.20	491,000.00
	LA UNION BRANCH							
	LA UNION	BENEMERITO WHSE/AGOO	QUEZON CITY	241		10,000	78.20	782,000.00
		SAN JUAN GID	QUEZON CITY	264		10,000	82.80	828,000.00
	EAST PANGASINAN BRANCH							
	EAST PANG	ROSALES WHSES	ANTIPOLO CITY	183		8,000	66.60	532,800.00
		BINALONAN WHSES	GEN. TRIAS CITY	241		7,000	78.20	547,400.00
		ROSALES WHSES	VALENZUELA CITY	161		10,000	62.20	622,000.00
		BINALONAN WHSES	VALENZUELA CITY	185		10,000	67.00	670,000.00
	WEST PANG	ALAMINOS GID	VALENZUELA CITY	233		10,000	76.60	766,000.00
		MANGATAREM GID	VALENZUELA CITY	174		15,000	64.80	972,000.00
		LINGAYEN WHSES	VALENZUELA CITY	209		10,000	71.80	718,000.00
	TOTAL FOR INTER-REGIONAL TRANSFER					100,000		7,475,200.00

LOT NO.	SOURCE		DESTINATION	APPROX. DIK	TRUCK RQMT*	VOLUME (50-kg)	RATE/BAG /DIK*	ABC (INCL. VAT)
	PROVINCE	WAREHOUSE						
	II. INTRA-REGIONAL TRANSFER							
	<b>ILOCOS NORTE BRANCH</b>							
	ILOCOS NORTE	LAOAG GID	Loakan, Baguio City	273	10	5,000	123.36	616,800.00
		DINGRAS GID	Loakan, Baguio City	282		10,000	125.16	1,251,600.00
		<b>SUB-TOTAL</b>				<b>15,000</b>		<b>1,868,400.00</b>
	ILOCOS SUR	BANTAY GID	Loakan, Baguio City	190		5,000	106.76	533,800.00
		CANDON WHSE.	Loakan, Baguio City	134		3,000	95.56	286,680.00
		TAGUDIN FLGC	Loakan, Baguio City	111		2,000	88.56	177,120.00
		<b>SUB-TOTAL</b>				<b>10,000</b>		<b>997,600.00</b>
	<b>TOTAL FOR INTRA-REGIONAL TRANSFER</b>					<b>25,000</b>		<b>2,866,000</b>
	<b>GRAND TOTAL</b>				<b>30</b>	<b>125,000</b>		<b>10,341,200.00</b>

The Request for Quotation (RFQ) and the Terms and Conditions may be acquired by interested bidder starting **January 11, 2021** at the National Food Authority, Regional Office 1, San Juan, La Union and upon payment of a non-refundable fee in the amount of PESOS: **Twenty Five Thousand Pesos Only (Php 25,000.00)**. It may also be downloaded free of charge from the NFA website, provided that bidder shall pay the applicable amount not later than the submission of their quotations.

#### **D. ELIGIBILITY CRITERIA**

1. Must be owner of trucks registered as Trucks for Hire (TH) with LTFRB;
2. Must have at least three (3) years experience in trucking/hauling of bagged cargoes prior to the deadline for the submission and receipt of quotations;
3. Must meet the minimum number of operational TH trucks required; of which at least fifty percent (50%) plus one (1) unit must be owned by the bidder as evidenced by the OR/CR in his name, balance can be leased;
4. Must comply with the requirements stated in Section *F. Eligibility Requirement*;
5. Must not suffer from disqualifications on the ground of blacklisting by the GPPB or of declaration by the NFA as defaulting trucking contractor.
6. Prospective bidders must have no outstanding obligation with NFA;

#### **E. SUBCONTRACTS**

Subcontracting shall not be allowed.

#### **F. ELIGIBILITY REQUIREMENTS**

1. PhilGEPS Certificate of Membership under Platinum Category
2. Current Mayor's/Business Permit
3. Quarterly Income/Business Tax Returns

Quarterly Income/Business Tax Returns for the **2<sup>nd</sup> quarter and 3<sup>rd</sup> quarter 2020** filed and taxes paid thru BIR Electronic Filing and Payment System (EFPS). **Only tax returns filed**

and taxes paid through the BIR Electronic Filing and Payment System (EFPS) shall be accepted.

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

4. 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;
5. Bid Security in the prescribed form, amount and validity period;
6. Notarized Statement of the bidder's Single Largest Completed Contract (SLCC) for the last three (3) years prior to the deadline for the submission and receipt of bids, which is similar to the Project and the value of which, adjusted, if necessary, to current prices using the Philippine Statistics Authority (PSA) consumer price index, must be at least equivalent to fifty percent (50%) of the Approved Budget for the Contract to be bid. Same shall be supported by the original or certified photocopy of the following documents:
  - a. Copy/ies of contract/s and/or Notice/s of Award
  - b. Notice/s to Proceed or Certification from the owner of contracting party that the contractor was advised to proceed with the project
  - c. Certificate of Completion and Acceptance issued by the contracted party

**For this purpose, similar contracts shall refer to those related to trucking and delivery of sacked or bagged cargoes/goods.**

7. The envelope shall also contain the following technical documents:
  - a. Articles of Incorporation, Partnership or Corporation, whichever is applicable, including amendments thereto;
  - b. Company Profile to state the following:
    - i. contact information/details of the company, including its branch office/s if any;
    - ii. number of years in the trucking/transport services business;
    - iii. organizational chart/set-up including name of drivers employed;
  - c. List of Owned Trucks (must be at least equivalent to 50% plus one (1) unit of the minimum units of truck required) to be supported by the following:
    - i. LTO Certificate of Registration (CR) and Official Receipt (OR) for each unit of truck;
    - ii. LTFRB Certificate of Public Convenience (CPC) for each unit of truck or provisional certificate issued for owned trucks with on-going application or renewal of LTFRB CPC;

- iii. Copy of the following documents whichever is applicable: (1) Copy of Deed of Sale for newly purchased truck/s; (2) Copy of Purchase/Chattel Mortgage Agreement for unit/s still on installment basis (3) Copy of Deed of Donation for donated unit/s.
- d. List of Leased Trucks (remaining number of units required) to be supported by the following:
  - i. LTO Certificate of Registration (CR) and Official Receipt (OR) for each unit of truck;
  - ii. LTFRB Certificate of Public Convenience (CPC) for each unit of truck or provisional certificate issued for leased trucks with on-going application or renewal of LTFRB CPC;
  - iii. Copy of Lease Contract Agreement

#### **G. SCHEDULE OF REQUIREMENTS**

The utilization of the required TH trucks for the transfer of more or less 100,000 bags Local Rice to NFA National Capital Region and more or less 25,000 bags Local Rice to NFA La Union Branch (Benguet) and shall be undertaken for the **period January to April 30, 2021.**

#### **H. TECHNICAL SPECIFICATIONS**

1. Trucks to be provided must be registered as Trucks for Hire (TH) with LTFRB. **At least 50% plus one (1) unit** of the required minimum number of units of TH-Truck with licensed professional drivers are owned and registered in the name of the prospective bidder, the remaining can be leased;
2. Trucks to be provided can only either be ten-wheeler (500 bags minimum capacity) or 20-ft trailer trucks.
3. Trucks must be in good running condition and must be suited for grains cargo transport; do not have holes on the flooring to avoid pilferage/spillage and free from objectionable odor, toxic and hazardous substances and foreign matter/dirt that may cause damage/and/or adulteration/contamination of NFA stocks;
4. Each unit of truck must be provided with the following:
  - a. Appropriate tarpaulins sufficient to cover and protect grain cargoes while in-transit and for matting to recover or retrieve sweepings and spillages from truck floorings
  - b. Tools and Accessories to include fire extinguishers, wheel wrench, spare tires, early warning device, other mechanical tools and first aid kit;
  - c. One (1) helper
5. Truck flooring must be free from any protruding objects that may cause damage to containers of NFA stocks;
6. Transfers of grains are completed within reasonable travelling time corresponding to the distance from source to destination.

## **I. BID CURRENCIES**

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

## **J. BID VALIDITY**

1. Bids shall remain valid for one hundred twenty (120) calendar days from the date of the opening of sealed quotations;
2. In exceptional circumstances, prior to the expiration of the bid validity period, the NFA may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

## **K. BID SECURITY**

1. The Bidder shall submit a Bid Securing Declaration, or any form of Bid Security, issued in favor of NFA in an amount not less than the required percentage of the ABC in accordance with the following schedule:

<b>Form of Bid Security</b>	<b>Amount of Bid Security (Equal to Percentage of the ABC)</b>
1. Cash or cashier's check issued by a Universal or Commercial Bank	Two percent (2%)
2. Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)

A Bid Securing Declaration is an undertaking which states, among others, that the bidder shall enter into contract with the procuring entity and furnish the required performance security within five (5) calendar days, as indicated in the Bidding Documents, from receipt of the Notice of Award, and commits to pay the corresponding amount as fine and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as provided in the guidelines issued by GPPB.

The Bid Security shall be valid for one hundred twenty (120) calendar days from the 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.

#### **L. PRICE OFFER**

1. The ABC shall be the ceiling for the acceptable bid/price offers;
2. Bid offers must be quoted in Philippine Pesos up to two (2) decimal places only;
3. Total Bid offer shall be **inclusive** of taxes such as, but not limited to VAT, income tax, local tax and other levies.

#### **M. SEALING AND MARKING OF BIDS**

Each Bidder shall submit one (1) original and two (2) copies each of the first and second components of its bid.

Bidder shall enclose the original eligibility and technical documents in one sealed envelope marked "ORIGINAL-TECHNICAL COMPONENT" and the original of financial component in another sealed envelope marked "ORIGINAL-FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".

Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as "COPY NO. \_\_\_\_-TECHNICAL COMPONENT" and "COPY NO. \_\_\_\_-FINANCIAL COMPONENT" and the outer envelope as "COPY NO. \_\_\_\_" respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.

The original and the number of copies of the Bid shall be typed or written in ink and shall be signed by the Bidder or his duly authorized representative.

All envelopes/folders shall be marked as follows:

1. Contain the name of the contract to be bid in capital letters, "**PROCUREMENT OF TRUCKING SERVICES FOR THE INTRA AND INTER-REGIONAL TRANSFER OF GRAINS OF NFA - REGION 1 FOR CY 2021 THROUGH NEGOTIATED PROCUREMENT (EMERGENCY CASES)**";
2. Bear the name and address of the Bidder in CAPITAL letters;
3. Be addressed to the Procuring Entity's BAC identified as NATIONAL FOOD AUTHORITY REGION 1 Bids and Awards Committee;
4. Bear the specific identification of the bidding process, the name, identification and lot number specific to this bidding;
5. Bear a warning "**DO NOT OPEN BEFORE JANUARY 15, 2021; 11:00 AM**".

Prospective bidders are requested to file/arrange the eligibility documents following the sequences presented in Section III with appropriate tabbing. This is to facilitate checking during eligibility check.

#### **N. POST-QUALIFICATION**

1. Within a non-extendible period of two (2) calendar days from receipt by the bidder of notice from the BAC that it submitted the Lowest Calculated Quotation, the bidder shall submit the following documentary requirements:

1. Trucks Profile for all listed units of TH trucks.

2. All trucks offered in the bidding shall be subjected to technical inspection by the Technical Working Group (TWG). The truck owner or his/her authorized representative shall witness the inspection. It shall be done within seven (7) calendar days after the opening of bids and shall form part of the post evaluation procedures.

**O. PERFORMANCE SECURITY**

To guarantee the faithful performance by the winning bidder of its obligations under the contract in accordance with the Bidding Documents, it shall post a performance security prior to the signing of the contract or within five (5) calendar days after receipt of the Notice of Award with form and amount equal to the following schedule:

<b>Form of Performance Security</b>	<b>Amount of Performance Security (Equal to percentage of the Total Contract Price)</b>
a. Cash, or cashiers/managers 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.	Thirty Percent (30%)

**P. IN-LAND MARINE INSURANCE**

Upon receipt of Notice of Award before signing of the contract, the successful bidder shall submit Inland Marine Insurance Policy/Coverage for all listed trucks (owned and leased) to be secured from the insurance company registered with the Insurance Commission.

**Q. OBLIGATIONS OF NFA**

1. The NFA shall issue the Notice to Proceed for the hauling/transfer of the NFA stocks.
2. The NFA upon receipt of the List of Trucks and Drivers assigned, shall designate a dispatcher for the determination of assignment of trucks to NFA warehouses;
3. The NFA shall inspect the delivery trucks to ensure their road worthiness and suitability for grains cargo transport; do not have holes on the flooring to avoid pilferage/spillage and free from objectionable odor, toxic and hazardous substances and foreign matter/dirt that may cause damage/and/or adulteration/contamination of NFA stocks. The inspection shall not diminish the liability of the truckers for any loss or damages arising there from;



4. The NFA shall issue to the drivers (contractor's authorized representative) the following documents:
  - a. Warehouse Stock Issue (WSI)- for the issuance of stocks
  - b. Warehouse Stock Receipt (WSR)- for receipt of stocks
5. The NFA shall oblige at all times the duly authorized driver/s of trucks to witness the weighing of the stocks to verify the veracity of the entries being made in the documents prior to affixing his signature thereon.
6. The NFA has the option to provide escort/s in the transfer of NFA rice and should ensure that the cargo is properly secured and trucking documents are complete and with accurate entries. The exercise of this option, shall not however, exempt the contractor from liability on shortage(s) that may be incurred while the cargoes are in transit;
7. The NFA shall pay the contractor based only on the actual volume delivered at receiving warehouses per bag of 50kg (50kg-bag means gross weight inclusive of weight of sack or container divided by 50). The total gross weight of grains delivered at receiving warehouses and the awarded trucking rates shall be the basis for computing the trucking fees.
8. The NFA shall pay the contractor based on awarded trucking/hauling rate after deducting the losses, shortages and damages, if any. Payment shall be subject to the usual Accounting and Auditing procedures upon presentation/submission of the following documents:

#### *8.1. FIRST BILLING*

- 8.1.1. Accomplished Voucher
- 8.1.2. Statement of deliveries together with copy/ies of WSI/WSR
- 8.1.3. Notice of Award (photocopy)
- 8.1.4. Certified Photocopy of Inland Marine Insurance/Policy Coverage
- 8.1.5. Notice to Proceed (photocopy)
- 8.1.6. Contract (photocopy)

#### *8.2. SUCCEEDING BILLING*

- 8.2.1. Accomplished voucher

9. The payments of the trucking fees shall be made at the concerned NFA Provincial Office of the issuing warehouse upon presentation of above cited supporting documents.

### **R. OBLIGATIONS OF THE CONTRACTOR**

1. The Trucking Contractor upon receipt of the Notice to Proceed (NTP), shall provide the minimum number of trucks as offered until the completion of the contract and shall not be used/offered to any party for the duration of the trucking operations;
2. The Trucking Contractor shall notify the concerned NFA Provincial Office/Branch of the plate number per truck, tonnage capacity, name of drivers with certified photocopy of unexpired driver's license and the corresponding Special Power of

Attorney (SPA) authorizing drivers to sign warehouse documents as constituted agents or attorneys-in-fact of the Contractor. The said SPA shall also indicate the specimen signature of each truck driver;

3. The trucking contractor shall provide trucks that 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;
4. The Trucking Contractor in the event listed truck unit/s is/are not available for NFA's use due to mechanical breakdown or for whatever reason, shall provide replacement trucks which are of the same or comparable make and of similar tonnage capacity to ensure the delivery of NFA grains stocks on time. The contractor may also provide additional truck unit/s to expedite completion of delivery of awarded volume;

Prior to utilization of additional trucks and/or replacement trucks, a letter together with the documentary requirements stated in Eligibility Requirements under Item 6.c or 6.d and must be submitted for the approval of the Regional Director and for contract amendment/addendum.

5. The Trucking Contractor in the event listed driver/s is/are not available for any justifiable reason, shall assign replacement driver/s to ensure delivery of NFA grains on time. Additional drivers may also be provided for additional trucks. However, prior to utilization of replacement and/or additional drivers, the Trucking Contractor shall submit name of drivers with certified photocopy of unexpired driver's license and the corresponding Special Power of Attorney (SPA) authorizing drivers to sign warehouse documents as constituted agents or attorneys-in-fact of the Contractor for approval by the Regional Director.
6. The Trucking Contractor shall provide one (1) truck helper per unit of truck at his own account.
7. The contractor shall notify the NFA in writing immediately in the event of delay under the following circumstances:
  - 7.1. Impassable roads/landslides/detours
  - 7.2. Collapsed/impassable bridges
  - 7.3. Other events causing delay i.e. mechanical breakdown, hijacking, theft, robbery
8. The contractor may provide/attach security/truck seals to prevent unauthorized access, theft or tampering while the cargoes/stocks are in transit, however, this undertaking shall not exempt the contractor from any liability on shortages.

## **S. LIABILITIES OF THE CONTRACTOR**

1. The failure of the Trucking Contractor to comply with the provision of the number of trucks offered in the bidding shall give rise to the following:
  - a. Permanent failure to provide the required number of trucks shall rescind the contract without prejudice to action for damages. In this case, the NFA shall conduct another bidding for trucking services;

- b. Temporary failure either total or partial (e.g. mechanical breakdown, etc.) to provide the required number of trucks shall give NFA the option to avail of any of the following:
  - i. Get the services of another trucker under the same terms at the contractor's expense until the latter can comply with his obligations;
  - ii. Compel the contractor for specific performance plus damages; or
  - iii. Rescission of the contract with damages in the event a new bidding of hauling services should be conducted.
2. Failure either total or partial (e.g. due to mechanical breakdown, etc.) to provide the required number of trucks shall give NFA the option to avail of any of the following:
  - a. Get the services of another hauler under the same terms at the contractor's expense until the latter can comply with his obligation.
  - b. Compel the contractor for specific performance plus damages, or
  - c. Rescission of the contract with damages in the event a new bidding of trucking/hauling services shall be conducted.
- i. To be held liable for the losses and damages in the number of bags of the stocks and containers of NFA rice which are in his custody upon loading the same to the trucks/replacement trucks from the time that said stocks are unloaded/received at the designated destination warehouses.
- ii. Losses of NFA arising from the incidence of hijacking or road accidents of trucks resulting to looting, theft and robbery of stocks shall be for the account of the trucker. This is without prejudice to the filing of claims due to the said incident.
- iii. Any loss or damage to the stocks and properties or harm and injury to third parties arising from any misconduct, misdemeanor or untoward incident caused by drivers and truck helpers inside NFA owned and leased warehouses or while stocks are in transit shall be the responsibility and liability of the contractor.

#### **T. LIQUIDATED DAMAGES**

Failure to deliver the stocks on the specified delivery period for any cause not attributable to NFA shall make the Supplier liable to a penalty of one tenth (1/10<sup>th</sup>) of one percent (1%) of the money value of undelivered stocks for every day of delay, which amount of penalty shall be deducted from any amount due to the Contractor from NFA.

#### **U. SPECIAL PROVISIONS**

1. Since operational activities vary depending on the situation prevailing at that time and may affect the volume of stocks to be transferred, the phrase "a maximum of" or "more or less" shall be included in the contract to allow for flexibility in the actual volume to be transferred. As such, the volume awarded is not a guarantee that the total volume will be transferred and may be reduced as warranted depending on the operational requirements. Further, issuing/receiving warehouses may vary depending on the available stocks per warehouse in the issuing province and available warehouse space in the receiving provinces. Hence, payment shall be based on actual volume delivered/transferred;

2. The contractor shall be granted a Tolerable Allowance (TOLA) of **0.15%** for **milled rice commodity** on a per truck per trip basis for shortages/ losses based on weight at the origin. Should the shortages exceed the TOLA, the contractor shall pay the excess based on the replacement cost of the stocks/containers. The 0.15% TOLA shall not apply if pilferage/theft/ looting is established after proper investigation. The replacement cost shall be based on the latest available replacement cost existing at the time of loss of stocks for hauling as imposed by NFA. The Contractor shall settle his shortages by payment in cash or effect deduction from payment through voucher claim;
3. If the contractor fails to deliver the awarded or contracted volume within the prescribed period, the NFA shall undertake hauling of remaining volume either by hiring private trucks or using its own to expedite delivery. Hauling expenses to be incurred shall be for the account of the contractor and deductible from trucking claims;
4. In the event that the driver(s)/representative(s) are prevented by any NFA employee from witnessing the weighing of stocks either at the point of loading or destination preventing the driver(s)/representative(s) to verify the correctness of the entries made by the NFA employee, the driver(s)/representative(s) shall sign the documents under protest and shall immediately, within forty eight (48) hours upon arrival at point of origin, notify the NFA office concerned. Failure to notify the NFA office concerned shall render the protest as signed by the driver(s)/representative(s) of no force and effect and thereafter the entries made shall be conclusive upon the contractor;
5. The use of non-TH units shall not in any way bind the NFA for any liability from LTO/LTFRB or any enforcement agency should there be fines and penalties that may be imposed on the trucker-contractor;
6. The aforementioned provisions shall be without prejudice to other damage/expenses for which the contractor shall be rendered liable where NFA may have suffered as a result of the breach of obligations by the contractor under the Terms and Conditions of this Contract as well as other sanctions provided for by existing laws, Presidential Decrees, Executive Orders, Letter of Instructions and other applicable rules and regulations;
7. It is to be understood and mutually agreed that there shall be no employer-employee relationship between the NFA and the contractor's employees. Hence, NFA shall not be liable for claims that may arise under the ECC, SSS, Medicare, Minimum Wage Law, and other related laws. Likewise, NFA shall not be held responsible for any claims of third persons arising from vehicular accidents and/or negligence of contractor's employees or for any contraband goods found inside the contractor's truck/s;
8. In case of litigation arising from this contract, the contractor agrees to pay liquidated damages in the amount of not less than P 50,000 and cost of suit.

## **V. 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.

**W. EFFECTIVITY AND DURATION OF CONTRACT**

The Contract shall be in full force and effect upon the signing/approval of the contract by both parties and shall expire upon approval of the Contract and receipt of Notice to Proceed or upon completion of the delivery of trucking/hauling services of the awarded volume or a maximum of the awarded volume depending on actual operational requirements for the contract period, whichever comes first.

**X. 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.

**Y. VENUE OF ACTION**

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

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

ALEXIS J. CACHERO	JAY MARK M. MALVAR	MARICRIS A. MERCADO
Actg. Supvg.GOO(REngr) – Chairman	Acting Accountant IV-Member	Acting IO III - Member

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

FREDERICK B. DULAY  
Branch Manager-Member

JONATHAN U. CORPUZ  
Branch Manager-Member

VERALEW DG. DEVERA  
Branch Manager-Vice Chairperson

CECILIA A. CONCUBIERTA  
Asst. Regional Director-Chairperson

**APPROVED:**

YOLANDA R. NAVARRO, Ph.D.  
Regional Director – Head of Procuring Entity