

TERMS OF REFERENCE

NATIONAL FOOD AUTHORITY
Regional Office VIII
Pawing, Palo, Leyte

**TERMS OF REFERENCE (TOR) FOR THE PROCUREMENT OF
2017 PEST CONTROL CHEMICALS FOR NFA REGION VIII
Project Reference No. 2017-RBAC8-GOODS-02**

The Regional Bids and Awards Committee (RBAC) in Region VIII recommends the following Terms of Reference (TOR) to be adopted in the conduct of bidding for the **FOR THE PROCUREMENT OF 2017 PEST CONTROL CHEMICALS FOR NFA REGION VIII.**

I. RATIONALE

The bidding will be undertaken to achieve the following:

1. To uphold transparency and accountability;
2. To achieve equity, effectiveness, efficiency and economy; and
3. To award the purchase of pesticides to the manufacturer/supplier/Distributor/Dealer whose bid offer is most advantageous to the government.

It is understood that the ultimate goal of this activity is to gain the best value for money for the most reliable and efficient manufacturer/supplier/distributor/dealer for the purchase and delivery of pesticides, hence, the element of trust and confidence is paramount.

II. SUBJECT MATTER OF BIDDING

The subject matter of the bidding is for the award of contract for the purchase of pesticides based on the lots and specifications given below:

LOT	ACTIVE INGREDIENTS	SPECIFICATION	QUANTITY
1	Deltamethrin WP	25g / sachet	597
2	Pirimiphos Methyl 25EC	1 L / Bottle	63
3	Aluminum Phosphide	1 kg / flask	136
	Aluminum Phosphide	Pouch or tin can of 6 bags or sachets	86
4	Coumatetralyl Dust	1 kg / pack	12
	Coumatetralyl Paste	1 kg / pack	15
5	Imidacloprid	1 L / bottle	15
	Chlorpyrifos	1 L / bottle	18

III. SCHEDULE OF BIDDING ACTIVITIES:

PARTICULARS	DATE	TIME
POSTING	May 21-28, 2017	
ISSUANCE OF BID DOCS	May 21- June 12, 2017 (working days only) and June 13, 2017 (up to 9:00 A.M.)	8:00AM-5:00PM
PRE-BID CONFERENCE	May 29, 2017	10:00AM
SUBMISSION OF BIDS	June 13, 2017	10:00 AM
OPENING OF BIDS	June 13, 2017	10:01 AM
BID EVALUATION	June 14, 2017	
POST QUALIFICATION	June 16-21, 2017	
APPROVAL OF RESOLUTION/ISSUANCE OF NOTICE OF AWARD	June 22, 2017	
CONTRACT PREPARATION & SIGNING	June 23, 2017	
Approval of Contract	June 26, 2017	
Issuance of Notice to Proceed	June 27, 2017	
Contract Period		Delivery of goods is within 30 CD upon receipt of Notice to Proceed

IV. APPROVED BUDGET FOR THE CONTRACT

The total Approved Budget for the Contract (ABC) divided into various lots for the supply of 2017 pest control chemicals for NFA-Region VIII is **Php 845,177.76** inclusive of VAT with budget cover per Certification from The Regional Director that Pesticides Fund Requirement of CY 2017 was included in the Work and Financial Plan of NFA Region VIII. Said certification is dated May 4, 2017.

Pesticides are grouped in lots per active ingredient as listed below. Prospective bidders shall have the option of submitting a proposal on any or all lots;

LOT	ACTIVE INGREDIENTS	SPECIFICATION	QTY	ABC/ Unit		Total ABC		Bidding Fee	
				Php.		Php.		Php.	
1	Deltamethrin WP	25g / sachet	597	Php.	250.00	Php.	149,250.00	Php.	500.00
2	Pirimiphos Methyl 25EC	1 L / bottle	63		2,800.00		176,400.00		500.00
3	Aluminum Phosphide	1 kg / flask	136		2,290.91		311,563.76		500.00
	Aluminum Phosphide	Pouch or tin can of 6 bags or sachets	86		680.00		58,480.00		
4	Coumatetralyl Dust	1 kg / pack	12		1,490.00		17,880.00		500.00
	Coumatetralyl Paste	1 kg / pack	15		920.00		13,800.00		
5	Imidacloprid	1 L / bottle	15		6,800.00		102,000.00		500.00
	Chlorpyrifos	1 L / bottle	18		878.00		15,804.00		
GrandTotal						Php	845,177.76	Php.	2,500.00

V. WHO MAY PARTICIPATE IN THE BIDDING

The following shall be eligible to participate in the bidding for the Supply and Delivery for Pest Control Chemicals of NFA-Region VIII for CY 2017 as per Section 23.4.1.1 of the Revised IRR of RA 9184;

1. Duly licensed Filipino citizens/sole proprietorships;
2. Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
3. Corporations duly organized under the laws of the Philippines and of which sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
4. Cooperatives duly organized under the laws of the Philippines;
or
5. Persons/Entities forming themselves into a Joint Venture (JV), *i.e.* a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract; Provided however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).

VI. ELIGIBILITY REQUIREMENTS

The prospective bidder/s shall submit its bid/s using the forms specified in the Bidding Documents in two (2) separate sealed envelopes, and which shall be submitted simultaneously. Each envelope shall have four (4) sets of certified photocopied documents.

FIRST ENVELOPE

I. APPLICATION FOR ELIGIBILITY AND TO BID (*Annex 1*)

1. a. Annex 1.A - if the bidder is a sole proprietor [*form provided should be notarized*]
b. Annex 1.B - if the firm is a corporation [*form provided should be notarized*]
2. *Checklist of Eligibility Requirements (Annex B)*

II. CLASS "A" DOCUMENTS

2. PhilGEPS Certificate of Registration and Membership (Platinum Membership)
3. Applicant's valid and existing license issued by Fertilizer and Pesticides Authority (FPA) and/or Food and Drugs Administration (FDA)

or the original Official Receipt evidencing that it has applied for revalidation of FPA and/or FDA License);

4. Contractor's Sworn Statement (*Annex 2A*) [*form provided should be notarized*];

5. List of All On-going Gov't and Private Contracts including those Awarded but not yet started (*Annex 2B*);

6. List of All Gov't and Private Contracts Completed which are similar in nature which should include the Single Largest Contract for the year 2013 to present equivalent to at least 25% of the ABC (*Annex 2C*);

7. Certified true copy of the contract presented as the Single Largest Completed Contract which is similar in nature and complexity to the contract to be bid, the value of which is at least equivalent to 25% of the Approved Budget for the Contract (ABC) (*adjusted to current prices using Philippine Statistics Authority consumer price indices*), and completed within a twelve (12) month period between 2013 to present;

8. Proof of end-user's acceptance of completed contracts;

9. Certification from FPA and or FDA Central Office that the product or pest control chemicals is registered with that office to control stored product pests (*Certificate of Product Registration may not be notarized*) **or (1)** a certified true copy of the Certificate of Product Registration from FPA and/or FDA Central Office **or (2)** a certified true copy of its old CPR and a Document Tracking Log from FDA for bidders whose Certificate of Product Registration (CPR's) are on its renewal process and/or awaiting its release,

10. Certification from NFA-TRSD, Central Office that their product have been officially tested, validated & recommended for use (printed in a linen paper – must bear a colored print of NFA seal on the left corner of the paper and a control number written on the upper right corner) **OR** if the bidder offers a new product, the products should **first be tested and validated by NFA-TRSD**;

11. Certificate of Sole/Legitimate Distributorship from the Manufacturer/Producer [*the certificate should specify the product as authorized*], to be certified by the National Level Distributor;

12. Certificate as Licensed Pesticide Repacker if there is repacking (*the issuance of this Certification is only given to the Importer/Distributor and not the Dealers Level*)

13. 2016 Audited Financial Statements stamped "received" by BIR:

- a. Balance Sheet
- b. Income Statement
- c. Cash Flow Statement
- d. Independent CPA's Certification that he/she examined/audited the financial statements;

14. Bidder's Net Financial Contracting Capacity (NFCC) (*Annex 3A & 3B*) [form provided *should be notarized*] which must be at least equal to the ABC or Line of Credit (*Annex 3C*)

15. 2016 Annual Income Tax Returns filed and paid thru EFPS

Class "B" Documents

16. If applicable, the Joint Venture Agreement in case the joint venture is already in existence, or a **duly notarized statements** from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful.

B. TECHNICAL DOCUMENTS :

17. Bid Security or a Bid Securing Declaration

18. Duly notarized sworn statement to conform with technical specifications, as enumerated in Sections VI and Section VII of the Bidding Documents (*Annex 5*)

19. Omnibus Sworn statement (*Annex 4A*)

C. BIDDING DOCUMENTS: {all pages must be initialed}

20. Section II - Instructions to Bidders (*26 pages*)

21. Section III - Bid Data Sheet (*5 pages*)

22. Section IV - General Conditions of the Contract (*13 pages*)

23. Section V – Special Conditions of the Contract (*6 pages*)

24. Section VI – Schedule of Requirements (*1 page*)

25. Section VII – Technical Specifications (*2 pages*)

SECOND ENVELOPE

1. Bid Form

VII. Bid Security

The bidder shall submit a Bid Securing Declaration (BSD) or any form of Bid Security in the amount not less than the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Not less than the required percentage of the ABC)
a) Cash, Cashier's/Manager's Check, issued by a Universal or Commercial Bank in Tacloban City	Two percent (2%) of ABC
b) Bank draft/guarantee or	

irrevocable letter of credit issued by a Universal or Commercial Bank in Tacloban City. Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank	Two percent (2%) of ABC
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%) of ABC

VIII. SUBMISSION AND RECEIPT OF BIDS

Bidders shall submit their bids through their duly authorized representative using the forms specified in the Bidding Documents in two (2) separate sealed envelopes, and which shall be submitted simultaneously. The first shall contain the technical components of the bid, including the eligibility requirements under Section 23.1 of the Revised Implementing Rules and Regulations of R.A. 9184, and the second shall contain the financial component of the bid.

IX. BID OFFER

Bid offers exceeding the Approved Budget for the Contract (ABC) on a per lot basis for any or all lots shall be declared NON-RESPONSIVE and shall be automatically rejected.

1. Bid offer on any or all lots shall be INCLUSIVE OF VAT.
2. The ABC shall be the ceiling for acceptable bid offers.
3. Bids shall be prepared and presented using the prescribed format.
4. Bid offers on any or all lots, shall be inclusive of taxes such as but not limited to VAT, income tax, local tax and other levies.
5. Bid offer shall be valid for 120 days from the opening of bids.
6. Bidders shall have the option of submitting a bid offer on any or all lots; the evaluation and contract award will be undertaken on a per lot basis. Lots shall not be divided further into sub-lots for the purpose of bidding, evaluation, and contract award.

X. BID VALIDITY/BID PRICES

Bids and Bid Security shall be valid within one hundred twenty (120) calendar days from the date of the opening of the bids.

Bid prices shall be considered as fixed prices and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon approval of the GPPB.

XI. POST QUALIFICATION

Within five (5) calendar days from receipt by the bidder of the notice from the RBAC that the bidder has the Lowest Calculated Bid, the bidder shall submit to the RBAC **one (1) original (for authentication purposes) and three (3) certified photocopies of the following documents:**

- a) 2016 Income and business tax returns
- b) VAT or Non-VAT Registration Certificate
- c) Valid and Current Community Tax Certificate of the bidder/applicant
- d) Bidder's TIN CARD

Failure to submit any of the post qualification requirements on time or a finding against the veracity thereof, shall disqualify the bidder for award. Provided that in the event that the finding against the veracity of any of the documents submitted is made, it shall cause the forfeiture of the Bid Security in accordance with Section 69 of the IRR of RA 9184.

XII. INSPECTION AND REPLACEMENT PROCEDURE

Upon receipt of the pest control chemicals at the NFA-Region VIII, Pawing, Palo, Leyte, the Property Inspection Team/Committee shall conduct inspection as to conformance of the specifications and quantity of pesticides delivered.

In the event that the results of the inspection show that the pesticides/pest control chemicals delivered are not in accordance with the specifications, the committee shall notify the SUPPLIER of its rejection of the pesticides delivered.

SUPPLIER, shall, therefore, within five (5) calendar days from the date of receipt of notice of rejection, replace the pesticides with those that conform with the specifications.

No rejected pesticide/s deliveries, however, shall be withdrawn from any NFA warehouse/installation until corresponding replacements have been delivered and accepted by NFA.

XIII. OBLIGATIONS OF NFA

A. DELIVERY

1. To serve the Notice to Proceed within seven (7) calendar days from the date of approval of the contract indicating therein the aforesaid description of items and quantity and place of delivery which is NFA-Regional Office VIII, Pawing, Palo, Leyte. Delivery shall be undertaken in accordance with the Notarized Delivery Schedule.
2. The NFA Property Inspection Team/Committee together with NFA Supply Officer shall conduct inspection upon delivery of said items in the presence of COA representative as observer. The result of which

shall be binding upon the supplier should the latter opt not to be present.

3. The NFA Property Inspection Team/Committee shall issue an Inspection and Acceptance Report for the delivery of pesticides in accordance with the NFA specifications.

B. PAYMENT

1. The NFA shall pay the supplier upon the presentation of the following documents:
 - a. Original copy of the Charge Invoice and Billing Statement
 - b. Notice of Award (photocopy)
 - c. Notice to Proceed (photocopy)
 - d. Contract (photocopy)
 - e. Inspection and Acceptance Report
 - f. Final Acceptance Report
 - g. Photocopy of the O.R. of the Performance Bond
2. Cheque payment shall be made within fifteen (15) working days upon submission of complete documents as enumerated subject to the usual NFA Accounting and Auditing rules and regulations.

C. REJECTS OR BAD ORDERS

To inform in writing the supplier immediately after inspection on the discovery and reasons of the rejection/s and advise the contractor for its immediate replacement within five (5) calendar days after receipt of Notice of Rejection

XIV. OBLIGATIONS OF THE SUPPLIER

A. DELIVERY

1. Delivery of the items shall be a one (1) time delivery in the specified quantity and place below within Thirty (30) calendar days upon receipt of the Notice to Proceed, as follows:

LOT	ACTIVE INGREDIENTS	SPECIFICATION	QUANTITY
1	Deltamethrin WP	25g / sachet	597
2	Pirimiphos Methyl 25EC	1 L / Bottle	63
3	Aluminum Phosphide	1 kg / flask	136
	Aluminum Phosphide	Pouch or tin can of 6 bags or sachets	86

4	Coumatetralyl Dust	1 kg / pack	12
	Coumatetralyl Paste	1 kg / pack	15
5	Imidacloprid	1 L / bottle	15
	Chlorpyrifos	1 L / bottle	18

2. The Supplier shall deliver the items to NFA-Regional Office VIII, Pawing, Palo, Leyte. The delivery shall be covered by a charge invoice and delivery receipts.
3. The Supplier shall deliver the items properly wrapped/packed and shall coordinate with the Supply Officer/Concerned personnel as to the date and time of delivery.
4. The Supplier may personally or through his authorized representative, witness the inspection to be conducted by the NFA Property Inspection Team/Committee together with NFA Supply Officer in the presence of COA representative. The result of inspection shall be binding upon the supplier should the latter opt not to be present.
5. Failure to deliver the items on the specified delivery period for any cause not attributable to NFA shall make the supplier liable to a penalty specified under Item XVII.
6. All expenses, losses and damages which may be incurred while the items for delivery are in transit to NFA-Region VIII shall be borne by the supplier.

B. REPLACEMENT OF REJECTS/BAD ORDERS

1. No rejected pesticide/s deliveries, however, shall be withdrawn from any NFA warehouse/installation until corresponding replacements have been delivered and accepted by NFA. All rejected items shall be replaced within five (5) calendars days after receipt of Notice of Rejection.
2. Expenses incurred in the delivery of replacement shall be borne by the supplier.

C. BILLING

Supplier shall bill NFA upon completion of the specified quantity as delivered and shall be paid within fifteen (15) working days after the complete submission of the required documents.

XV. PERFORMANCE SECURITY

To guarantee the faithful performance by the winning bidder of its obligation under the contract, it shall post a Performance Security prior to the signing of the contract. The Performance Security shall be in an amount not less than the required percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the required percentage of
-------------------------------------	---

	the Total Contract Price)
a) Cash, Cashier's/Manager's Check, issued by a Universal or Commercial Bank in Tacloban City	Five percent (5%) of the Total Contract Price
b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank in Tacloban City. Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank	Five percent (5%) of the Total Contract Price
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%) of the Total Contract Price

The performance security shall be denominated in Philippine Pesos and posted in favor of the NFA-Region VIII, which shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract. It shall remain valid until issuance by the procuring entity of the final Certificate of Acceptance, provided further that no claims filed against the contractor or the surety company by the NFA-Region VIII.

XVI. WARRANTY

1. The supplier warrants that the pesticides supplied under the Contract are new, unused, and in accordance with the specifications.
2. The supplier further warrants that all pesticides supplied under this Contract shall have no defect or from any act or omission of the supplier, that may develop under normal use of the supplied pesticides.
3. In order to assure that manufacturing defects shall be corrected by the supplier, a warranty shall be required from the supplier for a minimum period of three (3) months after final acceptance.
4. The obligation for the warranty shall be covered by either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the Total Contract Price . The said amounts shall only be released after the lapse of the warranty period, provided however, that the pesticides supplied are free from patent and latent defects and all the conditions imposed under the Contract have been fully met.

XVII. PENALTY

1. The supplier shall be penalized in case he fails to deliver the pesticides within the specified schedule of delivery period or delivers only partially, or fails to replace the rejected quantity within the time specified. Supplier agrees to pay a penalty of 1/10th of one percent (1%) of the money value of the undelivered quantity per day of delay, which amount of penalty shall be deducted from any amount due to the supplier from NFA.

2. In addition to the above penalty, NFA shall have the right to automatically cancel the contract and/or forfeit the Performance Bond without prejudice to other legal actions that may be warranted.
3. No penalty for delay shall be imposed on supplier if the cause of the delay is imputable to NFA or to any fortuitous event or force majeure.

XVIII. CONTRACT SIGNING

The winning bidder shall enter into contract with the procuring entity within ten (10) calendar days from receipt by the winning bidder of the Notice of Award and after the posting of the Performance Security, provided further that all documentary requirements are complied with.

XIX. EFFECTIVITY AND DURATION OF THE CONTRACT

The Contract covering supply and delivery of pesticides shall be effective upon receipt of supplier of the Notice to Proceed.

XX. ENTIRETY CLAUSE

1. The Contract to be signed by both parties shall be understood to contain all the agreement between the parties and all bid documents considered as integral part of the contract.
2. 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

XXI . VENUE OF ACTIONS

Legal actions arising out of or relating to this contract shall be filed with any of the competent courts of Quezon City or Tacloban City, Leyte, Philippines at the option of NFA.

XXII. RESERVATION CLAUSE

The Head of the Procuring Entity reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract subject to the conditions under Section 41 of the Revised Implementing Rules and Regulations of R.A. 9184.

Prepared By:

TECHNICAL WORKING GROUP

OSIAS O. RODRIGUEZ
TWG Chairperson

MARLON O MARGALLO
TWG Vice-Chairperson

VENESIO E. ALBARIO
TWG member

LYNN SOCORRO CINCO
TWG member

Recommending Approval:

THE REGIONAL BIDS AND AWARDS COMMITTEE

MARTINA O. LODERO
RBAC Member / PM E. Samar

MA. ROSARIO G. CADIZ
RBAC Member/ OIC Biliran

LORNA S. ORDIZ
RBAC Member / PM S. Leyte

MARLA E. SANTOS
RBAC Member / PM W. Samar

MA. BELEN B. BARBANIDA
RBAC Member / OIC N. Samar

ZALDY Z. TAN
RBAC Vice Chairperson / PM N. Leyte

RAYMOND U. TAFALLA
Asst. Regional Manager &
RBAC Chairperson

APPROVED:

PROCOPIO B. TRABAJO II
Acting Regional Manager II, NFA Region VIII
Head of Procuring Entity (HOPE)