



APPROVING THE PROPOSED BIDDING DOCUMENTS FOR THE PROCUREMENT OF CONSULTING SERVICES FOR THE NATIONAL INDEMNITY INSURANCE PROGRAM OF THE GOVERNMENT

WHEREAS, Republic Act (RA) No. 9184, otherwise known as the “Government Procurement Reform Act”, took effect on 26 January 2003, while its 2016 revised Implementing Rules and Regulations (IRR) took effect on 28 October 2016;

WHEREAS, Section 63 of RA No. 9184 and its 2016 revised IRR authorizes the Government Procurement Policy Board (GPPB) to formulate public procurement policies, rules and regulations, and amend the IRR, whenever necessary;

WHEREAS, Section 3(c) of RA No. 9184 mandates that all procurement of the national government, its departments, bureaus, offices and agencies, including state universities and colleges, government-owned and/or -controlled corporations, government financial institutions and local government units, shall, in all cases, be governed by, among others, the following principle:

Streamlined procurement process that will uniformly apply to all government procurement. The procurement process shall be simple and made adaptable to advances in modern technology in order to ensure an effective and efficient method.

WHEREAS, Section 6 of RA No. 9184 provides for the Standardization of Procurement Process and Forms, thus:

To systematize the procurement process, avoid confusion and ensure transparency, the procurement process, including the forms to be used, shall be standardized insofar as practicable. For this purpose, the GPPB shall pursue the development of generic procurement manuals and standard bidding forms, the use of which once issued shall be mandatory upon all Procuring Entities;

WHEREAS, Section 6.2 of the 2016 revised IRR of RA No. 9184 mandates procuring entities to use the Philippine Bidding Documents, thus:

Procuring Entities are mandated to use the Generic Procurement Manuals (GPMs), Philippine Bidding Documents (PBDs), and other standard forms of the GPPB. However, whenever necessary to suit the particular needs of the Procuring Entity, modifications may be made, particularly for major and specialized procurement, subject to the approval of the GPPB;

WHEREAS, Section 24.1(a)(iv) of the 2016 revised IRR of RA No. 9184 and Clause 2.1(a)(ii) of Section II Eligibility Documents of Part I of the PBD for Consulting Services require the statement of the prospective bidder of all its ongoing and completed government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid, within the relevant period as provided in the Bidding Documents;

WHEREAS, Section 24.1(a)(vi) of the 2016 revised IRR of RA No. 9184 requires the consultant’s audited financial statements, showing, among others, the consultant’s total and current assets and liabilities, stamped “received” by the Bureau of Revenue (BIR) or its duly

accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission;

WHEREAS, Section 39 of RA No. 9184, requires the winning bidder to post a performance security, in such form and amount as specified in the Bidding Documents, prior to the signing of the contract as a measure of guarantee for the faithful performance of and compliance with his obligations under the contract prepared in accordance with the Bidding Documents;

WHEREAS, Section 39.2 of the 2016 revised IRR of RA No. 9184 provides that the prescribed forms of performance security shall be: (i) Cash or cashier's/manager's check issued by a Universal or Commercial Bank; (ii) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; or (iii) Surety bond;

WHEREAS, on 13 February 2020, during the 2nd regular meeting of the Inter-Agency Technical Working Group (IATWG), representatives from the GPPB-Technical Support Office (GPPB-TSO) and the Bureau of the Treasury (BTr) presented the proposed amendment of the provision on performance security to include Errors and Omissions Policy (EOP) as an allowable form and minimum requirements for the procurement of international brokers and panel of reinsurers for the National Indemnity Insurance Program of the Government to be undertaken by the Government Service Insurance System (GSIS), as the Procuring Entity;

WHEREAS, after deliberations, the technical and financial requirements for the international brokers were proposed wherein a Statement of Sovereign or Government Clients within the past ten (10) years shall be required and the requirement that the audited financial statement be "stamped received by the BIR" was removed. The legal documents required under the rules were retained and no further comments were raised on the proposed inclusion of an EOP as an allowable form of performance security;

WHEREAS, on 27 February 2020, during the 2nd regular meeting of the GPPB, the GPPB-TSO apprised the Board of the status of the BTr request and its pending submission of the proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program of the Government. The government assets to be reinsured, the assets' locations, perils covered, EOP, and the budget, both for the brokers and reinsurance, were also discussed during the said meeting. No further comments were made on the proposed inclusion of an EOP as an allowable form of performance security;

WHEREAS, upon submission by the BTr of the proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program, representatives from the BTr, the GPPB-TSO, and the GSIS met on 5 March 2020 for a line by line discussion on the proposed Bidding Documents;

WHEREAS, on 12 March 2020, during the 3rd regular meeting of the IATWG, several outstanding policy issues initially identified by the GPPB-TSO in the proposed Bidding Documents were presented along with the corresponding GPPB-TSO recommendations. The IATWG gave no further comments and adopted the recommendation of the GPPB-TSO for the GSIS to simulate a pre-bid conference with their identified prospective bidders to evaluate the readiness, completeness, and comprehensiveness of the proposed Bidding Documents before it is presented anew to the Board;

WHEREAS, on 17 April 2020, during a video-conference call between representatives of the BTr and the GPPB-TSO, the outstanding issues from the simulated pre-bid conference conducted by the GSIS with the assistance of the BTr were subsequently discussed and the proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program were finalized for presentation before the Board;

WHEREAS, on 23 April 2020, during the 3rd Online Meeting of the GPPB, the GPPB-TSO presented the outstanding policy issues identified in the Proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program that would require GPPB intervention to which the Board resolved as follows:

- a. Approve that the components of the Approved Budget for the Contract (ABC) may include the cost of Reinsurance Premium and Broker's Fee, which is a percentage of how much is reinsured, and reiterate that the GSIS should comply with the provisions of RA No. 9184 and its IRR on fixed contract price and that the contract award for the National Indemnity Insurance Program should be a fixed amount and not based merely on a percentage of the ABC; and
- b. Adopt a principle-based approval of the Proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program, subject to the condition that all the provisions in the Proposed Bidding Documents do not violate RA No. 9184, its IRR and other associated issuances including the submission of the Securities and Exchange Commission Certificate of Registration upon award of contract.

WHEREAS, on 7 May 2020, during the 4th Online Meeting of the GPPB, the GPPB-TSO presented for approval the Proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program of the Government, including the following changes in the standardized PBDs:

- a. The use of a Statement of Sovereign or Government clients within the past ten (10) years instead of Statement of the Prospective Bidder of all its Ongoing and Completed Government and Private Contracts;
- b. Deletion of the requirement "stamped received by the BIR" in the audited financial statement, considering that international brokers are registered as non-resident foreign corporations, and instead allow for submission of audited financial statements in accordance with international financial reporting standards;
- c. Deletion of five (5) Technical Proposal Forms and four (4) Financial Proposal Forms;
- d. Revision of the format of Curriculum Vitae for the proposed professional staff to reflect that the same need not be notarized; and
- e. Inclusion of an EOP as an allowable form of performance security, the amount of which shall be five percent (5%) of the awarded contract price.

NOW, THEREFORE, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested on **US**, by law and other executive issuances, hereby **RESOLVE**, to confirm, adopt, and approve, as **WE**, hereby confirm, adopt, and approve the Proposed Bidding Documents for the Procurement of Consulting Services for the National Indemnity Insurance Program of the Government, subject to the following conditions:

- a. The Proposed Bidding Documents, including the changes in the standardized PBDs, attached hereto as Annex "A" and made an integral

part hereof, is being approved only for the Procurement of Consulting Services for the National Indemnity Insurance Program of the Government;

- b. The components of the ABC may include the cost of Reinsurance Premium, the reinsurance being one of the project requirements of the Reinsurance Brokerage Contract under the National Indemnity Insurance Program of the National Government, and Broker's Fee, which is a percentage of how much is reinsured;
- c. The contract award for the National Indemnity Insurance Program should be a fixed amount and not based merely on a percentage, subject to compliance with the provisions of RA No. 9184 and its 2016 revised IRR on fixed contract price; and
- d. Issuance of the GSIS of a Certification, prior to the posting of the Proposed Bidding Documents, that the same do not violate RA No. 9184, its IRR and other associated laws and issuances.

This Resolution shall take effect immediately.

APPROVED this 7th day of May 2020 at Manila City, Philippines.

Sgd.

WENDEL E. AVISADO
GPPB, Chairperson
**DEPARTMENT OF BUDGET AND
MANAGEMENT**

Sgd.

LAURA B. PASCUA
Alternate to the Chairperson
**DEPARTMENT OF BUDGET AND
MANAGEMENT**

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

DEPARTMENT OF EDUCATION

Sgd.

DEPARTMENT OF ENERGY

DEPARTMENT OF FINANCE

Sgd.

DEPARTMENT OF HEALTH

**DEPARTMENT OF THE INTERIOR AND
LOCAL GOVERNMENT**

Sgd.

**DEPARTMENT OF NATIONAL
DEFENSE**

Sgd.

**DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

Sgd.

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

Sgd.

DEPARTMENT OF TRADE AND INDUSTRY

DEPARTMENT OF TRANSPORTATION

**DEPARTMENT OF INFORMATION AND
COMMUNICATIONS TECHNOLOGY**

Sgd.

PRIVATE SECTOR REPRESENTATIVE

**PHILIPPINE BIDDING DOCUMENTS
FOR PROCUREMENT OF CONSULTING SERVICES**

<i>ORIGINAL</i>	<i>AMENDED</i>
<p>Section II. Eligibility Documents</p> <p>2. Eligibility Requirements</p> <p>(a) Class "A" Documents –</p> <p><i>Technical Documents</i></p> <p>(ii) Statement of the prospective bidder of all its ongoing and completed government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid, within the relevant period provided in the EDS. The statement shall include, for each contract, the following:</p> <p>(ii.1) the name and location of the contract;</p> <p>(ii.2) date of award of the contract;</p> <p>(ii.3) type and brief description of consulting services;</p> <p>(ii.4) consultant's role (whether main consultant, subconsultant, or partner in a JV)</p> <p>(ii.5) amount of contract;</p> <p>(ii.6) contract duration; and</p> <p>(ii.7) certificate of satisfactory completion or equivalent document specified in the EDS issued by the client, in the case of a completed contract;</p>	<p>Section II. Eligibility Documents</p> <p>2. Eligibility Requirements</p> <p>(a) Class "A" Documents –</p> <p><i>Technical Documents</i></p> <p>(ii) Statement of sovereign or government clients within the past ten (10) years</p>
<p><i>Financial Document</i></p> <p>Audited financial statement received by the BIR or its duly accredited institution for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.</p>	<p><i>Financial Document</i></p> <p>Audited Financial Statements for CY 2018, CY 2019, FY 2018-2019, or FY 2019-2020 in accordance with international financial reporting standards</p>
<p>Section II. Instructions to Bidders</p> <p>Item 10. Documents Comprising the Bid: Technical Proposal</p> <p>TPF 1 - Technical Proposal Submission Form</p> <p>TPF 2 - Consultant's References</p>	<p>Section II. Instructions to Bidders</p> <p>Item 10. Documents Comprising the Bid: Technical Proposal</p> <p>TPF 1 - Technical Proposal Submission Form</p>

<p>TPF 3 - Comments and Suggestions of Consultant on the Terms of Reference and on Data, Services, and Facilities to be Provided by the Procuring Entity</p> <p>TPF 4 - Description of the Methodology and Work Plan for Performing the Project</p> <p>TPF 5 - Team Composition and Task</p> <p>TPF 6 - Format of Curriculum Vitae (CV) for Proposed Professional Staff</p> <p>TPF 7 - Time Schedule for Professional Personnel</p> <p>TPF 8 - Activity (Work) Schedule</p>	<p>TPF 2 - Team Composition and Task (including possible panel of reinsurers)</p> <p>TPF 3 - Format of Curriculum Vitae (CV) for Proposed Professional Staff</p>
<p>Technical Proposal Form 6 - Format of Curriculum Vitae (CV) for Proposed Professional Staff</p>	<p>Technical Proposal Form 3 - Format of Curriculum Vitae (CV) for Proposed Professional Staff</p> <p>[Revised to reflect that the Curriculum Vitae for the proposed professional staff need not be notarized]</p>
<p>Section II. Instructions to Bidders</p> <p>Item 11. Documents Comprising the Bid: Financial Proposal</p> <p>FPF 1 - Financial Proposal Submission Form</p> <p>FPF 2 - Summary of Costs.</p> <p>FPF 3 - Breakdown of Price Per Activity</p> <p>FPF 4- Breakdown of Remuneration Per Activity</p> <p>FPF 5- Reimbursement Per Activity</p> <p>FPF 6- Miscellaneous Expenses</p>	<p>Section II. Instructions to Bidders</p> <p>Item 11. Documents Comprising the Bid: Financial Proposal</p> <p>FPF 1 - Financial Proposal Submission Form</p> <p>FPF 2 - Summary of Costs</p>
<p>Section II. Instructions to Bidders</p> <p>Item 32.2 Performance Security</p> <p>Forms of performance security:</p> <p>(i) Cash or cashier's/manager's check issued by a Universal or Commercial Bank;</p> <p>(ii) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; or</p> <p>(iii) Surety bond.</p>	<p>Section II. Instructions to Bidders</p> <p>Item 32.2 Performance Security</p> <p>Forms of performance security:</p> <p>(i) Cash or cashier's/manager's check issued by a Universal or Commercial Bank;</p> <p>(ii) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank;</p> <p>(iii) Surety bond; or</p> <p>(iv) Errors and Omissions Policy the amount of which shall be five percent (5%) of the awarded contract price.</p>