

## Department of Budget and Management

## GOVERNMENT PROCUREMENT POLICY BOARD TECHNICAL SUPPORT OFFICE

NPM No. 124-2013

27 December 2013

MR. ROBERTO PIERDOMINICI

Regional Sales Director
ALENIA AERMACCHI
Via Ing. Paolo Foresio, 1
21040 Venegono Superiore (VA) - Italy

Re: Pre-Bid Conference

Dear Mr. Pierdominici:

This is in response to your letter dated 6 December 2013 regarding the bidding procedures applied by the Department of National Defense (DND) in its procurement for Medium Lift Fixed Wing Aircraft Acquisition Project (Project), reiterating the concerns in your letter dated 14 November 2013 and raising an additional concern pertaining to the conduct of pre-bid conference without prior posting or advertisement of its notice.

Please be informed that we have addressed the concerns raised in your November 14 letter through Non-Policy Matter (NPM) No. 122-2013 dated 26 December 2013. We wish to note, however, that the statement in your December 6 letter that none of the present bidders submitted a proposal is inconsistent with the statement in your November 14 letter that only your proposal was officially submitted upon the declaration of closing of bids. Nonetheless, the guidance offered in NPM No. 122-2013 concerning the declaration of failure of bidding remains to be applicable even with the difference in factual circumstances. As regards the additional concern on pre-bid conference, this opinion will discuss the matter based on facts and circumstances presented in your letter dated 6 December 2013.

As represented, you came upon the information that a new pre-bid conference was held for the procurement of the Project without prior posting therefor in the websites of the Philippine Government Electronic Procurement System (PhilGEPS) and DND or advertisement in a newspaper of nationwide circulation.

The purpose of pre-bid conference is to afford opportunity for prospective bidders and the procuring entity to discuss, among others things, the eligibility requirements and the technical and financial components of the contract to be bid. Although the procuring entity may hold several pre-bid conferences, Section 22.2 of the IRR of RA 9184 provides that no pre-bid conference shall be held within twelve (12) to thirty (30) calendar days before the deadline for the submission and receipt of bids.

<sup>&</sup>lt;sup>1</sup> Section 22.3 of the IRR of RA 9184.

Notice for the date, time, and place of the pre-bid conference is generally given through the Invitation to Bid (IB) as specified in Section 21.1 (c) of the IRR of RA 9184. Any additional pre-bid conferences not identified in the IB are considered modification of the Bidding Documents, which shall be communicated to prospective bidders through the issuance of a Supplemental/Bid Bulletin in accordance with Section 22.5 of the IRR.

Thus, in the case of a new procurement activity or a re-bidding activity, bidders are informed of the details of the pre-bid conference through the IB, which should comply with the posting/advertisement requirements under Section 21.2 of the IRR of RA 9184. In case the BAC decides to conduct new pre-bid conference not included in the IB, it has to issue a Supplemental/Bid Bulletin on the matter. The dissemination of this information should follow the rules prescribed in Section 22.5.3 of the IRR, *i.e.*, the Supplemental/Bid Bulletin should be posted on the PhilGEPS and the website of the procuring entity, if available. In connection with this, bidders are responsible for inquiring whether any Supplemental/Bid Bulletin has been issued for the project they are interested in. However, the BAC must inform bidders who have submitted bids before the issuance of Supplemental/Bid Bulletin.

Based on the foregoing, we wish to clarify that notice for pre-bid conferences may be made through the IB and the Supplemental/Bid Bulletin. If the pre-bid conference is for a new procurement activity or a re-bidding of a previously failed procurement activity, the notice on the details of the pre-bid conference shall be part of the IB. Notice for any additional pre-bid conference not originally identified in the IB shall be disseminated through a Supplemental/Bid Bulletin issued in accordance with Section 22.5 of the IRR of RA 9184.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this opinion is being issued on the basis of facts and particular situations presented, and may not be applicable given a different set of facts and circumstances. Should you have further questions, please do not hesitate to contact us.

Very truly yours,

Officer-in Charge