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|  <p>LBP RESOURCES AND DEVELOPMENT CORPORATION 24TH Floor LBP Plaza 1598 M.H Del Pilar cor. Dr. J. Quintos St. Malate Manila</p> | PROCUREMENT MANUAL | Class Code: D |
| | Chapter 4: Pre-Bid Process | Reference Code: OM-PU |
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A. General Guidelines

1. Advertising and Publication

Invitation to Apply for Eligibility and to Bid (IAEB)

The IAEB shall be prepared by the BAC Secretariat providing prospective bidders the following information, among others, the name of the contract and a brief description of the goods to be procured:

- i. General statement on the criteria to be used by LBRDC for eligibility check, examination/evaluation of bids and post-qualification
- ii. Date, time and place of the deadline for the submission and receipt of the eligibility requirements, the pre-bid conference, if any, the submission and receipt of bids and the opening of bids
- iii. Approved Budget for the Contract (ABC) to be bid
- iv. Source of funding
- v. Period of availability of the bidding documents, place where the bidding documents may be secured and, where applicable, price of the bidding documents
- vi. Contract duration or delivery schedule
- vii. Bank's name, address, telephone number, facsimile number, e-mail and website addresses, as well as its designated contact person
- viii. Such other necessary information deemed relevant

The IAEB shall be –

- i. Advertised at least once in a newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of issue of the advertisement: Provided, That advertisement shall not be required for contracts to be bid with and ABC of Ten Million Pesos (10,000,000.00) and below for the procurement of infrastructure projects, and Five Million (5,000,000.00) and below for the procurement of Consulting Services.

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- ii. Posted continuously at any conspicuous place reserved for this purpose within the LBP Plaza premises for seven (7) calendar days, as certified by the Head of the BAC Secretariat.
- iii. Posted continuously in the LBRDC website and the G-EPS for seven (7) calendar days starting on the date of advertisement, if applicable.

Two (2) years the effectivity of this IRR, advertisement in a newspaper of general nationwide circulation shall no longer be required. However, a procuring Entity that cannot post its opportunities in the PhilGEPS for justifiable reasons shall continue to publish its advertisement in a newspaper of general nationwide circulation.

2. Pre-Bid Conference

- a. For contracts to be bid with an ABC of One Million Pesos (1,000,000.00) or more, the BAC shall convene at least one (1) pre bid conference to clarify and/or explain any of the requirements, terms, conditions, and specifications stipulated in the Bidding Documents. For contracts to be bid with an ABC of less than One Million Pesos (P 1,000,000.00), pre bid conferences may be conducted at the discretion of the BAC. Subject to the approval of the BAC, a pre-bid conference may also be conducted upon written request of any prospective bidder.
- b. The pre-bid conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids, but not earlier than seven (7) calendar days from the PhilGEPS posting of the Invitation to Bid or Bidding Documents and in the case of Consulting Services, from the determination of the shortlisted consultants. If the procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid or when international participation will be more advantageous to the GoP, a longer period for the preparation of bids is necessary, the pre bid conference shall held at least (30) calendar days before the deadline for the submission and receipts of bids.
- c. The pre-bid conference shall discuss, among other things, the eligibility requirements and the technical and financial components of the contracts to be bid including questions and clarifications raised by the prospective bidders before and during the Pre-Bid Conference.

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Pre-bid conference may be conducted in person or face-to-face through video conferencing, webcasting, or similar technology, or a combination thereof. Procuring Entities with videoconferencing capabilities that have manufactures, suppliers, distributors, contactors and/or consultants that have video conferencing capabilities may conduct their pre-bidding conferences electronically.

The pre-bid conference is open to prospective bidders, and in case of procurement of consulting services, the shortlisted bidder, but attendance shall not be mandatory.

- d. Any statement made at the pre-bid conference shall not modify the terms of the bidding documents, unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.
- e. The minutes of the pre-bid conference shall be recorded and prepared not later than five (5) calendar days after the pre-bid conference, and shall be made available to prospective bidders not later than five (5) days upon written request.

Decisions of the BAC amending any provision of the Bidding Documents shall be issued in writing through a Supplemental/Bid Bulletin at least seven (7) calendar days before the deadline for the submission and receipts of bids.

3. Issuance of Supplemental/Bid Bulletins

- a. Request for clarification/s on any part of the bidding documents or for interpretation must be in writing and submitted to the BAC at least ten (10) calendar days before the deadline set for the submission and receipt of bids.
- b. The BAC shall respond to the said request by issuing a Supplemental/Bid Bulletin, duly signed by the BAC Chairman.
- c. The Supplemental/Bid Bulletin shall be made available to all those who have properly secured the bidding documents, at least seven (7) calendar days before the deadline for the submission and receipt of bids. It shall be the responsibility of all those who have properly

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secured the bidding documents to inquire and secure Supplemental/Bid Bulletin that may be issued by the BAC.

- d. Supplemental/Bid Bulletins may be issued upon the LBRDC's initiative for purposes of clarifying or modifying any provision of the bidding documents not later than seven (7) calendar days before the deadline for the submission and receipt of bids.
- e. Any modification to the bidding documents shall be identified as an amendment. Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with the provisions of this Manual.
- f. Any Supplemental/Bid Bulletin issued by the BAC shall be posted in the LBRDC website, G-EPS and LBP Plaza premises.

4. Eligibility Criteria of Prospective Bidders

For the procurement of Goods:

- a. The following shall be eligible to participate in the bidding for the supply of goods:
 - i. Duly licensed Filipino citizen/sole proprietorships;
 - ii. Partnership duly organized under the laws of the Philippines and of which at least 60% of the interest belong to citizens of the Philippines;
 - iii. Corporations duly organized under the Philippine laws and of which at least 60% of the outstanding capital stock belong to citizens of the Philippines;
 - iv. Cooperatives duly organized under the laws of the Philippines;
 - v. Persons/entities forming themselves venture, i.e. a group of two (2) or more persons/entities that intend to be jointly and severally into a joint venture concerned shall be at least sixty percent (60%). For this purpose, Filipino ownership or interest shall be based on the computations of each of the members of the joint venture as specified in their JVA.

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- b. Foreign bidders may be eligible to participate under any of the following circumstances in accordance with the guidelines issued by the GPPB:
- i. When provided for under any Treaty or International or executive Agreement as provided with the guidelines issued by the IRR;
 - ii. When the foreign supplier is a citizen, corporation or association of a country, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations or associations of the Philippines;
 - iii. When goods sought to be procured are not available from local suppliers; or
 - iv. When there is a need to prevent situations that defeat competition or restrain trade.
- c. The prospective bidder must have completed, within the period specified in the Invitation to Bid, an SLCC that is similar to the contract to be bid, and whose value, adjusted to current prices using the Philippine Statistics Authority (PSA) consumer prices indices, must be at least fifty percent (50%) of the ABC. However, in the case of Expandable Supplies, said SLCC must be least twenty five percent (25%) of the ABC.
- d. The value of the prospective bidder's largest single contract, adjusted to current prices using the wholesale consumer price index, completed within the period specified in the Invitation to Apply for Eligibility and to Bid and similar to the contract to be bid, must be at least fifty percent (50%) of the approved budget for the contract to be bid.
- e. The prospective bidder must present a commitment from a licensed bank to extend to it a credit line if awarded the contract to be bid or cash deposit certificate in an amount not lower than that set by LBRDC in the Bidding Documents, which shall be at least equal to ten percent (10%) of the approved budget for the contract to be bid or must have a NFCC at least equal to the approved budget for the contract to be bid, calculated as follows:

NFCC=[(Current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects

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under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.

For the procurement of Infrastructure Projects:

- a. The following persons/entities shall be allowed to participate in the bidding for infrastructure projects:
 - i. Duly licensed Filipino citizens/sole proprietorships;
 - ii. Partnership duly organized under the laws of the Philippines and of which at least seventy five (75%) of the interest belongs to citizens of the Philippines;
 - iii. Corporations duly organized under the laws of the Philippines, and of which at least seventy five percent (75%) of the outstanding capital stock to citizens of the Philippines;
 - iv. Cooperatives duly organized under the laws of the Philippines; or
 - v. Persons/entities forming themselves into a joint venture, 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 in accordance with Letter of Instructions No. 630 (LOI 630), Filipino ownership of interest of the joint venture concerned shall be at least seventy-five percent (75%): *Provided, further,* That joint ventures in which Filipino ownership or interest, is less than seventy-five percent (75%) may be eligible where the structures to be built require the application of techniques and/or technologies which are not adequately possessed by a person/entity meeting the seventy-five percent (75%) Filipino ownership or interest shall not be less than twenty-five (25%). For this purpose, Filipino ownership or interest shall be based on the contributions of each the members of the joint venture as specified in their joint venture agreement.
 - vi. Foreign bidders may be eligible to participate in the procurement of Infrastructure Projects when provided for under any Treaty or International or Executive Agreement as provided in Section 4 of the act of IRR.
 - vii. In accordance with R.A. 4566, entitled 'An Act Creating the Philippine Licensing Board for Contractors, Prescribing its Powers,

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Duties and Functions, Providing Funds Thereof, and for other Purposes,” the persons/entities enumerated in Section 23.4.2.1 of IRR.

- viii. The Prospective bidder must have completed an SLCC that is similar to the contract to be bid, and whose value, adjusted to current prices using the PSA (Philippine Standard Office) consumer prices indices, must be at least fifty (50%) of the ABC to be bid: Provided, however, That the contractors under small A and Small B categories without similar experience on the contract to be bid may be allowed to bid if the cost of such contract is not more than the Allowable Range of Contract Cost (ARCC) of their registration based on the guidelines as prescribed by the PCAB.
- ix. The SLCC (Single Largest Completed Contract) shall be supported by an Owner’s Certificate of Final Acceptance issued by the project owner other than the contactor or a final rating of at least satisfactory in the Constructors Performance Evaluation System (CPES). In case of contacts with the private sector, an equivalent document shall be submitted.
- x. The computation of a prospective bidder’s NFCC must be at least equal to the ABC to be bid

NFCC = [(current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contracts to be bid.

The values of the domestic bidder’s current assets and current liabilities shall on the latest Audited Financial Statements submitted to the BIR. For purposes of computing the foreign bidders NFCC, the value of the current assets and current liabilities shall be based on their Audited Financial Statements prepared in accordance with international financial reporting standards.

- xi. GOCCs may be eligible to participate in competitive bidding only if they can stablish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not attached agencies of the Procuring Entity.

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- xii. Notwithstanding the eligibility of a bidder, LBRDC reserves the right to review the qualifications of the bidder at any stage of the procurement process if the Procuring Entity has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the bidders capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility requirements, statements or documents, or any changes in the situation of the bidders which will affect the capability of the bidder to undertake the projects so that its fails the eligibility criteria, LBRDC shall consider the said bidder as ineligible and shall disqualify it from obtaining an award or contract, in accordance with Rule XXI, XXII and XXIII.

B. Detailed Procedures

| Person/Unit Responsible | Activity | Timeframe |
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| BAC Secretariat | 1. Checks the contents of IAEB and ensures its completeness. 2. Seeks approval of IAEB and its publication per CASA. | |
| Purchasing Unit | 3. Handles the nationwide newspaper publication of procurement costing above P2 Million. | At least once in one (1) newspaper of general nationwide circulation. |
| BAC Secretariat | 4. Handles the posting in LBPRDC website, G-EPS and LBP Plaza premises. 5. Schedules the pre-bid conference and prepares the Notice of Pre-Bid Conference. 6. Informs and invites the BAC members, other concerned units | Seven (7) calendar days of continuous posting starting on date of advertisement. |

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| | and bidders on the scheduled pre-bid conference thru fastest means (i.e. e-mail, in writing). | |
| BAC, Secretariat, other Units concerned | 7. Conducts the pre-bid conference. | To be held at least twelve (12) calendar days before the deadline for the submission and receipt of bids |
| BAC Secretariat | 8. Records and prepares the minutes of pre-bid conference and, if requested, furnishes a copy to the participants. 9. Performs other functions necessary during the pre-bid conference. | |
| Bidder | 10. Submits written request for clarification on any part of the bidding documents. | |
| BAC, Secretariat | 11. Receives written request for clarification/s from prospective bidder. | To be submitted by bidders at least ten (10) calendar days before the deadline for the submission and receipt of bids. |
| BAC | 12. Issues Supplemental/Bid Bulletin to prospective bidders if there are modifications in terms of the bidding documents. | To be issued seven (7) calendar days before deadline for the submission and receipt of bids. |
| BAC Secretariat | 13. Posts Supplemental/Bid Bulletin in the LBPRDC website, G-EPS and LBP Plaza premises. | |