



Bid Bulletin No. 1
14 March 2023

PUBLIC BIDDING NO. 23-006-4

SUPPLY AND DELIVERY OF ALCOHOL, ETHYL
FOR THE PROCUREMENT SERVICE (PS)

Issued pursuant to Sec. 22.5 of the IRR of R.A. 9184 to clarify and/or amend certain provisions in the Bidding Documents issued for this project, considering the issues raised and clarifications made by prospective bidders during the **Pre-Bid Conference** held on **07 March 2023** likewise, response to bidders' written queries received within the prescriptive period for filing.

A. AMENDMENTS

I. SECTION VII. TECHNICAL SPECIFICATIONS

ITEM NO.	REFERENCE	BASES FOR AMENDMENT
1.	<p>Page 41</p> <p>Technical Requirements for ALCOHOL, ETHYL, 1 GALLON PRODUCT SPECIFICATIONS</p> <p>xxx</p> <ul style="list-style-type: none"> Volume: 1 Gallon or at least 3.0 <u>3.785</u> Liters (3,785 mL) <p>xxx</p>	To amend the volume conversion for better understanding.

II. SECTION VIII. CHECKLIST OF TECHNICAL AND FINANCIAL DOCUMENTS

ITEM NO.	REFERENCE	BASES FOR AMENDMENT												
2.	<p>Annex D Framework Agreement</p> <p>Page 61</p> <table border="1"> <thead> <tr> <th>Item No.</th> <th>Item</th> <th>Brand/Model</th> <th>Maximum Qty/Unit</th> <th>Unit Price</th> <th>Total Price</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Item No.	Item	Brand/Model	Maximum Qty/Unit	Unit Price	Total Price							<p>To include in the Framework Agreement Form the brand and model of the offered item.</p> <p>Please refer and use the attached Appendix "A" for prescribed and updated form of Framework Agreement.</p>
Item No.	Item	Brand/Model	Maximum Qty/Unit	Unit Price	Total Price									

For the purpose of this Bulletin and for better understanding of its contents, the following rules shall apply: (a) ~~Double-Strike-out~~ – denotes deletion; (b) Underline – denotes inclusion or new item/requirement; and "xxx" – denotes separation of phrase/s being amended from the rest of the main text.

B. CLARIFICATIONS

The Procurement Service-Department of Budget and Management (PS-DBM), Bids and Awards Committee hereby clarify prospective bidders' concerns and queries:

ITEM	CONCERN	REFERENCE	CLARIFICATION/ RESOLUTION
During Pre-bid Conference			
1.	The prospective bidder asked whether it was necessary to provide the documents listed in Annex "A" of the PhilGEPS Certificate of Registration (Platinum Membership) or whether the valid and updated PhilGEPS Certificate of Registration (Platinum Membership) would suffice.	Section VIII. Checklist of Technical and Financial Documents Class "A" Documents	In accordance with Section 24.4.3 of the 2016 Revised Implementing Rules and Regulations of Republic Act 9184, the documents listed in Annex "A" of the PhilGEPS Registration Certificate are not required to be submitted in the bid submission.
3.	The prospective bidder clarified that if the Framework Agreement were used for a similar project, the contract amount would correspond to the amount of the delivered goods.	Section II. Instructions to Bidders ITB Clause 5.3	In accordance with Appendix 32: Guidelines on the Use of Framework Agreement by All Procuring Entities of the 2016 Revised Implementing Rules and Regulations of Republic Act 9184 , to wit: <i>9.7. For purposes of participation in other public bidding activities, the aggregate of the Call-Offs for a particular item or similar items satisfactorily completed by the supplier or service provider shall be considered as one (1) completed contract with the cumulative amount thereof as the total contract amount. In such case, the date appearing in the Certificate of Acceptance issued by the procuring entity for the last delivery will be considered as the date of completion of the contract. On the other hand, only those undelivered items in the Call-Offs executed by the procuring entity shall be included in the Statement of All Ongoing Government and Private Contracts for purposes of participating in other bidding activities.</i>
4.	The prospective bidder asked as to whether it would be acceptable if the amount of the single largest completed contract met the requirement for both items.	Section II. Instructions to Bidders ITB Clause 5.3	If the bidder chooses to submit a bid for item no. 1, which has a higher SLCC requirement, they will be able to satisfy the requirements for both items. But, if the bidder's SLCC can only comply with item no. 2, which has a lower requirement, they cannot bid on both items.

5.	The prospective bidder inquired if it was acceptable to submit the SLCC of the other partner for a joint venture.	Section II. Instructions to Bidders ITB Clause 5.3	<i>It is acceptable.</i> Any of the Joint Venture partners may fulfill the SLCC requirements. Provide that all partners meet the eligibility requirements.
6.	The prospective bidder stated that taxpayers registered for value added tax (VAT) are no longer required to file a monthly VAT declaration (BIR Form No. 2550M).	Section III. Bid Data Sheet Clause 20.2	<i>The bidder may submit the appropriate forms in accordance with BIR REVENUE MEMORANDUM CIRCULAR NO. 5-2023.</i>

ITEM	CONCERN	REFERENCE	CLARIFICATION/ RESOLUTION
WRITTEN CLARIFICATIONS			
PHILUSA CORPORATION			
1.	On the Approved Budget of the Contract (ABC), we would like to negotiate the current approved budget of P49.00 for 500ml and P355.00 for gallon size and request for budget improvement. As explained in the pre-bid conference, there is a significant increase of 50.76% in the prices of molasses per metric ton in the last 2021 bidding relative to the current cost. Molasses is a raw material of the Specially Denatured Alcohol, the primary component of Ethyl Alcohol. The data may be checked with the weekly mill site prices of raw sugar and molasses published by the Sugar Regulatory Administration of the Department of Agriculture. Furthermore, the price escalation of other factors in the production including labor, packaging materials, and freight have impacted the cost to rise aggravated by the high 8-9 % inflation contributing to the increase of our selling price. Given the circumstances, we trust that our proposal to revert to the ABC in 2021 is reasonable.	Section I. Invitation to Bid Approved Budget for the Contract	The Approved Budget of the Contract for the project is <i>retained.</i>

<p>2.</p>	<p>On the FDA requirement, we concur with another bidder who pointed out that FDA has already disallowed the use of Certificate of Product Notification per the FDA Advisory number 2022-1622: "Issued provisional authorizations, such as LTO, CPN and previously granted additional product lines for rubbing alcohol products with concentrations of 70% and beyond will be recognized as valid only until its validity date but not exceeding 31 December 2022". Thus, Ethyl Alcohol with the said concentration now requires a CPR to sell.</p> <p>Consequently, since Ethyl Alcohol is classified as a drug, the corresponding LTO required should be as a Drug Distributor/Trader.</p> <p>Please see the attached FDA Advisory for your perusal.</p>	<p>Section VII.</p> <p>Technical Specifications</p>	<p>Only the Certificate of Product Registration (CPR) will be acceptable in this procurement Pursuant to latest FDA Advisory No. 2022-1622; to wit:</p> <p><i>"Note: Certificates of Product Notification (CPNs) issued under FDA Circular No. 2021-004 for rubbing alcohol products with concentrations of 70% and beyond will automatically be considered invalid beyond 31 December 2022."</i></p>
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HEALTHWELLNESS LIFESTYLE INC.

<p>1.</p>	<p>Is It possible to supply multiple brands per?</p>	<p>Section VII.</p> <p>Technical Specifications</p>	<p>The project consists of two (2) items. <i>The bidder may offer different brand per item.</i> However, if the clarification is intended during the delivery of the item, NO. The offered brand will be the basis for the acceptance and as evaluated.</p>
<p>2</p>	<p>We have FDA CPN (Certificate of Product Notification for our product Ethyl Alcohol issued by Food and Drug Administration, but no CPR (Certification of Registration)</p>	<p>Section VII.</p> <p>Technical Specifications</p>	<p>Only the Certificate of Product Registration (CPR) will be acceptable in this procurement Pursuant to latest FDA Advisory No. 2022-1622; to wit:</p> <p><i>"Note: Certificates of Product Notification (CPNs) issued under FDA Circular No. 2021-004 for rubbing alcohol products with concentrations of 70% and beyond will automatically</i></p>

			<i>be considered invalid beyond 31 December 2022."</i>
3.	Is it acceptable if the SLCC is under private contracts?	Section III. Bid Data Sheet ITB Clause 5.3	Submission of Government or Private Contract for the Single Largest Completed Contract is acceptable .
4.	For document submission, are we to use long size (8x14) Bond paper? or short size 8x11? with corresponding tags?	Other Matters	There is no preference regarding the size of the paper used for the bid submission. Bidders may include tags in their bid submission, but doing so is optional .
5.	For Product Delivery to provinces, costing of logistics, will this be shouldered by the company or under PSDBM?	Section VI. Schedule of Requirements	The cost of delivery to PS-DBM Regional Depots is included in the Approved Budget for the Contract
6.	Is the volume per gallon, 3,8? or could it be exactly 3,785mL?	Section VII. Technical Specifications	Please refer to the above amendment.

KOHL INDUSTRIES

1.	<p>On Page 41 of the document, under heading Technical Requirements for Alcohol, Ethyl 1 Gallon, we noticed the following:</p> <p>a. Under Documentary Evidence, the requirement of a Valid Certificate of License to Operate (LTO), we believe that there is a need to clarify that the FDA License to Operate has to be for any of the DRUGS category rather than the COSMETICS Category.</p> <p>b. Under the same section, the requirements for PRODUCT REGISTRATION / PRODUCT NOTIFICATION seems to be severely inconsistent with the current FDA rules for 70% alcohols. Please find attached a copy of the relevant FDA Issuance.</p>	Section VII. Technical Specifications	<p>Only the Certificate of Product Registration (CPR) will be acceptable in this procurement Pursuant to latest FDA Advisory No. 2022-1622; to wit:</p> <p><i>"Note: Certificates of Product Notification (CPNs) issued under FDA Circular No. 2021-004 for rubbing alcohol products with concentrations of 70% and beyond will automatically be considered invalid beyond 31 December 2022."</i></p>
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<p>2.</p>	<p>On Page 44 of the same document, under heading Technical Requirements for Alcohol, Ethyl, 500 ml, we notice the following:</p> <ul style="list-style-type: none"> a. Under Documentary Evidence, the requirement of a Valid Certificate of License to Operate (LTO), we believe that there is a need to clarify that the FDA License to Operate has to be for any of the DRUGS category rather than the COSMETICS Category. b. Under the same section, the requirements for PRODUCT REGISTRATION / PRODUCT NOTIFICATION seems to be severely inconsistent with the current FDA rules for 70% alcohols. Please find attached a copy of the relevant FDA Issuance. 	<p>Section VII. Technical Specifications</p>	<p>Only the Certificate of Product Registration (CPR) will be acceptable in this procurement Pursuant to latest FDA Advisory No. 2022-1622; to wit:</p> <p><i>"Note: Certificates of Product Notification (CPNs) issued under FDA Circular No. 2021-004 for rubbing alcohol products with concentrations of 70% and beyond will automatically be considered invalid beyond 31 December 2022."</i></p>
<p>3.</p>	<p>On Page 8 of the same document, Under "Invitation to Bid for the Supply and Delivery of Alcohol, Ethyl for the Procurement Service Public Bidding No. 23-006-4, we would like for a review of the pricing for Items 1 and 2, for the following reasons:</p> <ul style="list-style-type: none"> a. The price indicated for both lots seems to be lower than the pricing from the pre-pandemic bidding unit prices. This does not make sense since there are inflationary forces involved. b. In the Pre-Bidding Conference held last March 7, 2023, it was clarified that the prices were determined through a short study that compares market prices for the same items. If this is the case, we would like for your office to do a review of the basis prices, since these prices may have included the alcohol prices from companies with a COSMETICS License to Operate from the FDA. These companies have considerably lower running costs, and hence, generally price their items much lower than those with License to Operate under the DRUGS Category. 	<p>Section I. Invitation to Bid Approved Budget for the Contract</p>	<p>The Approved Budget of the Contract for the project is retained.</p>

INTERNATIONAL PHARMACEUTICALS, INC.

1.	Where can we address the payment of 50 thousand?	Other Matters	Bidders may pay the Bidding Documents through the PS-DBM Cashier. Payments in the form of cashier's/manager's check shall be payable to " Procurement Service-DBM "
2.	Can we deduct an EWT on the said payment?	Other Matters	No.
3.	Can we request official receipt of the said payment?	Other Matters	Yes. Upon payment at the cashier, the official receipt for the bid document fee is issued.
4.	Can we ask the list of requirements for the new bidders?	Other Matters	Please refer to Section VIII. Checklist of Technical and Financial Documents for the list of documents for the bid submission.
5.	For the delivery of items is it possible to negotiate the date and days of delivery?	Section VI. Schedule of Requirements	The Delivery Period for both items is retained . Please refer to Section VI. Schedule of Requirements for the Delivery Period and Delivery Sites.

By Rules, all other related provisions in the Bidding Documents correspondingly affected by these amendments are likewise deemed amended to conform to this Bid Bulletin.

Amendments/inclusions/clarifications made herein shall be considered an integral part of the Bidding Documents.

SIGNATURE REDACTED

MARIA JENNIFER R. JIMENEZ

Chairperson, Bids and Awards Committee IV

2023 Procurement Service Framework Agreement for the Supply and Delivery of [Project] for the Procurement Service under Public Bidding No. XX-XXX-X

2023-FA0001-PDX

Framework Agreement For the [Title of Project]

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into this ___ day of _____ 2023, by and between:

PROCUREMENT SERVICE – DEPARTMENT OF BUDGET AND MANAGEMENT, a government agency duly organized and existing under the laws of the Republic of the Philippines having its principal office at PS Complex, Cristobal Street, Paco, Manila, represented by [NAME], [Position] hereinafter referred to "PS-DBM";

and

[COMPANY NAME] with principal address at [Address], represented by [NAME], [Position] hereinafter referred to as the "Supplier";

WITNESSETH, that:

WHEREAS, the PROCURING ENTITY, decided to use Framework Agreement on its procurement project Supply and Delivery of [Project] for the Procurement Service;

WHEREAS, this Agreement is for the option to purchase the goods determined to be necessary and desirable to address and satisfy the needs of PS-DBM as the central source of commonly used supplies and equipment of the Philippine Government, but by its nature, use or characteristic, the quantity and exact time of need cannot be accurately pre-determined, viz:

Table with 6 columns: Item No., Item, Brand/Model, Maximum Qty/Unit, Unit Price, Total Price

WHEREAS, PS-DBM has the option to purchase the items provided in the Framework Agreement List, attached and made an integral part of this Agreement as provided in Article I, on a date and time to be determined in the Call-Off to be issued for such purpose by PS-DBM; and

WHEREAS, the Supplier which passed the eligibility screening conducted by PS-DBM, shall maintain and update the eligibility requirements during the period of this Agreement and shall honor all obligations under this Framework Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

Article I
GENERAL CONSIDERATIONS

1. This Framework Agreement is an option contract. **PS-DBM** is given the option to either purchase the identified items in the Framework Agreement or not to purchase at all. The discretion to exercise the option falls solely with **PS-DBM** as the Procuring Entity. The **Supplier** may not require or demand for the latter to purchase the items in the Framework Agreement List.
2. In this Framework Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract as reflected in the Bid Documents attending the procurement and made and integral part of this Agreement;
3. The following documents shall be deemed to form and be read and construed as part of this Agreement:
 - a. the Supplier's Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (*e.g.* bidder's response to clarifications on the bid), including corrections to the bid resulting from the Procuring Entity's bid evaluation;
 - b. the Framework Agreement List and the Technical Specifications;
 - c. the Bid Documents, including the Supplemental Bid Bulletins issued;
 - d. the Performance Security or Performance Securing Declaration;
 - e. the Procuring Entity's Notice to Execute Framework Agreement; and
 - f. Call-Offs.

Article II
DURATION

The term of this Agreement shall be one (1) year from the date of execution unless sooner revoked by both parties or until the full exhaustion of the maximum quantities;

Article III
CONSIDERATION

For the consideration of one peso (Php 1.00), **PS-DBM** has the option to purchase any or all of the items in the Framework Agreement List through the issuance of Call-off and the **Supplier** commits to deliver the goods and perform the services subject to the conditions of the Call-off.

Article IV
PERFECTION OF PROCUREMENT CONTRACT

The Framework Agreement being an option contract, a procurement contract is perfected only when the Procuring Entity exercises the option to procure any item from the Framework Agreement List through the issuance of a Call-off.

Article V
OBLIGATION TO ANSWER A CALL-OFF

Once **PS-DBM** issues a Call-off, the **Supplier** is bound to deliver the goods or perform the services identified at the time and date specified in the Call-off. All rules and guidelines governing the implementation of procurement contracts under RA No. 9184 and its revised IRR shall be applicable.

Failure on the part of the **Supplier** to deliver goods or perform the services shall warrant the forfeiture of performance security or performance securing declaration and imposition of liquidated damages as provided for in the Guidelines on the use of Framework Agreement by all Procuring Entities without prejudice to all other applicable sanctions.

Article VI
TERMS AND CONDITIONS

The terms and conditions of this Framework Agreement shall be governed by Guidelines on the Use of Framework Agreement by all Procuring Entity and all relevant issuance of the GPPB.

IN WITNESS whereof, the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines, on the day and year first above written.

PROCUREMENT SERVICE

[COMPANY]

By signing this Agreement, I also confirm that I am authorized to sign on behalf of PS-DBM.

By signing this Agreement, I also confirm that I am authorized to sign on behalf of [the Company].

[Name]
Director IV, Operations Group
Procurement Service

[Name]
Authorized Representative

WITNESSES

[Name]
Director IV, Procurement Group
Procurement Service

[NAME]
Representation

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES }
CITY OF MANILA } S.S

BEFORE ME, a Notary Public for and in the City of Manila this ___ day of _____
2023 appeared the following persons presenting to me their respective identifications, to wit:

Name	Competent Evidence of Identity	Date of Issue	Place of Issue

known to me and to me known to be the same persons who executed and voluntarily signed the foregoing FRAMEWORK AGREEMENT which they acknowledged before me as their own free and voluntary act and deed and with full authority to sign in that capacity.

This instrument refers to the FRAMEWORK AGREEMENT FOR THE _____ and consists of (__) pages including this page where the Acknowledgment is written, duly signed by the parties and their instrumental witnesses thereof.

WITNESS MY HAND AND SEAL on the date and place
above-written. Doc. No.;;
Page No.;;
Book No.;;
Series of 20