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SUPPLEMENTAL/BID BULLETIN

Procurement of Security Features, Enhancement and Application Support/Maintenance of Internal Revenue Stamps Integrated System (IRSIS) for Tobacco (PB-18-19)

12 September 2019

This Bid Bulletin No.5 is issued to CLARIFY queries/requests to the Bids and Awards Committee and other matters for the information and guidance of interested bidders:

| PROSPECTIVE BIDDER | REFERENCE | INQUIRIES | CLARIFICATION, RESPONSE AND ADDITIONAL PROVISION |
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| KOLONWEL TRADING Letter dated 30 August 2019 | Section VII – Technical Specifications Item 2.1.1, page 74 | 1. Why require bidders to at least 5 years continuous experience in developing web-based ordering, distribution and monitoring system? Can this be reduced to 3 years? Or perhaps increased to 8 years? | The bidder is required to have at least 5 years continuous experience to ensure that the bidders are capable of delivering the required services. The 5-year experience is the minimum requirement. |
| | Section VII – Technical Specifications Item 2.1.2, page 74 | 2. Why require bidders to at least 5 years continuous experience in providing security features for stamps, banknotes, identity documents and other securitized documents? Can this be reduced to 3 years? Or perhaps increased to 8 years? | The bidder is required to have at least 5 years continuous experience to ensure that the bidders are capable of delivering the required services. The 5-year experience is the minimum requirement. |
| | Section VII – Technical Specifications Item 2.1.3, page 74 | 3. Bidder must be ISO 14298:2013 certified. What is the purpose of this requirement? Won't this limit the number of bid participants? | Please refer to amendment made in Bid Bulletin No. 4. |
| | Section VII – Technical Specifications Item 2.1.3, page 74 | 4. Bidder must be ISO 14298:2013 certified. The security printing management system is only a subsystem of the required functionalities of the entire project. Will BIR not require bidders to be certified with other relevant ISO standards e.g. ISO 27001:2013 for security and ISO 9001:2015 for quality management for the data center operations? | Please refer to amendment made in Bid Bulletin No. 4. |
| | Section VII – Technical Specifications Item 3.3, page 75 | 5. Application Enhancement, what are the current technology stack/frameworks used by IRSIS? What are the versions? What are the web servers, application servers? | Refer to Annex A-1 /A-2 of the TOR. These will be disclosed when the project/ contract is on-board. |
| | Section VII – Technical Specifications Item 3.4.1, page 77 | 6. Delivery of equipment and software components, can this be a public cloud infrastructure to save money to the government? | Refer to Annex A-1 /A-2 of the TOR. Abide by/follow the requirements as stated in the Technical Specifications |
| | Section VII – Technical Specifications Annex A-1, Item 13, page 90 | 7. Annex A-1 Offline Validation – Does this mean that there is a need to develop a new mobile application (separate from the web application) for stamp QR validation? | The contractor may opt to build their own mobile application for offline validation of QR codes. However, IRSIS has an existing mobile application for this purpose. |

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| | Section VII – Technical Specifications Annex A-2, Monitoring System Item d, page 94 | 8. Annex A-2 Monitoring System d. Capability to reconcile quantity of stamps – What is the current reconciliation strategy of IRSIS? Is it done by batch? How often is the reconciliation done? | This will be disclosed once the project/contract is on-board. |
| | Section VII – Technical Specifications Annex A-2, Report Generation Item b, page 95 | 9. Annex A-2 Report Generation b. Report Generation – Excise tax due/paid on stamp ordered – Is there an existing integration between IRSIS and EFPS? Are there available Application Program Interface (API) between the two systems. | There is an existing integration between IRSIS and eFPS. There is no API available between the two systems. |
| | Section VII – Technical Specifications Annex A-2, Report Generation Item e, page 95 | 10. Annex A-2 Report Generation e. View online on the status of orders and deliveries – Need a separate portal to be created for the BIR users? | No need for separate portal. Access of BIR users can be provided with the aid of an Access Control Matrix. Access to IRSIS managed thru Security Access Matrix. |
| KOLONWEL TRADING Letter dated 23 August 2019 | Section III. Bid Data Sheet ITB Clause 21 and 24.1, page 45 | Request for the extension of bids for the above procurement from 10 September 2019 to 10 October 2019. | Please refer to amendment made in Bid Bulletin No. 4. |

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| SICPA Letter dated 29 August 2019 | Section III. Bid Data Sheet ITB Clause 11, page 42. | 1. The Philippines has officially become a party to the Hague Apostille Convention. With this regard, can the APO Production Unit please confirm that no more authentication by the foreign embassy or consulate is needed? | Please refer to amendment made in Bid Bulletin No. 4. |
| | Section III. Bid Data Sheet Notes on the Bid Data Sheet, page 40 | 2. Can the APO Production Unit please clarify where the Section IX – Foreign Assisted Project is? | The Section IX mentioned in the Invitation to Bid which refers to Foreign-Assisted Projects shall not be applicable for this project due to the fund used came from the local fund. |
| | Section VII. Technical Specifications Item 3.6.2.2 Design feature shall have a unique stamp design and color coded for each tax class in accordance with Annex A-2, page 82 | 3. Can the APO Production Unit please clarify if the unique stamp design and color should be differentiated as: Domestic-Hand made, Domestic Machine-High, Domestic- Low, Import- High, Import-Low, Export, 10s and 20s? | This will be disclosed once project/contract is on-board. |
| | Section VII. Technical Specification Annex A-1, Back-up and Recovery Item 9(2), Dynamism, page 90 | 4. Can the APO Production Unit please clarify if it is possible for the bidder to receive diagrams/information/blueprints of APO and BIR prior to the submission of tender? | This will be provided once project/contract is on-board. |
| | Section VII - Technical Specifications Annex A-2 Monitoring System Item b, page 93-94 | 5. Can the APO Production Unit please provide the penalty rules real time? If so, can we have the details of the current operating system in place? | The penalty is fixed and should be defined (configurable) in the application. The OS will be disclosed once project/contract on-board. |

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| | Section VII. Technical Specifications Annex A-2 Monitoring Systems Item c, page 94 | 6. Does APO currently have IT system used to procure substrates? If so, can we interface with the system? If none, does it mean we have to build the system? | An IT system for procurement of substrate is not required in the contract. |
| | Section VII. Technical Specifications. Annex A-2 Internal revenue Stamps Specification Item f, page 96 | 7. Can the APO Production Unit please clarify if "facility" means "actual local physical locations"? | "Facility" refers to the functionality as ability to print either in banderols of flat sheets. "Facility" refers to capability to print the Stamps |
| | Section VII. Technical Specifications. Annex A-2 Others: IRSIS should be able to identify the cause and provide immediate solution on the intermittent "Communication Error" page 97 | 8. Can the APO Production Unit please clarify if communication is between systems? Or between project organizations? Or both? | "Communication" is between systems. |
| | Annex A-2 - Monitoring System | 9. Can the APO Production Unit please clarify what is the ratio (/%) between stacks vs reels of tamps typically ordered by tax payor; And what is the ratio (/%) of stacks vs reels of stamps provided by APO? | This will be clarified once project/contract is on-board. |
| | Annex A-2 - Monitoring System | 10. Can the APO Production Unit please clarify what is the minimal order volume for both stacks and reels? | This will be clarified once project/contract is on-board. |
| | Annex A-1 - Mobile Handheld Verification, Device, Tablets and Computers Item 13.7, page 90 | 11. Does APO want to differentiate the 5s, 10s and 20s based on the design color as well? | This will be clarified once project/contract is on-board. |
| | Annex A-1 - 10 to 12 | 12. The number of tablets and taggant units needed differ from 3.4 and Annex A1-10 to 12. Can APO Production Unit please clarify which number is correct? | Please refer to amendment made in Bid Bulletin No. 4 |
| | Annex A-1 - 10 to 12 | 13. Does APO distribute the stamps to the manufacturer directly or through BIR? Does APO or BIR have branches around the country, and if so how many and where are they? Does APO or BIR have storage to store the secure tax stamp? | Manufacturers shall pick up the stamps from one single location provided by APO Production Inc. |
| | Section VII - Technical Specifications Item 3.3 Application Enhancement | 14. Can the APO Production Unit please clarify if we have to build the excise Tax e-filing system or if is it already in place? If it is already in place, could our system be interfaced to the system and download data from excise tax e tax filing system? | Project is enhancement of IRSIS that interfaces with eFPS |
| | | 15. Can the APO Production Unit please advise if we can include a BIR representative to be a member of project review board in order to support successful delivery of the project? | APO Production Unit, Inc. will provide representatives from BIR for this project. |
| | | 16. Can the APO Production Unit please clarify what are criteria and scoring/points methods the APO will use to evaluate the bidders' proposals? Knowing the way APO will evaluate the | APO Production Unit, Inc. will follow the procedures as specified in RA 9184 for Goods |

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| | | proposals is important to respond the most appropriately. | |
| | | 17. Can the APO Production Unit please clarify what is the ratio (/%) volume of soft packs and hard packs? | This will be provided once project/contract is on-board |
| | | 18. Can the APO Production Unit please clarify what is the ratio (/%) of tobacco packs produced for domestic use, vs for export, vs imported? | This will be provided once project/contract is on-board. |
| | | 19. Can the APO Production Unit please clarify the number and location of all tobacco productions sites? For each site, what is the number packaging lines? Knowing this information is important to seize and therefore price the proposal adequately. | Not applicable. |
| | | 20. Can the APO Production Unit please clarify what are the current printing machines and configurations (brand, model, number of machines and location) used by APO? | Not applicable. |
| | | 21. What are the measures currently taken by APO to ensure that the security inks provided are securely handled, stored, and used? | This will be provided once project/contract is on-board. |
| | | 22. Can the APO Production Unit please clarify if the bidder shall provide printing machines in the vicinity of APO? If so, where would it be? What would be the required space? | Printing machines for personalization shall be provided by the winning bidder. The space required shall be provided by APO. |
| | | 23. Can the APO Production Unit please clarify if the bidder can be the sole provider of substrate? | If substrate is paper, it is not applicable. |
| | | 24. Can the APO Production Unit please provide the annexes of B, D1, D2, F1-5, E, G which are referenced in the tender document but are not provided | Template forms shall be provided once the project/Contract is on board. |
| | | 25. Can the APO Production Unit please clarify if we are expected to supply all equipment for the stamps coding? If such coding equipment is already in place, can APO Production Unit please provide its specifications to ensure compatibility? | Yes, the contractor will supply all equipment for the stamps coding. Other information will be disclosed once project/ contract is on-board. |
| | Bid Data Sheet ITB Clause 21 and 24.1, page 45 | 26. SICPA is soliciting APO Production Unit to extend the submission date by 2 (two) additional weeks. | Please refer to amendment made in Bid Bulletin No. 4 |

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| OpSEC Letter dated 20 August 2019 | Bid Data Sheet ITB Clause 21 and 24.1, page 45 | Requesting the Bids and Awards Committee consent to extend the publicized submission date by four weeks to 8 th October 2019. | Please refer to amendment made in Bid Bulletin No.4 |

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| HUECK FOLIEN Letter dated 30 August 2019 | Section VII - Technical Specifications Section 2.1.3, page 74 | 1. Requirement for ISO 14298 ISO 14298 specifies requirements for the management of security printing processes and can only be obtained by security printers. The counterpart for suppliers of security features by the same organization, INTERGRAF, is CWA 15374. This certification specifies requirements for suppliers of products that include security features or for suppliers of services that ensure the physical security of printed matter manufactured by a security printing company, e.g. producers of inks, foils, security paper. The majority of security feature suppliers are not security printers at the same time. Hence, they are unable to obtain ISO 14298 and are prevented to take part in your tax stamp bid. Your tender specially asks for a security feature upgrade. For that reason, we suggest to enable CWA 15374 holders to qualify for tender application as well. The result would be a greater number of qualified bidders which would raise quality and competitiveness of your bids. | Please refer to amendment made in Bid Bulletin No. 4 |
| | Bid Data Sheet ITB Clause 21 and 24.1, page 45 | 2. Deadline of Submission of Bids The current deadline is on September 10 th , 2019. Answers to questions raised at that pre-bid meeting held on August 28 th as well as questions that can be submitted until August 30 th are a requirements for many potential bidders as to decide whether they will want to bid. Those answers can be expected on September 2 nd earliest. Preparation works for such a complex tender application in just a week likely prevents many bidders from taking part, Please extend the deadline by one month to October 10 th , 2019. | Please refer to amendment made in Bid Bulletin No. 4 |
| | | 3. Delivery of first stamps The tender requires to install an application machine for the supplied security feature. Machines for the security industry are mostly not available off the shelf and have to be manufactured specifically. The lead time for such machines easily requires seven to eight months including shipping and installment and can only be ordered after tender award. Since it is a requirement to install brand-new machines one cannot supply an used machine for a faster project schedule. Please allow for delivery of first stamps accordingly. | Refer to dates specified in the schedule of requirements. |

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| CAI CAI-STA Philippines Letter dated 30 August 2019 | Bid Data Sheet, ITB Clause 12.1(a) (ii), page 43 | 1. Computation of SLCC – should original currency be converted to Philippine Peso? | The computation of SLCC should be converted to Philippine Peso. |
| | Bid Data Sheet, ITB Clause 12.1(a), page 43 | 2. Circular No. 07-2017 of Government Procurement Policy Board ("GPPB") regarding the "Deferment for the Implementation of the Mandatory Submission of PhilGEPS Certificate of Registration and Membership" was approved by the GPPB Resolution No. 26-2017 on 31 July 2017. We understand that based on inquiries with the GPPB, the Circular is still in effect. In this regard, please confirm if bidders are still required to submit a valid PhilGEPS Certificate of Registration (Platinum Membership) under ITB Clause 12.1(a)(ii) of the Bid Data Sheet | As required in RA 9184 and its IRR, Updated PhilGEPS Certification of Registration (Platinum Membership) shall be submitted by the bidder. |
| | ITB Clause 5.4 of the BID Data Sheet | 3. How would we understand the definition of "similar contracts" as defined in ITB Clause 5.4 of the Bid Data Sheet, considering that said Section appears to provide for both the qualifications of the contractor as well as the nature of the contract? Should similar contracts refer only to contracts relating to the production of "tamper-proof stamps, and in developing web-based systems for the generation of codes of personalization, ordering and distribution of the stamps as well as the monitoring of proper payment of excise or similar taxes"? We note that the qualifications of the contractor are in any case provided under item II of the Technical Specifications. | For the procurement of Security Feature and Delivery of Internal revenue Stamps Integrated System, a contract shall be considered 'similar' to the contract to be bid if it involves providing security features for stamps, banknotes, identity documents or other securitized documents and developing a web-based ordering, distribution, and monitoring system. Refer to 1 st paragraph .. Section 3.1.1 (system) and Section 3.1.2 (document) shall be transferred to Sec 12.1(a)ii |
| | Page 81 clause 3.6.1.1 of bid documents | 4. Page 81 Clause 3.6.1.1 of bid documents – definition unclear: "Tamper-proof feature designed to auto-deface/disfigure should attempt be made...." | Refers to Security features of the Stamp |

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