



SEP 05 2020

NOTICE OF AWARD

MS. NUNI SELLA
Official Representative
ISRAEL MINISTRY OF DEFENSE
State of Israel

MR. EYAL IZENMAN
Authorized Representative
ELBIT SYSTEMS LAND LTD.
2 Hatavor St., Yokneam Illith, Israel

Dear Ms. Sella/ Mr. Izenman:

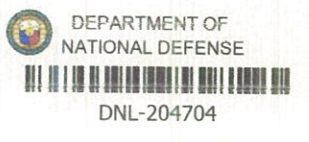
This is to inform you that the proposal of **Elbit Systems Land Ltd.**, through **Israel Ministry of Defense (IMOD-SIBAT)** for the Acquisition of Light Tank Project of the Philippine Army with a corresponding contract price in the amount of **EIGHT BILLION FIVE HUNDRED FIFTY-THREE MILLION FIVE HUNDRED ONE THOUSAND PESOS (PhP8,553,501,000.00)** on the date of the Negotiation Proper on 09 July 2020, is hereby accepted.

You are hereby directed to provide, within ten (10) days, the Performance Security in the form and amount stipulated in the Terms of Reference. Failure to provide the said performance security shall constitute sufficient ground for the cancellation of the award.

Be guided accordingly.

Truly yours,

DELFIN N. LORENZANA
Secretary



Conforme:

Date: **SEP 11 2020**



Republika ng Pilipinas
Republic of the Philippines
Kagawaran ng Tanggulang Pambansa
Department of National Defense

DND BIDS AND AWARDS COMMITTEE 1

DND BAC RESOLUTION NO. DND/PA-LT-20-11

“A Resolution Declaring Elbit Systems Land Ltd., through Israel Ministry of Defense (IMOD-SIBAT), as the Single Calculated and Responsive Offeror (SCRO) for the Acquisition of Light Tank Project of the Philippine Army and Recommending the Issuance of Notice of Award (NOA) in its Favor”

WHEREAS, on 04 April 2019, the Secretary of National Defense (SND) issued Acquisition Decision Memorandum (ADM) No. 2019-002 directing the immediate implementation of the procurement of thirty (30) units of Light Tank for the Philippine Army (PA) with an Approved Budget for the Contract (ABC) in the amount of **PhP9,484,332,000.00**, which shall be procured through Negotiated Procurement, “Government-to-Government” pursuant to Section 4 of the 2016 Revised Implementing Rules & Regulations (RIRR) of Republic Act No. 9184 (R.A 9184) without precluding other modes of procurement;

WHEREAS, pursuant to the guidelines set by Department Circular No. 12 s.2020, with subject “Guidelines in the Conduct of Procurement Activities of Projects with Foreign Bidders/Proponents During a State of Calamity, or Implementation of Community Quarantine of Similar Restrictions”, the Committee, sitting en banc as the Negotiating Committee, conducted the Pre-Negotiation and Negotiation Conferences on 07 and 09 July 2020, respectively, with the Technical Working Group (TWG) of the Project, and the representatives from the Israel Ministry of Defense (“IMOD-SIBAT”, for brevity) and its designated supplier, Elbit Systems Land Ltd. (“ELBIT”, for brevity);

WHEREAS, during the Negotiation Proper on 09 July 2020, ELBIT was found to be compliant with all legal, technical and financial requirements of the project, with a price proposal in the amount of **USD172,220,000.00 (PhP8,533,501,000.00)**. Likewise, IMOD-SIBAT issued a Certificate of Undertaking, stipulating that Elbit Systems Land Ltd. will supply the following at no additional cost to the government:

- Two (2) 6X6 or 8X8 Armored Vehicle (For further discussion with TWG);
- Three (3) tank Transport;
- Five (5) Snipers Detector;
- One Hundred (100) Rounds of Ammunition for Training.

WHEREAS, the Committee after due deliberation, resolved to declare the proposal of ELBIT, through IMOD-SIBAT, as the Single Calculated Offer (SCO) for the project subject to the submission of original documents and to direct the conduct of post-qualification on IMOD-SIBAT and ELBIT to determine the responsiveness of the latter's proposal pursuant to R.A 9184 and RIRR (Rule X on Post Qualification) and Section 3.5 of DC12, s.2020 (Post-Qualification Process);

WHEREAS, on 23 July 2020, the Committee, as recommended by the PQ Team, resolved to approve the following revision of Post-Qualification Plan and composition of the Post-Qualification Team that were previously approved on 14 July 2020, and for the Committee to recommend the following to the SND, as the Head of the Procuring Entity (HOPE):

Original Recommendation	Amended Recommendation
a. Composition of the Post-Qualification Team, to include the PhilDAFA of Spain and Israel;	a. Revised Composition of the Post-Qualification Team;
b. Post-Qualification Plan;	b. Revised Post-Qualification Plan to be conducted starting 27 July 2020 at three (3) separate sites to be completed within forty-five (45) days;
c. Designation of the PhilDAFA of Spain and Israel as part of the PQ Team and Authorizing them to check the veracity of the documents submitted by the bidder/proponent, and to visit and inspect the plant, in order to check the capability of the supplier to deliver the goods; and	c. Authorization for the Office of the Philippine Defense and Armed Forces Attaché (OPhilDAFA) of Spain and Israel to assist in the conduct of the Post-Qualification; and
d. For the Committee to request for assistance from the Philippine Embassy in Czech Republic to conduct plant visitation & document verification.	

WHEREAS, on 29 July 2020, the Post-Qualification Plan and the composition of the Post-Qualification Team for the conduct of the post-qualification on IMOD SIBAT and ELBIT, in accordance with the guidelines set forth by DC12, s.2020, was approved by the SND;

WHEREAS, on 05 to 07 and 19 August 2020, the PQ Team headed by MGEN REYNALDO M AQUINO AFP conducted the Post-Qualification on ELBIT through VTC at the Office of the Assistant Chief of Staff for Logistics, G4, Fort Bonifacio, Taguig City with the on-site assistance of the Offices of the PhilDAFA Israel and Spain.

WHEREAS, on 25 August 2020, the PQ Team rendered its Post-Qualification report before the Committee and found that all documents submitted by ELBIT are compliant and responsive to all the requirements and conditions specified in the Terms of Reference of the project. As such, ELBIT is deemed to be Post-Qualified and is legally, financially, and technically capable to undertake the Light Tank project of the PA;

WHEREAS, in the same conference, the Committee resolved to approve the recommendations of the PQ Team that Elbit Systems Land Ltd., through IMOD-SIBAT, be declared as Post-Qualified and the Single Calculated and Responsive Offeror, with a price proposal in the amount of **USD172,220,000.00 (PhP8,533,501,000.00)**, as well as the issuance of Notice of Award (NOA) in its favor;

NOW, THEREFORE, we, the members of the Bids and Awards Committee 1, resolve, as it is hereby **RESOLVED**, to approve the following recommendations of the PQ Team:

- a. To declare Elbit Systems Land Ltd., through IMOD-SIBAT, as Post-Qualified;
- b. To declare Elbit Systems Land Ltd., through IMOD-SIBAT, as the Single Calculated and Responsive Offeror (SCRO) for the Acquisition of Light Tank Project for the Philippine Army with a price proposal in the amount of **USD172,220,000.00 (PhP8,533,501,000.00)**; and
- c. To recommend to the HoPE the issuance of Notice of Award in its favor.

ISSUED, this 25th day of August 2020 at the DND Training Center, Camp General Emilio Aguinaldo, Quezon City, Metro Manila, Philippines.


ASEC ANGELITO M. DE LEON
Chairperson


DIR CHRISTINE JUNE P. CARIÑO
Vice-Chairperson


ATTY. JUDITO ANGELO C. TADEO
Member


COL AUGUSTO V. GAITE PAF (GSC)
Member

MGEN REYNALDO M. AQUINO AFP
Provisional Member