

**[PPA MEMORANDUM CIRCULAR NO. 01-99,
January 07, 1999]**

**CLARIFICATORY GUIDELINES WHEN TO DECLARE FAILURE OF
PUBLIC BIDDING OF CARGO HANDLING SERVICES IN PORTS**

In order to clarify Sec. 12 "Conditions for Negotiated Award" of PPA Administrative Order No. 03-90 "Implementing Guidelines on the Cargo Handling Contract System", the following guidelines when to declare a failure of public bidding are hereby prescribed for the guidance of all concerned:

1. As a general guideline, the stages in the conduct of public bidding for cargo handling services in government ports shall include the prequalification of interested bidders, the bid proper, and the award of the cargo handling contract resulting from such bidding. Failure in any of the stages in the conduct of the bidding shall therefore be a basis to declare a failure of public bidding.

2. The following shall serve as specific guidelines for the PBAC to declare as failure any stage of the public bidding:

2.1 Prequalification of Interested Bidders:

The PBAC shall declare the bidding a failure after two (2) prequalifications when none or only one (1): interested bidder responded to the prequalification; none or only one (1) interested bidder is prequalified; or all shortlisted bidders are disqualified.

2.2 Bidding Proper:

The PBAC shall declare a failure of bidding after two (2) biddings when none or only one (1) bid offer is received; no technical bids are found substantially responsive or complying with the bid requirement; or no financial bids are found complying and not advantageous to the Authority.

2.3 Award of Contract:

The PBAC shall declare a failure of the bidding if the winning bidder fails to accept the award and enter into a contract to assume the operation of cargo handling services.

3. Should there be a failure of bidding resulting from prequalification, bidding or the award of the contract, the PBAC shall resort to negotiated award.

4. When a failure of bidding has been declared, the PBAC shall adopt and approve a resolution for this purpose.