



Republic of the Philippines
GOVERNMENT SERVICE INSURANCE SYSTEM
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MINUTES OF PRE-BID CONFERENCE

29 September 2020

GBAC Conference Room, Level 2 Core G
GSIS Headquarters Building and Via Zoom

Project Name: **Reinsurance of the Industrial All Risk Insurance of the Bangko Sentral ng Pilipinas (Declaration Policy)**

Present were:

GSIS INSURANCE BIDS AND AWARDS COMMITTEE

SVP Eduardo V. Fernandez	Chairperson
VP Joseph Philip T. Andres	Vice Chairperson
Mgr. Rico A. Abarintos	Member
Mgr. Nelo B. Gellaco	Member

END-USER UNIT / TWG

Atty. John Andrew R. Salazar	TWG Head
Ms. Aurita G. Reyes	TWG Member
Ms. Edna Delos Santos	TWG Member
Mr. Marc Vincent B. Trinidad	TWG Member
SVP Leopoldo A. Casio, Jr.	OIC-SVP, Insurance Group
VP Emerita G. Esteban	OIC-VP, MUCO
Mr. Jose Cornelius C. Calingasan	OSVP, Insurance Group
Mgr. Analiza L. Acosta-Dofitas	Reinsurance Department
Ms. Ma. Vanessa Joy L. Go	Reinsurance Department
Ms. Sarah Elise B. Aquino	Reinsurance Department
Mr. Altair Ketch T. Geremia	Reinsurance Department
Ms. Pauline Antonette V. Paron	Reinsurance Department
Ms. Iris Gilbey M. Guballa	Reinsurance Department
Atty. Leazel N. Sandoval	Underwriting Department
Ms. Shiela S. Rivera	Underwriting Department
Mgr. Maria Rosanna A. Sanchez	Marketing Department
Mr. Rafael Anthony C. Oñate, Jr. III	Marketing Department
Ms. Filipina A. Borreta	Marketing Department
Mr. Roma M. Villanueva	Marketing Department

GBAC SECRETARIAT

Atty. Allan Dexter P. Macaraig	Head
Mr. Patrick O. Gonzales	Senior Project Coordinator
Ms. Charlene B. Bacani	Member
Mr. Ernie M. Gamad	Member

INTERESTED BIDDER/S

Ms. Henna Gamiao	PGA Sompo Insurance Corporation
Ms. Fatima Anne L. Murillo	PGA Sompo Insurance Corporation
Mr. Jose Publico	Malayan Insurance Co., Inc.
Ms. Lheshie Hernandez	Malayan Insurance Co., Inc.
Ms. Mary Grace Taburada	Malayan Insurance Co., Inc.
Ms. Vitoria Reyes	Malayan Insurance Co., Inc.
Mr. Eudan Bantola	National Reinsurance Corporation
Mr. Johnell Louise Chua	National Reinsurance Corporation
Mr. Wayne Dagdayan	Pacific Union Insurance Company
Mr. Edmundo Solomon	Pacific Union Insurance Company
Atty. Jan Padiernos	Pacific Union Insurance Company
Ms. Angel Morenzo	COCOGEN Insurance
Ms. Christine Joy Miña	COCOGEN Insurance
Mr. Francisco M. Nob	COCOGEN Insurance
Mr. Lawrence Tejada	COCOGEN Insurance
Mr. Jun Vallejos	Stronghold Insurance Company Inc.
Mr. Marvin Gutay	Stronghold Insurance Company Inc.
Mr. Ben Duran	Sterling Insurance Co., Inc.
Mr. Ronel Serapio	Philippine British Assurance Company, Inc.

ASSURED

Ms. Anabel C. Villanueva	Bangko Sentral ng Pilipinas
Ms. Ria P. Junio	Bangko Sentral ng Pilipinas
Mr. Ariel Chuidian	Bangko Sentral ng Pilipinas

OBSERVER/S

Ms. Jocelyn G. Sande	IASO
Ms. Emelie P. Pestaño	IASO
Mr. Raymund Valles	IASO
Ms. Jocelyn G. Garcia	IASO
Mr. Joey Villanueva	PIRA

(Note: Notice of Meeting was also sent to and duly received by observers, *i.e.*, COA, Transparency Accountability Network, Procurement Watch, Inc., Philippine Chamber of Commerce and Industry, and Department of Trade and Industry. However, none attended the Pre-Bid Conference dated 29 September 2020.)

The Pre-Bid Conference for the Project ***Reinsurance of the Industrial All Risk Insurance of the Bangko Sentral ng Pilipinas (Declaration Policy)*** was called to order at 10:00AM and was presided by SVP Eduardo V. Fernandez, Chairperson, GSIS Insurance Bids and Awards Committee (GIBAC).

A. Business Matters

1. Presentation and discussion of Eligibility, Technical, Financial and Post-Qualification Requirements, Schedule of Requirements, Technical Specifications/Policy Wordings, Underwriting Information and Bidding Forms.

2. The Project has an approved budget of Php11,602,445.45.

B. Discussion

1. The GBAC Secretariat noted that there is a quorum to proceed with the business.
2. The GBAC Secretariat informed the bidders that the Procurement Project is being undertaken through Early Procurement Activities pursuant to GPPB Circular 06-2019 dated 17 July 2019.
3. During the Pre-Bid Conference, the GBAC Secretariat presented the following to the bidders:
 - a. Eligibility, Technical and Financial Documents to be submitted during the Opening of Bids;
 - b. Schedule of Requirements, Technical Specifications/Policy Wordings and underwriting information (Certificate of No Loss and Property Risk Improvement Report);
 - c. Post-Qualification Documents;
 - d. Audio Visual Presentation regarding the guide on the proper sealing and marking of bids; and
 - e. Instructions on the Electronic Submission, Receipt and Opening of Bids.
4. The bidders were further informed regarding the documentary requirements found under *Section II. Instructions to Bidders*. It was also emphasized that it is the bidder’s responsibility to review the entire Bidding Documents and that the procuring entity incurs no liability should the bidder misinterpret or misread any of the provisions thereof.
5. During the discussion, the following concerns were raised and discussed:
 - a. The definition of similar project/contract will be revised, as follows:

From	To
Similar project/contract shall refer to <i>Industrial All Risk Insurance/Reinsurance</i> .	Similar project/contract shall refer to Fire Insurance. Fire Insurance is property insurance against loss and damage or destruction of specified property by Fire or Fire with Catastrophic perils or any All Risks policies. An All Risks Policy is a policy wherein all perils are covered, such as but not limited to Contractor’s All Risk, Erection All Risk, Electronic Equipment Insurance, Machinery Breakdown, Industrial All Risk and Property Floater.

	Similar contract may also refer to inward reinsurance transactions on Fire or Fire with Catastrophic perils or any All Risks policies as defined above.
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- b. The Audited Financial Statement for CY 2019, which was filed online to the BIR, is acceptable as long as the BIR issued corresponding guidelines/advisories/circulars regarding the matter.
- c. Unnotarized Sworn Statement regarding the bidder’s compliance with Section VI (Schedule of Requirements) and Section VII (Technical Specifications) of the Bidding Documents and unnotarized (applicable) Sworn Statements as stated in Item B and Item E of Other Requirements in Section VII (Technical Specifications) may be submitted by the bidder.

Notarized documents must be submitted after award of contract but before payment.

- d. With respect to the Certification from the GSIS regarding “no claims dispute”, the Insurance Group said that a template certification has already been crafted in coordination with the GSIS-Legal Services Group. Said certification includes a checklist of conditions which must be complied by the bidder prior to the issuance of said document. The Insurance Group also informed the bidders that they should coordinate with the Reinsurance Department regarding the issuance of a Certificate of No Claims Dispute.
- e. Relative to Item B of Sub-Section II (Other Requirements) in Section VII (Technical Specifications), the following revisions in the technical requirements were proposed to encourage bidder’s participation and ensure a better competition:

From	To
<p>1. For Insurance & Reinsurance Companies:</p> <p>1.a <u>If the terms and conditions are allowed under the bidder’s reinsurance treaty</u></p> <p>1.a.1. Sworn statement indicating the amount and percentage retention out of the total sum insured, and that the retained amount is within the gross retention of the Treaty.</p> <p>1.a.2. Sworn Statement indicating the</p>	<p>1. For Insurance & Reinsurance Companies:</p> <p>1.a <u>If the terms and conditions are allowed under the bidder’s reinsurance treaty</u></p> <p>1.a.1. Sworn statement indicating the amount and percentage retention out of the total sum insured, and that the retained amount is within the gross retention of the Treaty.</p> <p>[The Insurance Group emphasized that a copy of Treaty Slip must be submitted by the bidder for evaluation purposes.]</p> <p>1.a.2. In case of facultative reinsurance</p>

list of securities/panel of reinsurers and their respective shares, in case of facultative reinsurance for the portion in excess of its treaty facility. Foreign securities/panel of reinsurers should be rated at least "A" by the A.M. Best or Standard and Poor's (S&P). The foreign securities/panel of reinsurers must be duly authorized to transact reinsurance business in the Philippines through their appointed resident agent. For Domestic securities/panel of reinsurers AM Best rating of B+ is required.

for the portion in excess of its treaty facility, any of the following must be submitted:

- (1) List of Possible Reinsurance Panel and their corresponding A.M. Best or Standard and Poor's (S&P) Rating and appointed resident agents.

(A sample form on the List of Possible Reinsurance Panel was presented to the bidders.)

- (2) Sworn Statement indicating the final list of securities/panel of reinsurers and the specific share (percentage and amount) per line/type for each reinsurer.

Foreign securities/panel of reinsurers should be rated at least "A" by the A.M. Best or Standard and Poor's (S&P). The foreign securities/panel of reinsurers must be duly authorized to transact reinsurance business in the Philippines through their appointed resident agent. For Domestic securities/panel of reinsurers AM Best rating of B+ is required.

[The Insurance Group said that there is an ongoing review of the A.M. Best / S&P Rating requirement. Pending this, the minimum rating of at least "A" by the A.M. Best or Standard and Poor's (S&P) will be based on literatures published by A.M. Best or S&P. Considering this, the minimum rating of at least "A" by the A.M. Best or Standard and Poor's (S&P) would refer to the Financial Strength Rating.

<p>1.b <u>If the terms and conditions are not allowed under the bidder's reinsurance treaty agreement</u></p> <p>1.b.1. Sworn statement indicating the amount and percentage retention out of the total sum insured, provided the amount retained by the bidder should not be more than twenty percent (20%) of the bidder's net worth which should also be stated.</p> <p>1.b.2 Sworn Statement indicating the list of securities/panel of reinsurers and their respective shares, in case of facultative reinsurance for the portion in excess of its net retention. Foreign securities/panel of reinsurers should be rated at least "A" by the A.M. Best or Standard and Poor's (S&P). The foreign securities/panel of reinsurers must be duly authorized to transact reinsurance business in the Philippines through their appointed resident agent.</p>	<p>Cited as an example, the A.M. Best Rating category of "Excellent" has a rating symbol of "A" and has the rating notch of "A-". With this, the A.M Best Rating "A-" is still within the Rating category of "Excellent".</p> <p>It was also emphasized that if the List of Possible Reinsurance Panel will be submitted during the Bid Opening, the Sworn Statement shall be part of the post-qualification documents. The final list of Reinsurance Panel must come from the List of Possible Reinsurance Panel.]</p> <p>1.b <u>If the terms and conditions are not allowed under the bidder's reinsurance treaty agreement</u></p> <p>1.b.1. Sworn statement indicating the amount and percentage retention out of the total sum insured, provided the amount retained by the bidder should not be more than twenty percent (20%) of the bidder's net worth which should also be stated.</p> <p>1.b.2 In case of facultative reinsurance for the portion in excess of its net retention, any of the following must be submitted:</p> <p>(1) List of Possible Reinsurance Panel and their corresponding A.M. Best or Standard and Poor's (S&P) Rating and appointed resident agents.</p> <p>(2) Sworn Statement indicating the final list of securities/panel of reinsurers and the specific share (percentage and amount) per line/type for each reinsurer.</p>
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<p>For Domestic securities/panel of reinsurers AM Best rating of B+ is required.</p> <p>2. Reinsurance Brokers</p> <p>A Sworn Statement indicating the list of securities/panel of reinsurers and their respective shares. Foreign securities/panel of reinsurers should be rated at least “A” by the A.M. Best or Standard and Poor’s (S&P). The foreign securities/panel of reinsurers must be duly authorized to transact reinsurance business in the Philippines through their appointed resident agent.</p> <p>For Domestic securities/panel of reinsurers AM Best rating of B+ is required.</p>	<p>Foreign securities/panel of reinsurers should be rated at least “A” by the A.M. Best or Standard and Poor’s (S&P). The foreign securities/panel of reinsurers must be duly authorized to transact reinsurance business in the Philippines through their appointed resident agent. For Domestic securities/panel of reinsurers AM Best rating of B+ is required.</p> <p>2. Reinsurance Brokers</p> <p>a. List of Possible Reinsurance Panel and their corresponding A.M. Best or Standard and Poor’s (S&P) Rating and appointed resident agents.</p> <p>b. Sworn Statement indicating the final list of securities/panel of reinsurers and the specific share (percentage and amount) per line/type for each reinsurer.</p> <p>Foreign securities/panel of reinsurers should be rated at least “A” by the A.M. Best or Standard and Poor’s (S&P). The foreign securities/panel of reinsurers must be duly authorized to transact reinsurance business in the Philippines through their appointed resident agent. For Domestic securities/panel of reinsurers AM Best rating of B+ is required.</p>
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- f. The Insurance Group proposed that the bidder should have a lead line of at least 10% of the reinsured risk.
6. The GBAC Secretariat reminded the bidders that their companies’ officers, directors and stockholders should not be related to the approving authorities of the GSIS (i.e., Board of Trustees, President and General Manager and the concerned Executive Vice President) especially in terms of business interest or financial aspect. This relationship shall be strictly deemed as a conflict of interest. If the bidder is found to have a conflict of interest with any of the aforementioned GSIS’ approving authorities, said bidder shall be disqualified from the bidding.
7. The bidders were advised that they have until 03 October 2020 to submit to the GBAC Secretariat additional queries regarding the Project. All email queries will be

acknowledged. However, only queries of bidders who purchased the Bidding Documents will be answered.

8. All amendments to the Bidding Documents and responses to the bidders' queries shall be issued through a bid bulletin, which will be posted on PhilGEPS and GSIS' websites and bulletin board for seven (7) consecutive days before the scheduled Bid Submission and Bid Opening.
9. The GBAC Secretariat reminded the bidders that bids must be delivered to the GBAC Secretariat, Level 2 Core G, GSIS Central Office, Financial Center, Pasay City on or before 13 October 2020, 09:00AM.

Bids may also be submitted electronically on or before the said date and time. Instructions on the Electronic Submission, Receipt and Opening of Bids are stated in **Annex A** of the Bidding Documents.

Bid Opening will be on 13 October 2020, starting 09:30AM.

10. It is the responsibility of the bidders to ensure that their bids are submitted and received on time. Late bids shall not be accepted/considered.

Prepared by:

Concurred by:

(Signed Original)

MR. PATRICK O. GONZALES
Senior Project Coordinator
GBAC Secretariat

(Signed Original)

SVP EDUARDO V. FERNANDEZ
Chairperson, GIBAC

Date Signed : October 01, 2020