



PEOPLE'S TELEVISION
P A R A S A B A Y A N

People's Television Network, Inc
Broadcast Complex, Visayas Avenue, Diliman, Quezon City 1100
Telephone No. 3453-1097 /www.ptv.ph

BID BULLETIN NO. 2

November 2, 2021

Rebid: Lease Service Delivery of Eight Megahertz (8MHz – 4 MHz for Distribution and 4 MHz for Contribution) Standard C-Band Space Segment for the People's Television Network, Inc. (PTNI)

ITB NO. 2021-0016R

This bulletin is being issued to revise/clarify certain portions of the bidding documents. This shall form an integral part of the bidding document for the above-stated project.

No.	Queries	Response
1	<p>We have already processed most of the Notarized and Apostilled documents with the previous title, (Note that the ITB number for both titles are still same), it is requested to honourable BAC to accept notarized and apostilled documents with either of the subject name since ITB No. is still same for both</p> <p>For reference:</p> <p>Title of the project before Bid Bulletin No. 1 "Rebid; Design, Supply, Delivery, Lease Service Delivery of Eight Megahertz (8MHz – 4 MHz for Distribution and 4 MHz for Contribution) Standard C-Band Space Segment for the People's Television Network, Inc. (PTNI)" ITB NO. 2021-0016R</p> <p>Title of the project after Bid Bulletin No. 1 "Rebid: Lease Service Delivery of Eight Megahertz (8MHz – 4 MHz for Distribution and 4 MHz for Contribution) Standard C-Band Space Segment for the People's Television Network, Inc. (PTNI)" ITB NO. 2021-0016R</p>	Accepted.
2	<p>For Section 2.1.6. Satellite Providers outside the Philippines</p> <p>2.1.6.1. The Foreign Bidder shall submit its bid up to Final Destination (use appropriate incoterms) in Philippine peso. The bid amount shall be inclusive of 12% Value Added Tax (VAT) and 25% Final Withholding Tax (FWT) as per Section 28 (B)(1) of the Tax Code of the Philippines. The rate of FWT shall be applicable as per the rate prevailing on the fiscal year of the date of signing of contract.</p> <p>With reference to Section 28 (B)(1) of the Tax Code of the Philippines, effective 1st January 2021,</p>	<p>As reference to Section 28 (B)(1) of the Tax Code of the Philippines, this provision is being amended to:</p> <p>"2.1.6. Satellite Providers outside the Philippines</p> <p>2.1.6.1. The Foreign Bidder shall submit its bid up to Final Destination (use appropriate incoterms) in Philippine peso. The bid amount shall be inclusive of 12% Value Added Tax (VAT) and 25% Final Withholding Tax (FWT) as per Section 28 (B)(1) of the Tax Code of the Philippines. The rate of FWT shall be applicable as per the rate prevailing on the fiscal year of the date of signing of contract. "</p>



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	<p>the FWT is 25% instead of 30%. It is not updated in the bidding document.</p>	<p>Reference: <i>(B) Tax on Nonresident Foreign Corporation. -</i> <i>(1) In General. - Except as otherwise provided in this Code, a foreign corporation not engaged in trade or business in the Philippines, effective January 1, 2021, shall pay a tax equal to twenty-five percent (25%) of the gross income received during each taxable year from all sources within the Philippines, such as interests, dividends, rents, royalties, salaries, premiums (except reinsurance premiums), annuities, emoluments or other fixed or determinable annual, periodic or casual gains, profits and income, and capital gains, except capital gains subject to tax under subparagraph 5(c)</i></p>
3	<p>By nature of satellite services and contract terms with end-user in Single Largest Completed Contract (SLCC), it is not valid or applicable in all cases to convert the price to current using PSA CPI.</p> <p>To illustrate, in SLCC with end-user, some services contract price was fixed for all the years, it does not get effected by any inflation or other elements, as the end-user pays a fixed same amount in USD every year.</p> <p>For example, Contract started in Jan 2018, Service fee paid by customer: USD 100,000 per year. Contract ended in Jan 2020, Same service fee paid by customer: USD 100,000 per year</p> <p>In that case, we can only convert USD into Peso using BSP exchange rate at the time when the contract was started.</p> <p>Alternatively, please share a guide or example on how PSA CPI gets implemented, this is something which foreign bidders are not familiar and don't use for satellite services with any of end users.</p>	<p>Here's the formula provided by the Philippine Statistics Authority:</p> <p>Current Value = A x (B/C)</p> <p>Where: A = total value of the project at the month and year it was completed. B = CPI for all items (Phils.) for the current month (if CPI of current month is not available, use the latest month with CPI for all items) and year C = CPI for all items (Phils.) during the month and year the project was completed</p> <p>CPI: https://psa.gov.ph/price-indices/cpi-ir</p> <p>For example: A = \$200,000 B = 4.9% (CPI during August 2021) C = 2.9% (CPI during Jan 2020)</p> <p>Current Value = \$200,000 (0.049/0.029) Current Value = \$200,000 (1.69) Current Value = \$338,000</p> <p>If the similar contract price is not in Philippine Peso: Kindly provide the conversion rate of the "Current Value" using the BSP Forex during the date that the project was completed.</p> <p>Reiterating to also provide the conversion rate of the contract price using the exchange rate based on the BSP Forex from the date that the contract has started.</p>

All other information in the Bidding Documents inconsistent with the above is hereby revised accordingly. All other provisions which are not affected shall remain in effect.

For further guidance and information of all concerned.
Thank you.


ATTY. JASON SHAHEER H. SALENDAB
Chairman
Bids and Awards Committee