



**BRAZILIAN NAVY  
MARINE CORPS MATERIAL COMMAND**

**TERMS OF REFERENCE**

**ONLINE REVERSE BID AUCTION**

**BID PROCESS n° 07/2024**

**APPENDICES**

- I: Technical Specifications of the Ballistic Vest Level III-A
- II: Technical Specifications of the Positively Buoyant Ballistic Plate Level III
- III: Technical Specifications of the Positively Buoyancy Ballistic Vest Level IIIA
- IV: Technical Specifications of the Ground Troops Ballistic Helmet Level III-A with no accessories;  
and
- V: International Shipping Instructions.

**NUP:63150.001440/2024-66**

**BRAZILIAN NAVAL COMMISSION IN WASHINGTON**  
**5130 MacArthur Blvd., NW, Washington, DC 20016-3316**

**TERMS OF REFERENCE**  
**BID PROCESS nº 07/2024**  
**Online Reverse Bid Auction**

**1) OBJECT**

1.1 The Object of this Term is the acquisition of Individual Ballistic Protection Equipment (EPBI), its components, and accessories for the operative units of the Marine Corps, following the requirements established in the document as shown below:

<b>Individual Ballistic Protection Equipment (EPBI)</b>				
<b>Item</b>	<b>BNCW Reference</b>	<b>NSN - Description</b>	<b>Specification</b>	<b>QTY</b>
1	PE31000-2024-00040	8470-99-671-1467 - Positively Buoyant Ballistic Plate Level III	Front	2300
2	PE31000-2024-00041	1386-99-493-5757 - Positively Buoyant Ballistic Vest Level IIIA	Size M	16
3	PE31000-2024-00042	1386-99-181-0945 - Positively Buoyant Ballistic Vest Level IIIA	Size L	96
4	PE31000-2024-00043	1386-99-344-4440 - Positively Buoyant Ballistic Vest Level IIIA	Size XL	48
5	PE31000-2024-00044	8470-99-269-4702 - Ground Troops Ballistic Helmet Level III-A with no accessories	Size M	460
6	PE31000-2024-00045	8470-99-602-8050 - Ground Troops Ballistic Helmet Level III-A with no accessories	Size L	460
7	PE31000-2024-00046	8470-99-155-9945 - Ground Troops Ballistic Helmet Level III-A with no accessories	Size XL	230
8	PE31000-2024-00047	8470 - BR3336923 Ballistic Vest Level III-A	Size M	100
9	PE31000-2024-00048	8470 - BR3336924 Ballistic Vest Level III-A	Size L	600
10	PE31000-2024-00049	8470 - BR3336942 - Ballistic Vest Level III-A	Size XL	300

1.2 The Individual Ballistic Protection Equipment (EPBI), its components, and accessories to be purchased are characterized as common goods, given that the performance and quality standards can be objectively defined in this Term, as well as in the Notice, through specifications usual in the market, in line with local peculiarities, as provided for in the Regulation GM-MD N°. 5175, of December 15, 2021.

1.3 In light of the need to have the expiration date of the EPBI (Individual Ballistic Protection Equipment) coincide, the Body Armor Ballistic Vests and the Ballistic Plates must be procured in the same lot and supplied by the same manufacturer.

1.4 The subject of this contract does not qualify as a luxury good, according to Decree No. 10,818, dated September 27, 2021.

1.5 The duration of the contract is 365 days from the date of signing, in accordance with Article 105 of Law No. 14,133, of 2021.

## **2) LEGAL GROUNDS AND DESCRIPTION OF THE CONTRACT NECESSITY**

2.1 The Contract necessity is justified by the need to meet the demand of the Operative Units of the Marine Corps (CFN), making Individual Ballistic Protection Equipment (EBPI) available to the Units of those Military Organizations (OM) in order to meet the demands generated by the fulfillment of tasks imposed by the institutional mission of the Marine Corps and consequently of the Brazilian Navy.

2.2 In order for the Brazilian Navy (MB) to maintain its operational readiness in order to fulfill its tasks and also to be able to carry out Law and Order (GLO) operations, as determined by Complementary Law N°. 97, of 9 June 1999, the Military Organizations (OM) must have their endowments of Individual Ballistic Protection Equipment (EPBI), complete and in the "State of the Art," a fundamental condition for maintaining the operational readiness of the units and consequently for the troop performance and morale.

2.3 The companies that will be able to participate in the bidding process will be those that supply similar products (Helmets and ballistic vests level III-A in conjunction with the ballistic plate level III, raising the level of ballistic protection to at least level III+), manufactured in Ultra-High Molecular Weight Polyethylene (UHMWPE) and/or ARAMID.

2.4 In order to ensure the necessary performance of the equipment, the standards of the National Institute of Justice of the United States of America, NIJ Standard 0101.06 / 0101.07 and 0106.01 / 0108.01 – Levels III-A and III, were used as a reference.

2.5 National companies that supply/distribute the object of this Terms of Reference comply with Ordinance No. 18 - Logistics Department of the Brazilian Army, dated December 19, 2006, which regulates the procedures for the manufacturing, technical evaluation, acquisition, importation, and destruction of bulletproof vests, establishing measures that must be observed in the conduct of these activities. According to Art. 3 of the mentioned Ordinance, "Bulletproof vests are tested and classified for protection level according to the NIJ Standard 0101.04 of the National Institute of Justice of the United States of America.

2.6 After extensive market research, it was found that there is no offer of ballistic protective equipment by Brazilian companies that meet all the required technical specifications. Furthermore, foreign suppliers were contacted and indicated that they do not have direct legal representatives in Brazil. Thus, the acquisition of the material from abroad is justified.

## **3) DESCRIPTION OF THE SOLUTION AS A WHOLE CONSIDERING THE LIFE CYCLE OF THE OBJECT**

3.1 The description of the solution is detailed in a specific section of the Preliminary Technical Study (ETS).

#### **4) CONTRACTING REQUIREMENTS**

4.1 All parameters established in the technical specifications contained in Appendices I to IV of this document must be strictly observed.

4.2 The bidder ranked first, after being notified as such, must send a prototype of each item to CMatFN for evaluation within 20 days. The vests and helmets must be sent in size "L."

4.3 In the event of prototype rejection due to discrepancies with the technical specifications, the company will have 20 days to send a new prototype with the necessary corrections. If the new prototype is also rejected, the company will be disqualified, and the next participating company in the bidding process will be called.

##### **Sustainability**

4.4 The acquisition must follow the environmental sustainability criteria, based on Law n° 12,187/2009, combined with the international commitments assumed by the Brazilian Government, so that the bid winner, if possible, prioritizes recycled and recyclable products compatible with standards of social and environmentally sustainable consumption.

##### **Indication of brands or models**

Not applicable

##### **Subcontracting**

4.5 Subcontracting of the object of the bidding process will not be allowed.

##### **Guarantee of Contracting**

4.6 There will be no requirement for a guarantee of contracting.

#### **5) EXECUTION OF THE OBJECT**

##### **Delivery Conditions**

5.1 The established deadline for the delivery of ballistic protective equipment items is up to 150 days after the signing of the contract.

5.2 The cost of delivery is fully included in the prices of the items presented by the Contractor.

5.3 The Contractor is responsible for delivering the product in perfect condition, in accordance with the technical specifications, the timeline, and the location stipulated in this Term, in the Notice, and in the Contract.

5.4 The EPBI (helmet, vest, and plate) must have at least 93% of their validity period remaining at the time of delivery in Brazil.

5.5 The boxes for delivering the EPBI (helmet, vest, and plate) must have the serial numbers, batches,

and quantities indicated on the outside.

5.6 The SELLER must deliver the materials packaged, boxed, labeled, and repackaged (when applicable) under the highest standards of international transport (not just common carrier requirements) and directly to Rio de Janeiro/Brazil. The contractor must send the materials to the following recipient ("Notified Party" must be the same as the recipient):

Centro de Distribuição e Operações Aduaneiras da Marinha  
CNPJ 00.394.502/0382.06,  
Av. Brasil, 10500 – Olaria - Rio de Janeiro, RJ – 21012-350 BRASIL  
Tel: +55-21-2101-0057 / 0567 – E-mail: cdam.importa@marinha.mil.br  
Contract Number: \_\_\_\_\_.

5.7 Delivery must be made according to INCOTERM 2020 – CIF Port of Rio de Janeiro, Rio de Janeiro, Brazil. The use of any courier service (DHL, UPS, FedEx, etc.) for direct shipment to Brazil is expressly prohibited unless using freight services. **Additional delivery instructions for Brazil are found in Appendix V of this Terms of Reference.**

5.8 To allow for customs clearance of the object in Brazil, the contractor must provide the shipping documents listed below to obtain BNCW authorization for delivery:

- a) Commercial invoice (used for transport);
- b) Export license or a declaration that no export license is required;
- c) Packing list (must include the net weight; dimensions and net and gross weight of the packages);
- d) Draft of AWB/BL;
- e) Proof of insurance covering at least 110% of the contract value in favor of BNCW;
- f) MSDS and IMPG/DGD if any material is considered hazardous; and
- g) Phytosanitary certificate (in case of wooden boxes).

5.9 The SELLER cannot ship the materials before receiving authorization from the BNCW Shipping Division. The contractor must contact the BNCW Shipping Division to obtain shipping instructions before sending any materials. Contact: (202) 244 3950 ext.: 332 cnbw.shipment@marinha.mil.br.

5.10 For direct shipment to Brazil, without prejudice to the provisions of INCOTERMS 2020, ICC Publication No. 723E, if the materials cannot be cleared by the Brazilian Navy and must be held in storage by customs authorities due to the contractor's negligence regarding shipping documentation, any storage charges will be the responsibility of the SELLER.

5.11 The packaging list and the label on the packaging must contain the following information:

**Billing Address:** BRAZILIAN NAVAL COMMISSION IN WASHINGTON – 5130 MacArthur Blvd, Washington, DC 20016 USA;

**Recipient's Address:** MARINHA DO BRASIL CENTRO DE DISTRIBUIÇÃO E OPERAÇÕES ADUANEIRAS DA MARINHA – Av. Brasil 10500 – Olaria – Rio de Janeiro – RJ – Brasil – 21012-350  
CNPJ: 00.394.502/0382-06 / Recinto Alfandegado: 7.93.35.012/ AC Divisão de Importação  
OMD: +55 (21)2189-1503 - ramal 1541 / OMS: +55 (21)2189-1503 - extension 1541  
CONTRACT: \_\_\_\_\_

5.12 Following international shipping requirements, all wooden packaging (boxes, skids, etc.) must comply with all ISPM-15 (International Standards for Phytosanitary Measures No. 15) standards regarding heat treatment.

5.13 All hazardous products must be properly marked and labeled according to IATA or IMDG standards and include an MSDS (Material Safety Data Sheet) and DGD (Declaration of Dangerous Goods), in accordance with international shipping requirements.

5.14 The SELLER must obtain, at their own cost and risk, any export license or other official authorization and comply, when applicable, with all necessary customs formalities to export the goods/services of the product to Brazil, in accordance with INCOTERMS 2020, ICC Publication No. 723E. The BUYER party will not cover any costs for export license applications.

5.15 If the SELLER anticipates or encounters difficulties that impact the delivery schedule, they must notify the contracting party in writing immediately, providing relevant details (including the indication of the cause(s) and the SELLER's efforts to maintain the schedule).

5.16 If the SELLER fails to meet the schedule established in this contract, the BUYER reserves the right to request expedited shipping to compensate for the delay, at the SELLER's expense, without bearing any additional costs associated with such shipment.

5.17 The provisional or final acceptance of the object does not exclude the SELLER's responsibility for damages resulting from the incorrect execution of the contract.

#### **Requirement for Samples and laboratory testing**

5.18 The winning company/companies must manufacture, within the same batches, 25 (twenty-five) additional units of Level III-A Ballistic Vests, 50 (Fifty) additional ballistic plates, 03 (three) additional ballistic helmets, and 15 (Fifteen) additional Positively Buoyancy vests, intended for ballistic conformity testing. These additional quantities must be included in the amounts to be delivered to Brazil.

5.19 The EPBI samples designated for compliance testing with the standards of the National Institute of Justice (NIJ) will be randomly selected from the quantities received after the EPBI arrive in the country. The company will be notified and will have a period of up to 5 (five) business days to collect the selected samples. After collecting the selected samples, the company will have an additional 20 (twenty) days to conduct the ballistic tests.

5.20 To schedule and coordinate the collection of the samples, the company's representative must contact the Marine Material Command (CMatFN) using the following means: Phone: +55 21 2126-5192 and emails: [figueiredo@marinha.mil.br](mailto:figueiredo@marinha.mil.br) / [afonso.bastos@marinha.mil.br](mailto:afonso.bastos@marinha.mil.br) / [w.pantoja@marinha.mil.br](mailto:w.pantoja@marinha.mil.br).

5.21 The winning company(ies) will conduct ballistic compliance tests according to the standards of the National Institute of Justice (NIJ) 0101.06 / 0101.07 (for vests and plates) and 0106.01 / 0108.01 (for helmets), as established by the Compliance Testing Program (CTP) Requirements. These tests must be conducted in a laboratory accredited by the NIJ (see item 5.22), the list of which can be found at <https://cjttec.org/compliance-testing-program/nij-approved-test-laboratories/>. The reports resulting from these tests must be sent to the end user and must include the batch and serial numbers of the samples intended for testing.

5.22 Oregon Ballistic Laboratories (OBL), located in Oregon, USA, is designated as the reference laboratory for conducting compliance tests of the samples against the standards established by the National Institute of Justice (NIJ), as it is certified by the NIJ and accredited by NVLAP (NVLAP Lab Code 200826-0), and is capable of performing all parts of the NIJ 0101.06 / 0101.07 standard, including environmental conditioning cycles for hard and soft armor.

5.23 Representatives of the Naval Command may observe the laboratory tests conducted at Oregon Ballistic Laboratories (OBL) in the United States. To do so, the winning company must inform, at least 30 (thirty) days in advance, the expected date of the compliance tests at OBL, as well as provide the contacts of the representative(s) who will accompany them in the USA.

### **Warranty, Maintenance, and Technical Assistance**

5.24 The equipment must have a minimum warranty of 10 (ten) years for Ballistic Helmets, 7 (seven) years for Vests and Ballistic Plates, under normal usage conditions, and a minimum of 4 (four) years warranty for external covers (for the vest, groin protector, and neck protector).

5.25 The technical warranty must cover the repair of the items supplied under the EPBI contract and their accessories.

5.26 In addition to the repair of the item under warranty, the transportation from point to point, cargo handling, and customs clearance will be the responsibility of the supplier.

5.27 The supplier must collect the item for warranty repair within 30 (thirty) business days from the notification of the issue.

5.28 The repair time for all items under contractual warranty will be up to 120 (one hundred and twenty) days.

5.29 After the item is collected for repair, the countdown for the contractual warranty will be paused until the item is returned to the operator.

### **Infraction and Administrative Sanctions**

5.30 For total or partial non-performance of the contract, the BUYER may, ensuring prior defense, apply the following sanctions to the SELLER:

a) Warning;

b) Unjustified delays in the execution of the contract, starting from the first day of delay in service, will subject the SELLER to a penalty of 0.1% (0.1 percent) per day of delay, limited to 30 (thirty) days. Once this limit is reached, the penalty will convert to a compensatory fine;

c) Compensatory fine of 10% on the value of the overdue portion of the contract;

d) Temporary suspension from participation in bidding and prohibition from contracting with this Naval Commission for a period not exceeding 2 (two) years;

e) Declaration of ineligibility to bid or contract with the Brazilian Public Administration while the reasons

for the punishment persist or until rehabilitation is promoted before the authority that applied the penalty, which will be granted whenever the SELLER compensates the BUYER for the resulting damages and after the penalty period established under item “c” has elapsed.

5.31 The sanctions provided in item 5.30, sub-items “a,” “d,” and “e” may be applied together with those in sub-items “b” and “c,” with the right to prior defense for the SELLER within the respective process, within a period of 5 (five) business days.

5.32 The sanction established in sub-item “e” of item 5.30 is exclusively the responsibility of the Minister of State for Defense, allowing the SELLER to present a defense in the respective process within 10 (ten) days of the opening of the review period, with rehabilitation being requested after 2 (two) years from its application.

## **Modifications**

5.33 The SELLER is required to accept, under the same contractual conditions, any additions or deletions that may be necessary, up to a limit of 25% (twenty-five percent) of the initially updated value of the contract.

## **6) CONTRACT MANAGEMENT**

6.1 The PARTIES must faithfully execute the Contract following the agreed clauses, and each party will be responsible for the consequences of its total or partial non-performance.

6.2 In case of impediment, stoppage order, or suspension of the Contract, the execution schedule will be automatically extended for the corresponding time, such circumstances may be noted by notification.

6.3 Communications between the agency or entity and the winning bidder must be in writing whenever the act requires such formality, admitting the use of electronic messages for this purpose.

6.4 The agency or entity may also summon a representative of the winning bidder to adopt measures that must be complied with immediately.

6.5 The execution of the Contract must be monitored and inspected by the Contract supervisor(s) or their respective substitutes.

6.6 The End User will monitor the execution of the Contract so that all the conditions established in it are fulfilled to ensure the best results for the Administration.

## **Technical Supervision**

6.7 The monitoring and supervision of the contract execution consist of verifying the compliance of the services provided, the materials, techniques, and equipment used, in order to ensure the proper fulfillment of the agreement. This will be carried out by one or more representatives of the Brazilian Navy, specially designated for this purpose. Such representatives must have the necessary qualifications to oversee and control the execution of the services and the contract.



## **7) PAYMENT CRITERIA**

### **Receipt of the object**

7.1 It is understood and agreed that the End User will inspect the products upon arrival at their destination in Brazil. In this inspection, the End User will have the right to reject the defective material or repair that does not comply with the requirements of Bid Process No. 07/2024 (Online Reverse Bid Auction), the Contract, and its annexes.

7.2 In case of rejection, the End User will notify the winning bidder, who must accept the return of the defective item and replace it with a new one that strictly complies with the applicable specifications and requirements within a maximum of 90 days. The return and replacement of the rejected item will be at the risk and expense of the winning bidder.

7.3 The inspection referred to in this item does not exclude or reduce the winning bidder's liability, including third parties, for any irregularity, even if resulting from technical imperfections or redhibitory vices, and, in the event of this, does not imply co-responsibility of the Administration or its agents and agents.

### **Settlement**

7.4 If there is an error in the presentation of the invoice or equivalent billing document or circumstances that prevent the settlement of the expense, it will be suspended until the winning bidder provides remedial measures, restarting the period after proving that the situation has been regularized, free of charge to the buyer;

### **Payment Term**

7.5 The deadline for payment is 30 days after certification of complete delivery and inspection of the items in Rio de Janeiro, Brazil. The End User, after said inspection, will authorize the payment.

### **Payment Method**

7.6 Payment will be made by wire transfer to the account provided by the SELLER.

7.7 Payment is subject to discounts from administrative penalties due to non-compliance with contractual performance.

7.8 The Contract provides further detail of the rules that will apply concerning the payment.

## **8) SUPPLIER SELECTION FORM AND CRITERIA**

### **Form of selection and criterion for judging the proposal**

8.1 The supplier will be selected by a bidding procedure through an Online Reverse Bid Auction, adopting the lowest price judgment criteria.

### **Qualification Requirements**

8.2 Proof provided by the bidder that they have received the documents and are aware of all the

information necessary to fulfill the obligations related to the bidding process.

8.3 Letters of recommendation, good performance, or guarantees provided by authorities or entities that regulate the corresponding commercial activity.

8.4 After the submission of documents for qualification, the replacement or submission of new documents will not be allowed, except in the case of due diligence, for:

8.4.1 Complementing information regarding documents already submitted, as long as it is necessary to clarify facts existing at the time of the bidding opening;

8.4.2 Updating documents whose validity has expired after the date of receipt of the proposals.

8.5 In the analysis of qualification documents, errors or flaws that do not alter the substance of the documents or their legal validity may be corrected through a reasoned dispatch that is recorded and accessible to all, being granted effectiveness for the purposes of qualification and classification.

8.6 After the evaluation of the proposals, the Contracting Party will verify the documentation demonstrating the financial capacity of the provisional winning bidder on an official website of notable specialization. The bidder will be considered qualified if they have a low to medium risk indicator.

### **Legal Qualification**

8.7 All documents must be up to date and valid:

8.7.1 Identity Card and complete identification of the bidder, with the respective title of its representative, complete address, e-mails, and telephone numbers for contact;

8.7.2 Copy of the company's articles of incorporation if available, business license or permit and certificates of registration if available;

8.7.3 Government-issued authorization document for the exercise of the bid object (sales tax permit or resale certificate);

8.7.4 Company tax identification number (TIN) and tax clearance certificate;

8.7.5 Certificate of good standing and certificate of liability insurance (proof of insurance);

### **Technical Qualification**

8.8 Proof, provided by the bidder, that it received the documents and that it became aware of all the information for the fulfillment of the obligations object of the bidding;

8.9 Letters of recommendation, good performance, or guarantees provided by authorities or entities that regulate the related commercial activity.

### **Economic-Financial Qualification**

8.10 Balance sheet and income statements for the last fiscal year, or equivalent documents, that prove

the good financial situation of the company, their replacement by trial balances or provisional balance sheets being prohibited, and may be updated by official indices when closed for more than 3 (three) months from the date of proposal submission.

8.11 Declaration that the entity is not in bankruptcy, in the case of a legal entity, or in asset enforcement, in the case of an individual;

8.12 In the event of an inability to present any qualification document due to local legislation, an equivalent document must be submitted, or a formal justification must be provided to the contracting party explaining the reasons for the inability.

## 9) ESTIMATED CONTRACT VALUE

9.1 The estimated total cost of the contract is USD 1,157,720.00 (one million, one hundred fifty-seven thousand, seven hundred twenty U.S. dollars), considering the average total value of the budgets in the comparative chart.

## 10) BUDGET ALLOCATION

10.1 Expenses to attend this bidding process are programmed in a specific budget allocation, foreseen in the Union budget for the 2024 fiscal year, in the classification below:

Management/Unit:	00001/52131
UGR/UGE	731000/770200
PTRES:	236955
Internal Action:	C.302.03
Nature of Expense:	449052

Rio de Janeiro, RJ, September 27th, 2024.

Prepared by:

MARCELO RIBEIRO DE FIGUEIREDO  
Captain – Brazilian Navy  
Manager of Operational Equipment

## DECISION

Considering that the acquisition is justified by necessity and that the fundamental technical elements related to costs, acceptance criteria for the object, execution timeline, and payment have been indicated, I approve the Terms of Reference.

ADERLAN RICARDO LIMA RODRIGUES  
Captain – Brazilian Navy  
Budget Coordinator