



**BRAZILIAN NAVY**

**BRAZILIAN NAVAL COMMISSION IN WASHINGTON**

**ANNEX A**

**TERMS OF REFERENCE**

**Bidding Process nº 04/2024**

**ONLINE REVERSE BID AUCTION**

**PROCESS (NUP) Nº 63150.000760/2024-07**

## 1. GENERAL CONDITIONS

1.1 Hiring of specialized company for the door-to-door transport of unaccompanied baggage for military and civilian personnel serving the Brazilian Navy in the process of completing a mission, originating from the United States of America and destined for Brazil, comprising collection, storage, loading, unloading, customs clearance, delivery, and assembly of goods, according to the conditions established in this document.

1.2 The service object of this contract is characterized as common property, considering that performance and quality standards can be objectively defined in this document, as well as in the Notice, through specifications usual in the market, in accordance with local peculiarities, as provided for in Regulation GM-MD n°. 5.175, of December 15, 2021.

1.3 The term of the contract will be 12 months, counted from the date of contract signing, in accordance with Article 55 of Regulation GM-MD n°. 5.175, of December 15, 2021, and may be extended up to a limit of 5 years, if there is interest from the Administration.

1.4 The contract provides further details on the rules that will be applied regarding the term of the contract.

1.5 The term stipulated in item 1.3 may be interrupted, if there is interest from the Administration, after consultation with the **SELLER**.

1.6 The **SELLER** does **not** have a subjective right to contract renewal.

## 2. LEGAL GROUNDS AND DESCRIPTION OF THE CONTRACT NECESSITY

2.1 The Legal Grounds for such contracting and its description are detailed in a specific topic of the Preliminary Technical Studies.

2.2 The contracting is based on § 1, Article 4, Annex I of GM-MD Ordinance No. 5,175/2021.

## 3. HIRING REQUIREMENTS

### Sustainability

3.1 This acquisition must be informed by the criteria of environmental sustainability, based on Law n° 12.187/2009, combined with the international commitments assumed by the Brazilian government, so that the winner of the bid, if possible, prioritizes recycled and recyclable products compatible with standards of socially and environmentally sustainable consumption.

3.1.1 The **SELLER** shall adopt good practices for resource optimization/waste reduction/less pollution, such as:

- a) Rationalization of the use of potentially toxic/polluting substances;
- b) Substitution of toxic substances with non-toxic or less toxic ones; and
- c) Rationalization/economy in the consumption of electricity and water.

### Subcontracting

3.2 Partial Subcontracting is allowed; however, the **SELLER** shall remain responsible for the performance of the Contract.

3.2.1 Sub-Sellers must be legally established companies. However, the **SELLER** is fully responsible for the conduct and performance of its Sub-Sellers, including any irregularity committed by them, any breach of the Contract, illegalities, and negligence.

#### **Hiring Guarantee**

3.3 There will be no requirement for a contract guarantee because, with regard to the execution of the contract, there are no risks for the BUYER, as payment to the SELLER will occur after the effective delivery of the goods/provision of the service.

### **4. SERVICE EXECUTION**

#### **Execution conditions**

4.1 The execution of the object will follow the following dynamics:

#### **"Moving Order"**

4.2.1 BNCW shall issue an official document to the service provider company, containing the dates of the following events: inspection, material delivery, packing day, loading day, and the date the beneficiary will arrive in Brazil. The document shall also include the addresses of origin and destination, the maximum insurance limit, and the mode of transportation. Upon receipt of the document, the SELLER has five business days to contact the beneficiary and BNCW to confirm the schedule.

4.2.2 The SELLER shall provide the beneficiary with a list of all required documents and forms for customs clearance in Brazil and a model Inventory List within seven days of the issuance of the "Moving Order".

#### **Inspection**

4.3.1 Dates and times will be provided for the company to conduct inspections of the materials to be transported.

4.3.2 For the inspection, the bidder, or their legal representative, must, if requested, present identification documents and a document issued by the company proving their qualification to perform the inspection.

4.3.3 **Failure to conduct the inspection shall not serve as a basis for subsequent claims of ignorance, doubts, or forgetfulness of any details of the service locations, and the contracted party must bear the costs of the resulting services.**

4.3.4 **The volume is the net number to which the beneficiary is entitled, excluding packaging materials, so ensure that your proposal takes these observations into account.**

## **Packing and Storage**

4.4.1 All personal items shall be packed at the beneficiary's address of origin (USA) to ensure their perfect preservation. The materials used must be suitable for transportation and the specific type of item to be packed, and all precautions must be taken to ensure quality and safeguard the transported items.

4.4.2 Personal items shall be checked, measured, and listed at each beneficiary's residence.

4.4.3 Packing and collection of DOMESTIC GOODS shall comply with international removal standards, and all packaging materials provided by the SELLER must be of first quality;

4.4.4 Any facility used for storing personal items must comply with the following requirements:

a) be protected with appropriate security devices; and

b) be protected against direct sunlight, temperature changes, humidity, insects, corrosive agents, among others, that may cause damage to personal items.

4.4.5 Goods should preferably be packed in suitable individual packaging, with the smallest possible volume, using recycled and/or recyclable materials, to ensure maximum protection during transportation and storage.

4.4.6 Fragile items must be properly packaged and labeled as "fragile."

4.4.7 The **SELLER** must provide special packaging for items such as TVs, computers, glass, paintings, etc.

4.4.8 The **SELLER** is responsible for verifying and organizing, at the beneficiary's residence in the country of origin, the best time and location for truck placement during the removal period.

4.4.9 DOMESTIC GOODS shall be collected on any floor, and shall include assembly and disassembly of items, as well as disposal of any remaining packaging material after the personal items are removed from the origin residence.

4.4.10 The beneficiary may choose to pack some items. In this case, the **SELLER** shall provide the requested packaging to allow the beneficiary to wrap the items, which will be collected during the pickup.

## **Transportation and Delivery**

4.5 The contracting requirements for transportation and delivery include the following:

4.5.1 Delivery of the container to the beneficiary's residence (at origin and destination), or in case of impossibility due to location restrictions, delivery by a truck of similar size to the internal space of the container;

4.5.2 Collection and transportation of personal items from inside the residence in the United States to inside the residence in Brazil, whether it be a house or an apartment;

4.5.3 Transportation of personal items shall be by sea or air (with proper justification) and land, depending on the case, to comply with current legislation;

4.5.4 Assembly of personal items that have been disassembled for packing and/or transportation, providing all necessary equipment and tools for assembly, at no additional cost;

4.5.5 Possible hiring of lifting services - if deemed necessary - for furniture entry through the window in buildings, in the absence of stairs or elevators;

4.5.6 Disposal of all packaging material used after delivery to the residence in Brazil, observing the environmentally appropriate final disposal of waste, in accordance with Decree No. 10,936, of January 12, 2022, which regulates the National Solid Waste Policy, established by Law No. 12,305, of August 2, 2010; and

4.5.7 Furthermore, the winning bidder must provide a declaration stating that they are fully aware of the necessary conditions for the provision of the service as a requirement for contract execution.

#### **Materials**

4.6 If requested by the beneficiary, the company (SELLER) shall provide and deliver to the beneficiary's residence in the USA, at no additional cost and in due time, all material necessary for packing personal items, in the maximum quantities indicated, as well as basic packaging procedure information:

Small book box - 10 units;

Medium clothing box - 10 units;

Large blanket and lightweight item box - 15 units;

Extra-large comforter and pillow box - 5 units;

Small packing paper - 10-pound pack;

Packing paper - 50-pound pack;

Adhesive tape - 12 rolls; and

Bubble wrap - 3/16" 200 feet.

#### **General Conditions**

4.7 The **SELLER** shall provide the beneficiary with all information regarding customs regulations in Brazil, listing items subject to duties, prohibited items, and those with any limit restrictions.

4.7.1 The **SELLER** shall provide a contact list of the moving company and subcontractors in Brazil, which shall be available to resolve any issues during the moving service.

4.7.2 The **SELLER** is responsible for all aspects of the removal and compliance with all customs clearance laws and rules IN THE COUNTRY OF ORIGIN and in Brazil, and must inform the

beneficiary of all necessary customs clearance documents with sufficient time for them to provide the documents.

4.7.3 BNCW is not responsible for any additional costs, taxes, or fees that may occur due to negligence of the **SELLER** or any other SUB-CONTRACTORS.

4.7.4 The **SELLER** is responsible for covering demurrage costs and any other taxes, fees, or charges that may be applicable. BNCW and beneficiaries shall not be responsible for demurrage, except in cases of Force Majeure. For the purposes of this bidding process, Force Majeure is defined as an extraordinary event or circumstance beyond the control of the parties, such as war, strike, riot, crime, or event described by the legal term act of God (such as hurricane, flood, earthquake, volcanic eruption, etc.), which prevents one or both parties from fulfilling their obligations under this agreement.

4.7.5 If necessary, the beneficiary may schedule the delivery of the move to their residence within thirty calendar days after customs clearance. During this period, the **SELLER** shall store the items in an appropriate location and may use a truck for delivery to the final destination.

4.7.6 The **SELLER** shall have at least one employee fluent in Portuguese or Spanish during the inspection, packing, and loading stages in the United States of America.

#### **Insurance**

4.8 The **SELLER** shall arrange for the procurement of insurance for the items to be transported door-to-door, from origin to final destination. The insurance will be funded by the **BUYER**, with the **BUYER** being charged 2% of the declared value of the goods to be transported by the beneficiary, within their pre-established limit in the "Moving Order".

4.8.1 The insurance coverage must cover risks of any nature from "door to door", meaning it must cover personal belongings during Packing, Storage, Transportation, and Delivery, against theft, burglary, fire, flood, loss, or any partial or total damage. The Policy must cover 100% (one hundred percent) of the declared value of personal items, with amounts up to the limits established by law being paid by BNCW and any excess, if applicable, being funded by the beneficiary themselves through the **BUYER**.

4.8.2 Under no circumstances will the burden of insurance declared above the declared values of personal items be the responsibility of BNCW.

4.8.3 The beneficiary will have a period of up to 30 (thirty) days to activate the insurance, with the **SELLER** being responsible for negotiating with the Insurance Company on behalf of the beneficiary and mediating any disputes. The insurer's response time regarding the beneficiary's claim is 45 (forty-five) days from the activation by the military with the **SELLER**, with payment, after agreement, to be made within 30 (thirty) days.

4.8.4 In case of disputes, the **SELLER** is responsible for negotiating with the Insurance Company on behalf of the beneficiary and mediating any disputes.

4.8.5 The **SELLER** must provide all necessary assistance in the event of a claim with the Insurance Company.

4.8.6 The total settlement of the insurance, for any damages verified, will be a prerequisite for the confirmation of the definitive receipt by the military personnel holding the personal belongings.

#### **Inventory**

4.8.7 The beneficiary or someone authorized by them must indicate the value of the items listed in the official inventory to determine the value for insurance purposes.

4.8.8 The beneficiary or someone authorized by them must sign the inventory when it is completed.

4.8.9 A copy of the inventory duly signed by the beneficiary must be sent to the **SELLER** along with a copy of the INSURANCE POLICY, in accordance with the INSURANCE terms.

#### **Service Execution Deadline**

4.10 The company must deliver the beneficiary's belongings to the final destination (residence in Brazil) within 70 calendar days from the day of material withdrawal at the origin.

#### **Service Provision**

4.11 The professionals of the **SELLER** responsible for the execution of the services must be at least 18 years old.

#### **5. PRICE**

5.1 The price of the contracted services is fixed and per unit of transportation considering the quotation of the contracted company presented in the Price Table of the Annex. These fixed prices per unit of transportation must cover all costs necessary for the fulfillment of the object including fees, taxes, storage costs, transportation, customs clearance, demurrage fees, social security, administration fees, and material consumption, except for the costs of insurance, which are described in section 4.8.

5.2 The insurance will be covered by the **BUYER**, with the **BUYER** being charged 2% of the value of the goods to be transported declared by the beneficiary, within their pre-established limit in the "Moving Order".

#### **6. CONTRACT MANAGEMENT**

6.1 The contract must be faithfully executed by the parties, in accordance with the agreed clauses, and each party will be responsible for the consequences of its total or partial non-performance.

6.2 Communication 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.

6.3 In case of impediment, stoppage order, or suspension of the contract, the execution schedule will be automatically extended for the corresponding time, with such circumstances being noted by a simple amendment.

6.4 After contract signing or equivalent instrument, the agency or entity may summon the representative of the contracted company for an initial meeting to present the supervision plan, which will contain information about contractual obligations, supervision mechanisms, strategies for object execution, the contractor's complementary execution plan, if any, the method for measuring results, and applicable sanctions, among others.

### **Contract Supervisor**

6.5 The Contract Supervisor shall monitor the execution of the contract to ensure that all conditions established in the contract are met, in order to ensure the best results for the Administration.

6.6 The contract supervisor shall record in the contract management history all occurrences related to the execution of the contract, with a description of what is necessary for the regularization of the faults or defects observed.

6.7 If any inaccuracy or irregularity is identified, the technical contract supervisor shall issue notifications for the correction of the contract execution, determining a deadline for correction.

6.8 The contract supervisor shall inform the contract manager, in a timely manner, of any situation requiring a decision or the adoption of measures that exceed their competence, so that necessary corrective measures are taken, if applicable.

6.9 The supervision referred to in this clause does not exclude or reduce the responsibility of the **SELLER**, including towards third parties, for any irregularity, even if resulting from technical imperfections, hidden defects, or the use of inadequate or inferior quality materials, and in the event of such occurrence, does not imply joint responsibility of the **BUYER** or its agents, managers, and supervisors, accordingly.

### **Contract Manager**

6.10 The contract manager will monitor the records made by the contract supervisor of all occurrences related to the execution of the contract/purchase order and the measures taken, informing, if necessary, the authority superior to those that exceed their competence.

6.11 The contract manager shall take measures to formalize an administrative accountability process for the purpose of imposing sanctions, to be conducted by the committee referred to in Article 158 of Law No. 14,133 of 2021, or by the agent or sector competent for such, as the case may be.

6.12 The contract manager must send the relevant documentation to the contracts department for the formalization of settlement and payment procedures, in the amount determined by supervision and management in accordance with the contract terms.

## 7. MODIFICATIONS

7.1 The **SELLER** is required to accept, under the same contractual conditions, the additions or deletions that may be necessary up to the limit of 25% (twenty-five percent) of the updated initial value of the Contract.

## 8. MEASUREMENT AND PAYMENT CRITERIA

### Receipt

8.1 The services will be provisionally received within 5 days by the supervisor, upon detailed terms, when compliance with technical and administrative requirements is verified.

8.2 The timeframe mentioned above shall be counted from the receipt of a billing communication from the **SELLER** with proof of the services provided relating to the portion to be paid.

8.3 The services will be considered as received within 10 days, counted from the certification by the recipient after verification of the quality and quantity of the service performed.

### Payment

8.4 Payment will be made in two installments:

- a) the first invoice with the total insurance value and an additional 30% of the specific service value, after packing and shipment of the goods; and
- b) the second invoice with the remaining 70% of the specific service, after the delivery of the goods to the beneficiary at their residence in Brazil and the presentation of the definitive receipt certificate of their **PERSONAL ITEMS** in good condition, without damages occurring during their storage and transportation, and the submission of the legal invoice related to this phase.

8.4.1 In case of an insurance claim (damaged or lost household goods), the payment of the remaining 70% will be made by BNCW after the insurance company pays the recipient all amounts due for the claim, enabling the recipient to sign the Baggage Receipt Certificate.

### Liquidation

8.5 In case of an error in the presentation of the invoice or equivalent billing instrument, or circumstances preventing the settlement of the expense, it will be suspended until the contractor takes corrective measures, restarting the deadline after proof of regularization of the situation, without cost to the **BUYER**.

## **Payment Deadline**

8.6 Payment will be made by bank transfer, in USD, within 30 days from the receipt of the original Invoice, which should contain: issuance date, contract number, bank details for payment, and the amount to be paid in USD.

8.6.1 Invoices should be sent to BNCW at [cnbw.secom@marinha.mil.br](mailto:cnbw.secom@marinha.mil.br) and [cnbw.bagagem@marinha.mil.br](mailto:cnbw.bagagem@marinha.mil.br).

8.6.2 The **BUYER** is exempt from taxes throughout the United States of America for purchases exceeding USD 500.00. A copy of the tax exemption card can be provided upon request.

## **9. FORM AND CRITERIA FOR SUPPLIER SELECTION AND SUPPLY METHOD**

### **Form of selection and criteria for selecting the winning proposal**

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

### **Qualification Requirements**

#### **9.2 Legal Qualification**

- a) Identity Card and complete identification of the bidder, with the respective title of its representative, complete address, e-mails, and telephone numbers for contact;
- b) Copy of the company's articles of incorporation if available, business license or permit and certificates of registration if available;
- c) Government-issued authorization document for the exercise of the bid object (sales tax permit or resale certificate);
- d) Company tax identification number (TIN) and tax clearance certificate; and
- e) Certificate of good standing and certificate of liability insurance (proof of insurance).

#### **9.3 Technical Qualification**

- a) 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;
- b) Letters of recommendation, good performance, or guarantees provided by authorities or entities that regulate the related commercial activity.

#### **9.4 Economic-Financial Qualification**

- a) 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;

b) A declaration that it is not in bankruptcy, in the case of a legal entity, or of asset execution, in the case of an individual.

9.5 All documents must be up to date and valid and may be submitted in original or by copy.

9.6 Expired documents will not be accepted.

## 10. SUPPLIER REGISTRATION

10.1 Companies participating in bidding process No. 04/2024 must be previously registered as an approved supplier with the BNCW.

10.2 The guidelines for registering suppliers are available on the BNCW's website.

## 11. CONTRACT VALUE ESTIMATE

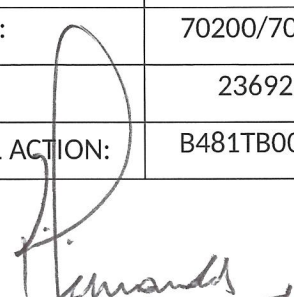
11.1 The total estimated cost of the contract is USD 640,000.00 (Six hundred forty thousand US dollars), according to the costs shown in the price comparison tables. The Market Research was carried out through a Request for Quotation to well-known companies in the field of the object of such bidding process, with experience and training to provide the intended service in the local market.

## 12. BUDGET ALLOCATION

12.1 The expenses to meet this bidding are scheduled in its budget allocation, provided for in the Union budget for the year 2024, in the classification below:

Management/Unit:	00001/70200
UGR/UGE:	70200/70200
PTRES:	236925
INTERNAL ACTION:	B481TB002OJ

Washington, DC, May 7<sup>th</sup> 2024.

  
RICARDO FRAMBACH FERNANDES  
CDR - Brazilian Navy  
Head of Personnel Division

Approved:



Washington, DC, May 7<sup>th</sup> 2024.

ALEXANDRE VIZEU DIAS  
CAPTAIN - Brazilian Navy  
President