

# **BIDDING DOCUMENTS**

## **Procurement of Consulting Services**

**for the**

***Recalibration of NEDA's  
Current Quarter Model (CQM)***

**August 2015**

# Section I. Instructions to Bidders

## TABLE OF CONTENTS

<b>A.</b>	<b>GENERAL.....</b>	<b>4</b>
1.	Introduction .....	4
2.	Conflict of Interest.....	4
3.	Corrupt, Fraudulent, Collusive, and Coercive Practices .....	6
4.	Consultant’s Responsibilities .....	7
5.	Origin of Associated Goods .....	9
6.	Subcontracts .....	9
<b>B.</b>	<b>CONTENTS OF BIDDING DOCUMENTS .....</b>	<b>9</b>
7.	Pre-Proposal Conference.....	9
8.	Clarifications and Amendments to Bidding Documents .....	10
<b>C.</b>	<b>PREPARATION OF PROPOSALS .....</b>	<b>10</b>
9.	Language of Proposals .....	10
10.	Documents Comprising the Proposal: Technical Proposal.....	11
11.	Documents Comprising the Proposal: Financial Proposal.....	13
12.	Alternative Proposals .....	14
13.	Proposal Currencies .....	14
14.	Proposal Validity .....	14
15.	Proposal Security .....	15
16.	Format and Signing of Proposals.....	18
17.	Sealing and Marking of Proposals .....	19
<b>D.</b>	<b>SUBMISSION OF PROPOSALS .....</b>	<b>20</b>
18.	Deadline for Submission of Proposals .....	20
19.	Late Proposals .....	20
20.	Modification and Withdrawal of Proposals .....	20
<b>E.</b>	<b>EVALUATION AND COMPARISON OF PROPOSALS.....</b>	<b>20</b>
21.	Process to be Confidential.....	20
22.	Clarification of Proposals.....	21

23.	Proposals Evaluation.....	21
24.	Opening and Evaluation of Technical Proposals.....	21
25.	Opening and Evaluation of Financial Proposals.....	23
26.	Negotiations.....	25
27.	Post-Qualification .....	26
28.	Reservation Clause .....	27
<b>F.</b>	<b>AWARD OF CONTRACT .....</b>	<b>28</b>
29.	Contract Award.....	28
30.	Signing of the Contract .....	28
31.	Performance Security .....	30
32.	Notice to Proceed.....	30

## A. General

### 1. Introduction

- 1.1. The National Economic and Development Authority (NEDA) as the Government Procuring Entity shall select an **Individual Consultant** (hereinafter referred to as “**Consultant**”) for the Recalibration of NEDA’s CQM (hereinafter called the “**Project**”) from among those pre-selected under Limited Source Bidding, in accordance with the Quality-Cost Based Evaluation/Selection (QCBE/QCBS) process.
- 1.2. NEDA has received financing (hereinafter called “funds”) under the *FY 2015 Government Appropriations Act (GAA) – Research and Development Fund* (hereinafter called the “Funding Source”) to finance the costs of the updating of the F/S. The NEDA now intends to apply a portion or the whole of the funds to payments for this **Project**.
- 1.3. **Consultants** are invited to submit bids composed of a Technical Proposal and a Financial Proposal for Consulting Services required for this **Project** described in the **Terms of Reference (TOR)**. Proposals received shall be the basis for contract negotiations and ultimately for a signed contract with the selected **Consultant**.
- 1.4. The **Project** shall not be phased.
- 1.5. **Consultants** must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain firsthand information on the **Project** and on the local conditions, **Consultants** are encouraged to visit **NEDA** before submitting a proposal and to attend the Pre-Proposal Conference specified in *Clause 7 of this Instruction to Bidders (ITB)*.
- 1.6. **Consultants’** costs of preparing their bids and negotiating the contract, including a visit to the **NEDA**, are not reimbursable as a direct cost of the **Project**.
- 1.7. **Consultants** shall not be under a declaration of ineligibility for corrupt, fraudulent, collusive or coercive practices issued by the Funding Source or the **NEDA** in accordance with *ITB Clause 3.1*.

### 2. Conflict of Interest

- 2.1. The Funding Source’s policy requires that **Consultants** provide professional, objective and impartial advice and at all times hold **NEDA’s** interests paramount, without any consideration for future work, and strictly avoid situations where a conflict of interest shall arise with their other projects or their own interests. **Consultants** shall not be hired for any project that would be in conflict with their prior or current obligations to other entities, or that may place them in a position of not being able to carry out the **Project** in the best interest of **NEDA**. Without limitation on the generality of this rule, **Consultants** shall not be hired under the circumstances set forth below:

- (a) If a **Consultant** combines the function of consulting with those of contracting and/or supply of equipment;
- (b) If a **Consultant** is associated with, or affiliated to a contractor or a manufacturing firm with departments or design offices offering services as consultants unless such **Consultant** includes relevant information on such relationships along with a statement in the Technical Proposal cover letter to the effect that the **Consultant** shall limit its role to that of a consultant and disqualify itself and its associates from work in any other capacity that may emerge from the **Project** (including bidding for any part of the future project). The contract with the **Consultant** selected to undertake the **Project** shall contain an appropriate provision to such effect; or
- (c) If there is a conflict among consulting projects, the **Consultant** shall not be recruited for the relevant project. The duties of the **Consultant** depend on the circumstances of each case. While continuity of consulting services may be appropriate in particular situations where no conflict exists, a **Consultant** cannot be recruited to carry out a project that, by its nature, shall result in conflict with a prior or current project of such **Consultant**. Examples of the situations mentioned are when a consultant engaged to prepare engineering design for an infrastructure project shall not be recruited to prepare an independent environmental assessment for the same project; similarly, a consultant assisting NEDA in privatization of public assets shall not purchase, nor advise purchasers, of such assets; or a consultant hired to prepare TOR for a project shall not be recruited for the project in question.

2.2. **Consultants** shall not be related to the designated Head of the Procuring Entity (HOPE) or the designated Head of NEDA, members of the NEDA Bids and Awards Committees (NBACs), Technical Working Groups (TWGs) and Secretariats, and the head of the Project Management Office (PMO), the Proponent Agency and/or the End-User unit, by consanguinity or affinity up to the third civil degree. The prohibition shall apply as follows:

- (a) If the **Consultant** is an individual or sole proprietorship, then to himself;
- (b) If the **Consultant** is a partnership, then to all its officers and members;
- (c) If the **Consultant** is a corporation, then to all its officers, directors and controlling stockholders; or
- (d) If the **Consultant** is a joint venture (JV), the provisions of items (a), (b), or (c) of this Section shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or a failure to comply with the provisions of this clause will result in the rejection of the **Consultant's** proposals.

- 2.3. Subject to the provisions of *ITB Clause 2*, any previous or ongoing participation by the **Consultant**, its affiliates or associates under a contract with the Funding Source or the **NEDA** in relation to this **Project** may result in the rejection of its proposals. Consultants should clarify their situation in that respect with the **NEDA** before preparing its bid.
- 2.4. Failure by a **Consultant** to fully disclose potential conflict of interest at the time of proposals submission, or at a later date in the event that the potential conflict arises after such date, shall result in the **NEDA** and/or the Funding Source seeking the imposition of the maximum administrative, civil and criminal penalties up to and including imprisonment.
- 2.5. **Consultants** are discouraged to associate with officials and employees of the Government of the Philippines (GPH) for the **Project**. Participation of officials and employees of the GPH in the **Project** shall be subject to existing rules and regulations of the Civil Service Commission (CSC).
- 2.6. Fairness and transparency in the selection process require that **Consultants** do not derive unfair competitive advantage from having provided consulting services related to the **Project** in question. To this end, the **NEDA** shall make available to all the pre-selected consultants, together with the Bidding Documents, all information that would in that respect give each **Consultant** a competitive advantage.

### 3. Corrupt, Fraudulent, Collusive and Coercive Practices

- 3.1. The **NEDA** as well as the **Consultants** shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the **NEDA**:
  - (a) Defines, for purposes of this provision, the terms set forth below as follows:
    - (i) “Corrupt Practice” means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the GPH, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act (RA) No. 3019;
    - (ii) “Fraudulent Practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the **NEDA**, and includes collusive practices among participating **Consultants** (prior to or after proposals submission) designed to establish proposal prices at

artificial, non-competitive levels and to deprive **NEDA** of the benefits of free and open competition;

- (iii) “Collusive Practice” means a scheme or arrangement between two (2) or more participating **Consultants**, with or without the knowledge of the **NEDA**, designed to establish proposal prices at artificial, non-competitive levels; and
  - (iv) “Coercive Practice” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract.
- (b) Will reject a proposal for award if it determines that the proponent **Consultant** recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.
- 3.2. Further, the **NEDA** will seek to impose the maximum civil, administrative, and/or criminal penalties available under applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in *ITB Clause 3.1(a)*.
- 3.3. Furthermore, the Funding Source and the **NEDA** reserve the right to inspect and audit records and accounts of a **Consultant** in the selection for and performance of a contract themselves or through independent auditors as reflected in the *General Conditions of Contract (GCC) Clause 49*.

#### **4. Consultant’s Responsibilities**

- 4.1. The **Consultant**, or its duly authorized representative, shall submit a sworn statement in the form prescribed in *Section IV. Proposal Forms* hereof as required in *ITB Clause 10.2(d)*.
- 4.2. The **Consultant** is responsible for the following:
- (a) Having taken steps to carefully examine all of the Bidding Documents;
  - (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
  - (c) Having made an estimate of the facilities available and needed for this **Project**, if any;
  - (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under *ITB Clause 8.3*;
  - (e) Ensuring that it is not “blacklisted” or barred from bidding by the GPH or any of its agencies, offices, corporations or local government units (LGUs), including foreign government / foreign or international

financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board (GPPB);

- (f) Ensuring that each of the documents submitted in satisfaction of the procurement requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (g) Authorizing the HOPE, or his duly authorized representative/s, to verify all the documents submitted;
- (h) Ensuring that the signatory, if not the **Consultant** him/herself, is the duly authorized representative of the **Consultant**, and granted full powers and authority to do, execute and perform any and all acts necessary and/or to represent the **Consultant** in the procurement process, with the duly notarized Secretary's Certificate attesting to such fact, if the **Consultant** is a corporation, partnership, cooperative or a JV;
- (i) Complying with the disclosure provision under *Section 47* of the RA9184 in relation to other provisions of RA 3019; and
- (j) Complying with existing labor laws and standards, if applicable.

Failure to observe any of the above responsibilities shall be at the risk of the **Consultant** concerned.

- 4.3. It shall be the sole responsibility of the proponent **Consultant** to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to this **Project**, including: (a) the location and the nature of the contract, project, or work; (b) climatic conditions; (c) transportation facilities; (c) nature and condition of the terrain, geological conditions at the site communication facilities, requirements, location and availability of construction aggregates and other materials, labor, water, electric power and access roads; and (d) other factors that may affect the cost, duration and execution or implementation of the contract, project, or work.
- 4.4. The **NEDA** shall not assume any responsibility regarding erroneous interpretations or conclusions by the **Consultant** out of the data furnished by the **NEDA**.
- 4.5. Before submitting their proposals, the **Consultants** are deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the GPH which may affect the contract in any way.
- 4.6. The **Consultant** shall bear all costs associated with the preparation and submission of his proposals, and the **NEDA** will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the selection process.



- 4.7. **Consultants** should note that the **NEDA** will only accept proposals only from those that have paid the nonrefundable fee for the Bidding Documents at the Office indicated below:

***NBAC for Consulting Services (NBAC-CS) Secretariat**  
c/o NEDA – Infrastructure Staff (IS)  
3/F, NEDA-sa-Pasig Building  
12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City 1605  
Tel. No. (02) 631-0945 to 65 local 315 / (02) 631-3724*

## **5. Origin of Associated Goods**

There is no restriction on the origin of Goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

## **6. Subcontracts**

- 6.1. The **Consultant** shall not subcontract portions of the Consulting Services except to an extent as may be approved by the **NEDA**. However, subcontracting of any portion shall not relieve the **Consultant** from any liability or obligation that may arise from the contract for this **Project**.
- 6.2. Subcontractors must comply with the eligibility criteria and the documentary requirements specified in the Letter to the Pre-selected Consultants and this ITB. In the event that any subcontractor is found by the **NEDA** to be ineligible, the subcontracting of such portion of the Consulting Services shall be disallowed.
- 6.3. The **Consultant** shall identify the subcontractor to whom a portion of the Consulting Services will be subcontracted at any stage of the selection process or during contract implementation. The **Consultant** shall include the required documents as part of the technical component of its proposals.

## **B. Contents of Bidding Documents**

## **7. Pre-Proposal Conference**

- 7.1. A Pre-Proposal Conference shall be held on **15 September 2015 (Tuesday), 2:00 P.M.**, at the **OADG-IP Conference Room, 4/F NEDA-sa-Pasig Building, 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City** to clarify and address the participating pre-selected **Consultants'** questions on the technical and financial components of this **Project**.
- 7.2. Pre-Selected **Consultants** or their representative/s are encouraged to attend the Pre-Proposal Conference to ensure that they fully understand **NEDA's** requirements. Non-attendance of the **Consultant** will in no way prejudice its proposals; however, the **Consultant** is expected to know the changes and/or

amendments to the Bidding Documents discussed during the Pre-Proposal Conference.

*The Pre-Selected **Consultants**' representatives shall secure and bring a written authority from the Consultant to be presented to the NBAC-CS during the Pre-Proposal Conference stating that said representative is an authorized person to speak for and in behalf of the Consultant.*

- 7.3. Any statement made at the Pre-Proposal Conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

## **8. Clarifications and Amendments to Bidding Documents**

- 8.1. Pre-Selected **Consultants** that have purchased the Bidding Documents may request for clarifications on any part of the Bidding Documents for an interpretation. Such a request must be made in writing and submitted to the **NBAC-CS** at least ten (10) calendar days before the deadline set for the submission and receipt of proposals.
- 8.2. Supplemental/Bid Bulletins may be issued upon the **NBAC-CS**'s initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of proposals. Any modification to the Bidding Documents shall be identified as an amendment.
- 8.3. Any Supplemental/Bid Bulletin issued by the **NBAC-CS** shall also be posted at the Philippine Government Electronic Procurement System (PhilGEPS) and the **NEDA** websites. It shall be the responsibility of all **Consultants** who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the **NBAC-CS**. However, **Consultants** who have submitted proposals before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their proposals in accordance with *ITB Clause 20*.

## **C. Preparation of Proposals**

### **9. Language of Proposal**

The proposals, as well as all correspondence and documents relating to the proposals exchanged by the **Consultant** and the **NEDA**, shall be written in English. Supporting documents and printed literature furnished by the **Consultant** may be in another language provided they are accompanied by an accurate translation in English

certified by the appropriate embassy or consulate in the Philippines, in which case the English translation shall govern, for purposes of interpretation of the proposals.

## **10. Documents Comprising the Proposals: Technical Proposal**

10.1. While preparing the Technical Proposal, **Consultants** must give particular attention to the following:

- (a) The Technical Proposal shall not include any financial information. Any Technical Proposal containing financial information shall be the accountability and responsibility of the **Consultants** and shall not in any way prejudice, affect or deter the selection process, including disqualification of the **Consultant**.
- (b) The number of professional man-months shall be based on the number of professional man-months estimated by the **Consultant**. **Consultants** are given the flexibility in determining and proposing the most appropriate time input / man-months relative to the realization of the required activities and/or outputs under the TOR.
- (c) The Consultant must, at a minimum, have the experience indicated in the TOR preferably working under conditions similar to those prevailing in the Republic of the Philippines.
- (d) Preferably no alternative individual Consultant shall be proposed, and only one (1) Curriculum Vitae (CV) may be submitted for the Project.
- (e) Deviations from the TOR in terms of scope and schedule of activities may be allowed as long as justified, and will not consequently lead to Financial Proposals exceeding the Approved Budget for the Contract (ABC) and will not deviate by more than twenty percent (i.e.,  $\pm 20\%$ ) from the allocated budgets for remuneration and reimbursable expenses indicated in the TOR.

10.2. The Technical Proposal shall contain the following information/documents:

- (a) Eligibility Documents including:
  - (i) Statement of all completed and on-going government and private contracts, including contracts awarded but not yet started within the past ten (10) years, whether similar or not similar in nature and complexity to the contract to be bid;
  - (ii) Tax clearance issued by the Bureau of Internal Revenue, and
  - (iii) Philippine Government Electronic Procurement System (PhilGEPS) online registration number
- (b) Proposal Security as prescribed in **ITB Clause 15** or **Bid Securing Declaration** prescribed in **ITB Clause 15.6**. If the **Consultant** opts to submit the Proposal Security in the form of:

- (i) A bank draft/guarantee or an irrevocable Letter of Credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or
  - (ii) A surety bond, it shall be accompanied by a certification coming from an authorized Insurance Commission that a surety or insurance company is authorized to issue such instrument.
- (c) Information indicated in the paragraphs below must be provided by the **Consultant** and each partner and/or subcontractor, if any, following the formats described in the Section IV. Proposal Forms:
- (i) A brief description of the organization and outline of recent experience of the **Consultant** and each partner and/or subcontractor on projects of a **similar and related nature** as required in *Technical Proposal Form (TPF 2. Consultant's References*. For each project, the outline should indicate *inter alia*, the project, contract amount, contract period (in month and year), and the **Consultant's** specific role / involvement. Information should be provided only for those projects for which the **Consultant** was legally contracted by itself or as one (1) of the major participating consultants within an association or JV.
  - (ii) A concise, complete and logical description of how the **Consultant** shall carry out the services to meet all requirements of the TOR.
  - (iii) A Work Plan showing in graphical format (bar chart) the timing of major activities, anticipated coordination meetings, and deliverables such as reports required under the TOR.
  - (iv) A Time Schedule (*TPF 6. Time Schedule* ) indicating clearly the estimated duration in terms of person-months (shown separately for work in the field and in the home office) and the proposed timing of each input from the Consultant using the format shown. The Schedule shall also indicate when the Consultant is working in the project office and when he/she is working at locations away from the project office.
  - (v) An Organizational Chart indicating relationships amongst the **Consultant**, the **NEDA**, the Funding Source and the GPH, and other parties or stakeholders, if any, involved in the **Project**.
  - (vi) Comments, if any, on the TOR (*TPF 3. Comments and Suggestions of Consultant on the Terms of Reference and on Data, Services, and Facilities to be Provided by the NEDA*) to improve performance in carrying out the **Project**. Innovativeness shall be appreciated, including workable suggestions that could improve the quality/effectiveness of the **Project**. In this regard, unless the **Consultant** clearly states

otherwise, it shall be assumed by the **NEDA** that work required to implement any such improvements, are included in the inputs shown on the **Consultant's** Staffing Schedule.

- (vii) The name, age, nationality, education and training (in months and years), background employment record (in months and years), and professional experience of each nominated expert including ongoing projects, with particular reference to the type of experience required for the tasks assigned should be presented in the CV format shown in **TPF 5. Format of Curriculum Vitae (CV) of the Consultant.**
- (viii) Only one (1) CV for the **Project** may be submitted.
- (ix) The **NEDA** requires that the **Consultant** confirm that the content of his/her CV is correct and sign the certification of the CV. A zero (0) rating shall be given to a Consultant if he/she:
  - (ix.1) Failed to state nationality on the CV; or
  - (ix.2) The CV is not signed in accordance with paragraph (ix) above.
- (d) Sworn Statement in accordance with *Section 25.2(b)(iv)* of the Revised Implementing Rules and Regulations (IRR) of RA 9184 and using the form prescribed in *Section IV. Proposal Forms.*

## **11. Documents Comprising the Proposals: Financial Proposal**

- 11.1. All information provided in a **Consultant's** Financial Proposal shall be treated as confidential. The Financial Proposal must be submitted in hard copy using the format shown in *Financial Proposal Forms (FPFs)*.
- 11.2. The Financial Proposal requires completion of six (6) forms, particularly, **FPF 1, FPF 2, FPF 3, FPF 4, FPF 5, and FPF 6.** **FPF 1. Financial Proposal Submission Form** should form the covering letter of the Financial Proposal. **FPF 2. Summary of Costs, FPF 3. Breakdown of Price per Activity, FPF 4. Breakdown of Remuneration per Activity, FPF 5. Reimbursable Expenditures per Activity, and FPF 6. Miscellaneous Expenses,** relate to the costs of consulting services under two (2) distinct categories, namely: (a) Remuneration; and (b) Reimbursable Expenditures.
- 11.3. Remuneration is divided into billing rate estimates for the Consultant. Reimbursable Expenditures are divided into per diem rates for international and domestic consultants and costs for other reimbursable expenditure items required to perform the consulting services.
- 11.4. The list of experts, and their respective inputs, identified in the **FPFs**, must match the list of experts and their respective inputs shown in the **TPFs**.

- 11.5. The **Consultant** shall be subject to Philippine taxes on amounts payable by the **NEDA** under the contract through mandated withholding by local tax authorities of specified percentages of such amounts or otherwise. The **NEDA** shall withhold the applicable withholding taxes as implemented under existing revenue regulations [e.g., 5% - Value Added Tax (VAT) and 2% - Expanded Withholding Tax (EWT)].
- 11.6. The Financial Proposal should clearly estimate, as a separate amount, the local taxes (including social security), duties, fees, levies, and other charges imposed under the applicable law, on the **Consultants** and the subcontractor, if any, (other than Philippine Nationals or permanent residents of the Philippines).
- 11.7. Total calculated financial proposal prices, as evaluated and corrected for minor arithmetical corrections, such as computational errors, which exceed the ABC of **THREE MILLION AND 00/100 PESOS (Php3,000,000.00)**, inclusive of all applicable government taxes and charges, professional fees, and other incidental and administrative costs which shall be paid on a reimbursement basis, shall not be considered.

## **12. Alternative Proposals**

**Consultants** shall submit only one (1) proposal and shall not associate with any other entity other than those allowed by the **NEDA**.

## **13. Proposal Currencies**

- 13.1. All proposal prices shall be quoted in Philippine Pesos. However, for purposes of proposal evaluation, proposals denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate prevailing on the day of the opening of proposals.
- 13.2. If so allowed in accordance with *ITB Clause 13.1*, the **NEDA**, for purposes of proposal evaluation and comparing the proposal prices, will convert the amounts in various currencies in which the proposal price is expressed to Philippine Pesos at the exchange rate as published in the *Bangko Sentral ng Pilipinas (BSP)* reference rate bulletin on the day of the opening of proposals.
- 13.3. Payment of the contract price shall be made in Philippine Pesos.

## **14. Proposal Validity**

- 14.1. Proposals shall remain valid until 120 calendar days from the date of the opening of proposals.
- 14.2. In exceptional circumstances, prior to the expiration of the Proposal Validity period, the **NEDA** may request **Consultants** to extend the period of validity of their proposals. The request and the responses shall be made in writing. The Proposal Security described in *ITB Clause 15* should also be extended corresponding to, at least, the extension of the Proposal Validity period. A **Consultant** may refuse the request without forfeiting its Proposal Security,

but his proposal shall no longer be considered for further evaluation and award. A **Consultant** granting the request shall not be required or permitted to modify its proposal.

## 15. Proposal Security

- 15.1. The Proposal Security, issued in favor of the **NEDA** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Proposal Security	Amount of Proposal Security (Equal to Percentage of the ABC)
a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)
d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 15.2. The Proposal Security should be valid until 120 calendar days from the date of opening of technical proposals. Any proposal not accompanied by an acceptable Proposal Security shall be rejected by the **NEDA** as non-responsive.
- 15.3. No Proposal Securities shall be returned to the **Consultants** after the opening of proposals and before contract signing, except to those that failed or have been declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, Proposal Securities shall be returned only after the proponent with the Highest Rated and Responsive Proposal has signed the contract and furnished the Performance Security, but in no case later than the expiration of the Proposal Security validity period indicated in **ITB Clause 14**.
- 15.4. Upon signing and execution of the contract pursuant to **ITB Clause 30**, and the posting of the Performance Security pursuant to **ITB Clause 31**, the **Consultant's** Proposal Security will be discharged, but in no case later than the Proposal Security validity period as indicated in **ITB Clause 14**.
- 15.5. The Proposal Security may be forfeited:
- (a) If a **Consultant**:

- (i) Withdraws its proposal during the period of Proposal Validity specified in **ITB Clause 14**;
- (ii) Does not accept the correction of errors pursuant to **ITB Clause 11.7**;
- (iii) Fails to submit the requirements within the prescribed period or a finding against their veracity as stated in **ITB Clause 27.2**; or
- (iv) The following are additional grounds for forfeiture of the Proposal Security:
  1. Submission of eligibility requirements containing false information or falsified documents.
  2. Submission of proposals that contain false information or falsified documents, or the concealment of such information in the proposals in order to influence the outcome of eligibility screening or any other stage of the public bidding.
  3. Allowing the use of one's name, or using the name of another for purposes of public bidding.
  4. Withdrawal of a proposal, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the **Consultant** had been adjudged as having submitted the Highest Rated Proposal (HRP).
  5. Refusal or failure to post the required Performance Security within the prescribed time.
  6. Refusal to clarify or validate in writing its proposal during Post-Qualification within a period of seven (7) calendar days from receipt of the request for clarification.
  7. Any documented unsolicited attempt by a **Consultant** to unduly influence the outcome of the selection in his/her favor.
  8. All other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from the procurement process, submitting late proposals or patently insufficient proposal, for at least three (3) times within a year, except for valid reasons.
- (b) If the successful **Consultant**:
  - (i) Fails to sign the contract in accordance with **ITB Clause 30**; or
  - (ii) Fails to furnish Performance Security in accordance with **ITB Clause 31**.



- 15.6. In order to enhance competition and **Consultants'** participation, reduce transactional costs and promote economy in procurement activities of the Government, the **Consultant** shall have the option to submit a duly notarized **Bid Securing Declaration (BSD)** in lieu of the Proposal Security in the form and amount enumerated under *Clause 15.1* of this **ITB**.

The **BSD** is an undertaking by a prospective **Consultant**, committing to pay the corresponding fine and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein.

- 15.7. The **BSD** shall comply with the standard format attached hereto as **Annex "A"** and shall be submitted to the Procuring Entity in the manner prescribed under *Sections 25 and 27* of the Revised IRR of RA 9184.

- 15.8. The **BSD** shall be valid for a reasonable period determined by the HOPE concerned and indicated in the Bidding Documents, which in no case shall exceed 120 calendar days from the date of the opening of Technical Proposals, unless duly extended by the proponent upon the request of the HOPE.

- 15.9. The **BSD** shall automatically expire in the following instances:

- a.) Upon expiration of the Proposal Validity period, or any extension thereof pursuant to *Section 28.2* of the Revised IRR of RA 9184;
- b.) When all proponents are declared ineligible or post-disqualified and, upon receipt of the notice therefor, either failed to timely file a request for reconsideration or filed a waiver to avail of said right;
- c.) When the **Consultant** declared as having the Highest Rated and Responsive Proposal has furnished the Performance Security and signed the contract.

- 15.10. The **BSD** shall be enforced when the **Consultant** commits any of the following:

- a.) Withdraws its proposal during the period of Proposal Validity required in the Bidding Documents; or
- b.) Fails or refuses to accept the award and enter into contract or perform any and all acts necessary to the execution of the contract, in accordance with the Bidding Documents, after having been duly notified of the acceptance of its proposal during the period of Proposal Validity.

- 15.11. Commission of any of the acts mentioned in **ITB Clause 15.11** above shall merit the following sanctions:

- a.) Penalty of automatic blacklisting for two (2) years in all government procurement activities; and
- b.) Payment of fine equivalent to the amount in cash subject to the following rules:

- i.) In case of multiple proponents, the difference between the evaluated Financial Proposal prices of the **Consultant** with the HRP and the **Consultant** with the next HRP, and so on. However, as regards the **Consultant** with the HRP, the amount shall be based on the difference between the evaluated Financial Proposal price and the ABC.
  - ii.) In case of a single proponent, the difference between the evaluated Financial Proposal price and the ABC.
- 15.12. Notwithstanding the provisions of the Uniform Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants, the following provisions shall govern the blacklisting for purposes of this Guidelines:
  - a.) The **NEDA** shall immediately issue the blacklisting order upon determination of the grounds for enforcement of the **BSD** provided in *ITB Clause 15.11* hereof.
  - b.) Only in cases where the Notice of Award (NOA) is not in conformity with the Bidding Documents may the blacklisted **Consultant** file a motion for reconsideration with the HOPE within three (3) calendar days from receipt of the blacklisting order.
  - c.) The blacklisted **Consultant** shall only be delisted upon the expiration of the period of penalty and payment of the fine.

## 16. Format and Signing of Proposals

- 16.1. **Consultants** shall submit their proposals through their duly authorized representative using the appropriate forms provided in *Section IV. Proposal Forms* on or before the deadline specified in the *ITB Clause 18* in two (2) separate sealed proposal envelopes, and which shall be submitted simultaneously. The First shall contain the Technical Proposal and the Second shall contain the Financial Proposal.
- 16.2. Forms as mentioned in *ITB Clause 16.1* must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 16.3. The **Consultant** shall prepare an original of the First and Second envelopes as described in *ITB Clauses 10 and 11*. In addition, the **Consultant** shall submit four (4) copies of the First and Second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 16.4. The proposal, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the **Consultant**.
- 16.5. Any interlineations, erasures or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the **Consultant**.

## **17. Sealing and Marking of Proposals**

- 17.1. **Consultants** shall enclose their original Technical Proposal described in *ITB Clause 10*, in one (1) sealed envelope marked “ORIGINAL - TECHNICAL PROPOSAL”, and the original of their Financial Proposal in another sealed envelope marked “ORIGINAL - FINANCIAL PROPOSAL”, sealing them all in an outer envelope marked “ORIGINAL BID”.
- 17.2. Each copy of the First and Second envelopes shall be similarly sealed duly marking the inner envelopes as “COPY NO. \_\_\_\_ - TECHNICAL PROPOSAL” and “COPY NO. \_\_\_\_ - FINANCIAL PROPOSAL” and the outer envelope as “COPY NO. \_\_\_\_”, respectively. These envelopes containing the original and the copies shall then be enclosed in one (1) single envelope.
- 17.3. Each participating **Consultant** shall submit one (1) original and four (4) copies of the first and second components of its proposals. The original and the number of copies of the proposals shall be typed or written in indelible ink and shall be signed by the proponent or its duly authorized representative/s.
- 17.4. All envelopes shall:
  - (a) Contain the name of the contract to be bid in capital letters;
  - (b) Bear the name and address of the **Consultant** in capital letters;
  - (c) Be addressed to the **NBAC-CS** identified in *ITB Clause 8.1*;
  - (d) Bear the specific identification of this bidding process indicated in the Request for Expression of Interest (EOI); and
  - (e) Bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of bids, in accordance with *ITB Clause 18*.
- 17.5. If proposals are not sealed and marked as required, the **NEDA** will assume no responsibility for the misplacement or premature opening of the bid.

## **D. Submission of Proposals**

## **18. Deadline for Submission of Proposals**

Proposals must be received by the **NBAC-CS**, through the **NBAC-CS Secretariat**, on or before **29 September 2015, 12:00 P.M.**, at the *3/F, NEDA-sa-Pasig Building, 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City*.

## **19. Late Proposals**

Any proposals submitted after the deadline for submission and receipt of proposals prescribed by the **NEDA**, pursuant to *ITB Clause 18*, shall be declared “Late” and shall not be accepted by the **NEDA**.

## **20. Modification and Withdrawal of Proposals**

20.1. The **Consultant** may modify its proposals after it has been submitted; provided that the modification is received by the **NBAC-CS** prior to the deadline prescribed for submission and receipt of proposals. The **Consultant** shall not be allowed to retrieve its original proposals, but shall be allowed to submit another proposal equally sealed, properly identified, linked to its original proposal marked as “TECHNICAL MODIFICATION” or “FINANCIAL MODIFICATION” and stamped “received” by the **NBAC-CS**. Proposals modifications received after the applicable deadline shall not be considered and shall be returned to the **Consultant** unopened.

20.2. A **Consultant** may, through a letter of withdrawal, withdraw its proposals after it has been submitted, for valid and justifiable reason; provided that the letter of withdrawal is received by the **NBAC-CS** prior to the deadline prescribed for submission and receipt of proposals.

20.3. Proposals requested to be withdrawn in accordance with *ITB Clause 20.1* shall be returned unopened to the **Consultants**. A **Consultant** may also express its intention not to participate in the selection process through a letter which should reach and be stamped by the **NBAC-CS** before the deadline for submission and receipt of proposals. A **Consultant** that withdraws its proposals shall not be permitted to submit another proposal, directly or indirectly, for the same contract.

20.4. No proposals may be modified after the deadline for submission of proposals. No proposal may be withdrawn in the interval between the deadline for submission of proposals and the expiration of the period of Proposal Validity specified by the **Consultant** on the FPF. Withdrawal of a proposal during this interval shall result in the forfeiture of the **Consultant**’s Proposal Security, pursuant to *ITB Clause 15.5*, and the imposition of administrative, civil and criminal sanctions as prescribed by RA 9184 and its Revised IRR.

## **E. Evaluation and Comparison of Proposals**

## **21. Process to be Confidential**

21.1. Members of the **NBAC-CS**, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any **Consultant** regarding the evaluation of their

proposals until the issuance of the NOA, unless otherwise allowed in the case of *ITB Clause 22* hereof.

- 21.2. Any effort by a proponent to influence the **NEDA** in **NEDA**'s decision with respect to proposals evaluation, proposal comparison or contract award will result in the rejection of the **Consultant**'s proposals.

## **22. Clarification of Proposals**

To assist in the evaluation, comparison and post-qualification of the proposals, the **NBAC-CS** may ask in writing any **Consultant** for a clarification of its proposals. All responses to such requests for clarification shall be in writing. Any clarification submitted by a **Consultant** with respect to its proposals and that is not in response to a request by the **NEDA** shall not be considered.

## **23. Proposals Evaluation**

- 23.1. For the evaluation of proposals, numerical ratings shall be used. In case of individual scoring by the technical evaluators and in order to eliminate bias in evaluating the proposals, the highest and lowest scores for each **Consultant** for each criterion shall not be considered in determining the average scores of the **Consultants**, except when the evaluation is conducted in a collegial manner.
- 23.2. For complex or unique undertakings, such as those involving new concepts/technology, participating pre-selected **Consultants** may be required, at the option of the **NEDA**, to make an oral presentation within 15 calendar days after the deadline for submission of Technical Proposals.
- 23.3. The entire evaluation process, including the submission of the results thereof to the Approving Authority of the **NEDA** for approval, shall be completed in not more than 21 calendar days after the deadline for receipt of proposals. The proposals with the highest rank shall be identified as the HRP. The Approving Authority of the **NEDA** shall approve or disapprove the recommendations of the **NBAC-CS** within two (2) calendar days after receipt of the results of the evaluation from the **NBAC-CS**.
- 23.4. All participating pre-selected **Consultants** shall be furnished the results (ranking and total scores only) of the evaluation after the approval by the Approving Authority of the **NEDA** of the ranking. Said results shall also be posted at the PhilGEPS and **NEDA** websites for a period of not less than seven (7) calendar days.

## **24. Opening and Evaluation of Technical Proposals**

- 24.1. The **NBAC-CS** shall conduct a detailed evaluation of proposals following the procedures below, depending on the evaluation procedure identified in the Request for EOI and *ITB Clause 1.1*.

The opening of the Technical Proposals shall be on **29 September 2015, 1:00 P.M.** at the *OADG-IP Conference Room, 4/F NEDA-sa-Pasig Building, 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City.*

*The participating Consultants themselves or through their duly authorized representatives may attend the opening of bids. All **Consultants'** representative/s shall secure and bring a written authority from the participating individual Consultant to be presented to the **NBAC-CS** during the Opening of Technical Proposals stating that said representative is an authorized person to speak for and in behalf of the Consultant.*

*For the evaluation procedure of Quality-Cost Based, the following processes for the opening and evaluation of Technical Proposals shall be adopted:*

- a) The Technical Proposal, together with the Financial Proposal, shall be considered in the evaluation of **Consultants**. The Technical Proposals shall be evaluated first using the criteria in **ITB** Clause 24.2. The Financial Proposals of the **Consultants** who meet the minimum technical score shall then be opened.*
- b) The Financial Proposal is given a weight of **30 percent** while the weight of the Technical Proposal shall be **70 percent**. The **NBAC-CS** shall rank the Consultants in descending order based on the combined numerical ratings of their Technical and Financial Proposals and identify the HRP.*
- c) The Head Approving Authority of the **NEDA** shall approve or disapprove the recommendations of the **NBAC-CS** within two (2) calendar days after receipt of the results of the evaluation from the **NBAC-CS**.*
- d) After approval by the Head Approving Authority of the **NEDA** of the HRP, the **NBAC-CS** shall, within three (3) calendar days, notify and invite the consultant with the HRP for negotiation in accordance with **ITB** Clause 26.*

24.2. The **NBAC-CS** evaluates the Technical Proposals on the basis of their compliance with the requirements under **ITB** Clause 10 and responsiveness to the TOR using the following criteria:

- (a) General qualifications including education and training, as well as experience of the **Consultant**, which include records of previous engagement and quality of performance in similar and other relevant projects;
- (b) Plan of approach and methodology with emphasis on the clarity, feasibility, innovativeness and comprehensiveness of the plan approach, and the quality of interpretation of project problems, risks, and suggested solutions.
- (c) Overall work commitments and absorptive capacity of the **Consultant**.

- 24.3. The **NBAC-CS** shall assign numerical weights to each of the above criteria as indicated below. A proposal shall be rejected at this stage if it does not respond to important aspects of the TOR or if it fails to achieve the minimum Technical Score (St) indicated below.

*The numerical weights for each criterion are as follows:*

- a) *Qualification of the Consultant* = 70%
- b) *Plan of Approach and Methodology* = 20%
- c) *Absorptive Capacity of the Consultant* = 10%

*The minimum St required to pass is **70 Points**.*

*The attention of the **Consultant** is drawn to Technical Proposal Forms*

- 24.4. Technical Proposals shall not be considered for evaluation in any of the following cases:
- (a) Late submission, *i.e.*, after the deadline set in the **ITB Clause 18**;
  - (b) Failure to submit any of the technical requirements provided under this **ITB** and TOR; or
  - (c) The **Consultant** that submitted proposals, or any of its partner and/or subcontractor, belongs to one (1) of the conflict of interest cases as described in **ITB Clauses 2.1** and failed to make a proper statement to that effect in the cover letter.

## **25. Opening and Evaluation of Financial Proposals**

- 25.1. Financial Proposals shall be opened within one (1) week upon notification of **Consultants** passing the minimum qualifying mark for Technical Proposals at the *OADG-IP Conference Room, 4/F, NEDA-sa-Pasig Building, 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City*.

*Financial Proposals shall be opened in public. All **Consultants** representative/s shall secure and bring a written authority from the authorized Consultant to be presented to the **NBAC-CS** during the opening of the Financial Proposal stating that said representative is an authorized person to speak for and in behalf of the Consultant.*

- 25.2. The Financial Proposals opened shall be evaluated based on the evaluation procedure indicated in **ITB Clause 1.1** using the corresponding procedure provided below:

*After the evaluation of quality is completed, the **NEDA** shall notify those **Consultants** whose Technical Proposals did not meet the minimum qualifying mark or were considered non-responsive to the Bidding Documents and TOR, indicating that their Financial Proposals shall be returned unopened after completing the selection process. The **NEDA** shall simultaneously notify the **Consultants** that have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals. The notification may be sent by registered letter, facsimile or electronic mail.*

*The Financial Proposals shall be opened publicly in the presence of the **Consultant** or his/her representative/s who choose to attend. The name of the **Consultant**, the quality scores, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The **NEDA** shall prepare minutes of the public opening.*

*The **NBAC-CS** shall determine whether the Financial Proposals are complete, i.e., whether all the documents mentioned in **ITB Clause 11** are present and all items of the corresponding Technical Proposals that are required to be priced are so priced. If not, the **NEDA** shall reject the proposal. The **NBAC-CS** shall correct any computational errors, and convert prices in various currencies to the Philippine Peso at the rate indicated in **ITB Clause 13**. The Financial Proposal shall not exceed the ABC and shall be deemed to include the cost of all taxes, duties, fees, levies, and other charges imposed under the applicable laws. The evaluation shall include all such taxes, duties, fees, levies, and other charges imposed under the applicable laws; where special tax privileges are granted to a particular class or nationality of **Consultant** by virtue of the GPH's international commitments, the amount of such tax privileges shall be included in the Financial Proposal for purposes of comparative evaluation of proposals.*

*The lowest Financial Proposal ( $F_m$ ) shall be given a Financial Score ( $S_f$ ) of **100 Points**. The  $S_f$  of other Financial Proposals shall be computed based on the formula indicated below:*

$$S_f = 100 \times F_l/F$$

*Where:*

*$S_f$  is the financial score of the Financial Proposal under consideration,*

*$F_l$  is the price of the  $F_m$ , and  $F$  is the price of the Financial Proposal under consideration.*

*Using the formula  $S = S_t \times T\% + S_f \times P\%$ , the Bids shall then be ranked according to their combined  $S_t$  and  $S_f$  using the weights ( $T$  = the weight given to the Technical Proposal;  $P$  = the weight given to the Financial Proposal;  $T + P = 1$ ) indicated below:*



*T - 0.70*

*P - 0.30*

## **26. Negotiations**

- 26.1. Negotiations shall be held at the *OADG-IP Conference Room, 4/F NEDA-sa-Pasig Building, 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City*. The aim is to reach agreement on all points.
- 26.2. Negotiations shall cover the following:
- (a) Discussion and clarification of the TOR and Scope of Services;
  - (b) Discussion and finalization of the methodology and work program proposed by the **Consultant**;
  - (c) Consideration of appropriateness of qualifications and pertinent compensation, number of man-months and the schedule of activities;
  - (d) Discussion on the services, facilities and data, if any, to be provided by **NEDA** concerned; and
  - (e) Provisions of the contract.
- 26.3. No negotiations pertaining to the amount of the Financial Proposal shall be undertaken.
- 26.4. Having selected the **Consultant** on the basis of, among other things, an evaluation of the proposed key professional staff, the **NEDA** expects to negotiate a contract on the basis of the experts named in the proposals. Before contract negotiations, the **NEDA** shall require assurance that the Consultant shall be actually available. The **NEDA** shall not consider substitutions during contract negotiations other than for reasons of death or illness unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the **Project**. If this is not the case and if it is established that key staff were offered in the proposals without confirming their availability, the **Consultant** may be disqualified. Once the contract has been awarded, no replacement shall be allowed, except for justifiable reasons.
- 26.5. Negotiations shall include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the **Consultant** to improve the TOR. The **NEDA** and **Consultant** shall then work out the final TOR bar chart indicating activities, periods in the field and in the project office, man-months, logistics, and reporting. The agreed work plan and final TOR shall then form part of the contract. Special attention shall be paid to getting the most the **Consultant** can offer within the available budget and to clearly defining the inputs required from the **NEDA** to ensure satisfactory implementation of the **Project**.

- 26.6. The financial negotiations shall include a clarification of the **Consultant's** tax liability in the Philippines, if any, and the manner in which it shall be reflected in the contract; and shall reflect the agreed technical modifications in the cost of the services. The negotiations shall conclude with a review of the draft form of the contract. To complete negotiations, the **NEDA** and the **Consultant** shall initial the agreed contract. If negotiations fail, the **NEDA** shall invite the **Consultant** whose proposals received the second highest score to negotiate a contract. If negotiations still fail, the **NEDA** shall repeat the process for the next-in-rank **Consultant** until the negotiation is successfully completed.

## 27. Post-Qualification

- 27.1. The **NEDA** shall determine to its satisfaction whether the **Consultant** that is evaluated as having submitted the HRP complies with and is responsive to all the requirements and conditions specified in the Eligibility Documents and *ITB Clauses 10 and 11*.
- 27.2. Within three (3) calendar days from receipt by the **Consultant** of the notice from the **NBAC-CS** that it is the HRP, the **Consultant** shall submit the following documentary requirements:
- (a) Latest income tax returns (or appropriate equivalent document in the Consultant's country, in the case of foreign Consultants). **Consultants** have option to submit manually-filed tax returns or tax returns filed through the Electronic Filing and Payments System (EFPS).
- NOTE: The latest income and business tax returns (annual or quarterly) are those within the last six (6) months preceding the date of submission of proposals.*
- (b) Certificate of PhilGEPS Registration; and
  - (c) Other appropriate licenses and permits required by law.

Failure of the **Consultant** declared as HRP to duly submit the requirements under this Clause or a finding against the veracity of such, shall be ground for forfeiture of the Proposal Security and disqualification of the **Consultant** for award.

- 27.3. The determination shall be based upon an examination of the documentary evidence of the **Consultant's** qualifications submitted pursuant to *ITB Clauses 10 and 11*, as well as other information as the **NBAC-CS** deems necessary and appropriate.
- 27.4. If the **NBAC-CS** determines that the **Consultant** with the HRP passes all the criteria for post-qualification, it shall declare said proposal as the **Consultant** with the Highest Rated and Responsive Proposal (HRRP), and recommend to the Approving Authority of the **NEDA** the award of contract to the said **Consultant** at its submitted price or its calculated Financial Proposal price, whichever is lower, subject to *ITB Clause 29.3*.

- 27.5. A negative determination shall result in rejection of the **Consultant's** proposal, in which event the **NEDA** shall proceed to the next HRP to make a similar determination of that **Consultant's** capabilities to perform satisfactorily. If the second **Consultant**, however, fails the post-qualification, the procedure for post-qualification shall be repeated for the **Consultant** with the next HRP, and so on until the HRRP is determined for contract award.
- 27.6. Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the **NBAC-CS**, the Approving Authority of the **NEDA** shall approve or disapprove the said recommendation.

## 28. Reservation Clause

- 28.1. Notwithstanding the eligibility or post-qualification of a **Consultant**, the **NEDA** reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by said **Consultant**, or that there has been a change in the **Consultant's** capability to undertake this Project from the time it submitted its eligibility and qualification requirements. Should such review uncover any misrepresentation made in the eligibility, qualification and procurement requirements, statements or documents, or any changes in the situation of the **Consultant** which will affect its capability to undertake the **Project** so that it fails the preset eligibility, qualification or proposal evaluation criteria, the **NEDA** shall consider the said **Consultant** as ineligible and shall disqualify it from submitting a proposal or from obtaining an award or contract.
- 28.2. Based on the following grounds, the **NEDA** reserves the right to reject any and all proposals, including a single qualified proposal, declare a failure of procurement at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the procurement process:
- (a) If there is prima facie evidence of collusion between appropriate public officers or employees of the **NEDA**, or between the **NBAC-CS** and any of the proponents, or if the collusion is between or among the proponents themselves, or between a proponent and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
  - (b) If the **NBAC-CS** is found to have failed in following the prescribed procurement procedures; or
  - (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GPH such as, but may not be limited to, the following:
    - (i) If the physical and economic conditions have significantly changed so as to render the **Project** no longer economically, financially or technically feasible as determined by the Approving Authority of the **NEDA**;

- (ii) If the **Project** is no longer necessary as determined by the Approving Authority of the **NEDA**; and
- (iii) If the source of funds for the **Project** has been withheld or reduced through no fault of **NEDA**.

28.3. In addition, the **NBAC-CS** may likewise declare a failure of bidding when:

- (a) No proposals are received;
- (b) All prospective proponents are declared ineligible or disqualified;
- (c) All proposals fail to comply with all the proposal requirements or fail post-qualification; or
- (d) The **Consultant** with the HRRP refuses, without justifiable cause to accept the award of contract, and no award is made.

## **F. Award of Contract**

### **29. Contract Award**

- 29.1. Subject to *ITB Clause 27*, the **NEDA** shall award the contract to the **Consultant** whose proposal has been determined to be the HRRP.
- 29.2. Prior to the expiration of the period of Proposal Validity, the **NBAC-CS** shall notify the successful **Consultant** in writing that its proposal has been accepted, through a NOA received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the **Consultant** with the HRRP and submitted personally or sent by registered mail or electronically to the **NEDA**.
- 29.3. Notwithstanding the issuance of the NOA, award of contract shall be subject to the following conditions:
  - (a) Submission of the valid JV Agreement (JVA), if applicable, within ten (10) calendar days from receipt by the **Consultant** of the notice from the **NBAC-CS** that the **Consultant** has the HRRP;
  - (b) Posting of the Performance Security in accordance with *Clause 31* of this *ITB*;
  - (c) Signing of the contract as provided in *ITB Clause 30*; and
  - (d) Approval by higher authority, if required.

### **30. Signing of the Contract**

- 30.1. At the same time as the **NEDA** notifies the successful **Consultant** that its proposal has been accepted, the **NEDA** shall send the Contract Form to the

**Consultant**, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.

- 30.2. Within ten (10) calendar days from receipt of the NOA, the successful **Consultant** shall post the required Performance Security and sign and date the contract and return it to the **NEDA**.
- 30.3. The **NEDA** shall enter into contract with the successful **Consultant** within the same ten (10) calendar day-period provided that all the documentary requirements are complied with.
- 30.4. The following documents shall form part of the contract:
- (a) Contract Agreement;
  - (b) Bidding Documents;
  - (c) Winning Consultant's proposals, including the Technical and Financial Proposals, and all other documents/statements submitted;
  - (d) Bid Bulletins;
  - (e) Performance Security;
  - (f) NOA of Contract;
  - (g) Notice to Proceed (NTP); and
  - (h) Other contract documents that may be required by existing laws.

### **31. Performance Security**

- 31.1. To guarantee the faithful performance by the winning **Consultant** of its obligations under the contract, it shall post a Performance Security within a maximum period of ten (10) calendar days from the receipt of the NOA from the **NEDA** and in no case later than the signing of the contract.
- 31.2. The Performance Security shall be denominated in Philippine Pesos and posted in favor of the **NEDA** in an amount equal to the percentage of the total contract price in accordance with the following schedule:

<b>Form of Performance Security</b>	<b>Amount of Performance Security (Equal to Percentage of the Total Contract Price)</b>
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)

(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 31.3. Failure of the successful **Consultant** to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the Proposal Security, in which event the **NEDA** shall initiate and complete the Post-Qualification of the second HRP. The procedure shall be repeated until the HRRP is identified and selected for contract award. However if no **Consultant** passed Post-Qualification, the **NBAC-CS** shall declare the procurement a failure and conduct a re-bidding with re-advertisement.

## 32. Notice to Proceed

- 32.1. The NTP to the **Consultant** shall be issued within three (3) calendar days from the date of approval of the contract by the Approving Authority of the **NEDA**.
- 32.2. The contract shall take effect upon the **Consultant's** receipt of the NTP or seven calendar (7) days from its issuance whichever is earlier.

REPUBLIC OF THE PHILIPPINES )  
CITY OF \_\_\_\_\_ ) S.S.  
x-----x

**BID-SECURING DECLARATION**

**Request for Expression of Interest No. :** *[Insert reference number]*

To: *[Insert name and address of the Procuring Entity]*

I/We<sup>1</sup>, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Proposal Security, which may be in the form of a Bid Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any Procuring Entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration<sup>2</sup>, if I/we have committed any of the following actions:
  - (i) Withdrawn my/our Proposal during the period of Proposal Validity required in the Bidding Documents; or
  - (ii) Fail or refuse to accept the award and enter into contract or perform any and all acts necessary to the execution of the Contract, in accordance with the Bidding Documents after having been notified of your acceptance of our Proposal during the period of Proposal Validity.
3. I/We understand that this Bid Securing Declaration shall cease to be valid on the following circumstances:
  - (a) Upon expiration of the Proposal Validity period, or any extension thereof pursuant to your request;
  - (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
  - (c) I am/we are declared as the Consultant with the Highest Rated and Responsive Proposal (HRRP), and I/we have furnished the Performance Security and signed the Contract.

---

<sup>1</sup> Select one and delete the other. Adopt same instruction for similar terms throughout the document.

<sup>2</sup> Issued by the GPPB through GPPB Resolution 03-2012 on 27 January 2012.

**IN WITNESS WHEREOF**, I/We have hereunto set my/our hand/s this \_\_\_\_ day of [month] [year] at [place of execution].

**[Insert NAME OF CONSULTANT]**  
**[Insert signatory's legal capacity]**  
Affiant

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. \_\_\_\_\_ and his/her Community Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

Witness my hand and seal this \_\_\_\_ day of [month] [year].

**NAME OF NOTARY PUBLIC**

Serial No. of Commission \_\_\_\_\_

Notary Public for \_\_\_\_\_ until \_\_\_\_\_

Roll of Attorneys No. \_\_\_\_\_

PTR No. \_\_, [date issued], [place issued]

IBP No. \_\_, [date issued], [place issued]

Doc. No. \_\_\_\_

Page No. \_\_\_\_

Book No. \_\_\_\_

Series of \_\_\_\_.



## **Section II. General Conditions of Contract**

## TABLE OF CONTENTS

1.	DEFINITIONS .....	36
2.	HEADINGS .....	37
3.	LAW GOVERNING CONTRACT AND SERVICES.....	37
4.	LANGUAGE .....	37
5.	CONSULTANTS AND AFFILIATES NOT TO ENGAGE IN CERTAIN ACTIVITIES .....	37
6.	AUTHORITY OF MEMBER IN CHARGE.....	38
7.	ENTIRE AGREEMENT .....	38
8.	MODIFICATION .....	38
9.	RELATIONSHIP OF PARTIES.....	38
10.	AUTHORIZED REPRESENTATIVES .....	39
11.	GOOD FAITH.....	39
12.	OPERATION OF THE CONTRACT .....	39
13.	NOTICES .....	39
14.	WARRANTY AS TO ELIGIBILITY .....	40
15.	CONFIDENTIALITY .....	40
16.	PAYMENT .....	40
17.	CURRENCY OF PAYMENT.....	41
18.	LIABILITY OF THE CONSULTANT.....	41
19.	INSURANCE TO BE TAKEN OUT BY THE CONSULTANT.....	41
20.	EFFECTIVITY OF CONTRACT .....	41
21.	COMMENCEMENT OF SERVICES .....	42
22.	EXPIRATION OF CONTRACT .....	42
23.	FORCE MAJEURE.....	42
24.	SUSPENSION.....	43
25.	TERMINATION BY THE NEDA.....	44
26.	TERMINATION BY THE CONSULTANT .....	45
27.	PROCEDURES FOR TERMINATION OF CONTRACTS.....	45
28.	CESSATION OF SERVICES.....	46

29.	PAYMENT UPON TERMINATION .....	47
30.	DISPUTES ABOUT EVENTS OF TERMINATION .....	47
31.	CESSATION OF RIGHTS AND OBLIGATIONS .....	47
32.	DISPUTE SETTLEMENT .....	47
33.	DOCUMENTS PREPARED BY THE CONSULTANT AND SOFTWARE DEVELOPED TO BE THE PROPERTY OF THE NEDA .....	48
34.	EQUIPMENT AND MATERIALS FURNISHED BY THE NEDA .....	48
35.	SERVICES, FACILITIES AND PROPERTY OF THE NEDA AND DOTC .....	48
36.	CONSULTANT’S ACTIONS REQUIRING NEDA’S PRIOR APPROVAL.....	48
37.	PERFORMANCE OF SERVICES .....	49
38.	WORKING HOURS, OVERTIME, LEAVE, ETC. ....	49
39.	COUNTERPART PERSONNEL .....	50
40.	PERFORMANCE SECURITY .....	50
41.	STANDARD OF PERFORMANCE .....	51
42.	CONSULTANT NOT TO BENEFIT FROM COMMISSIONS, DISCOUNTS, ETC. ....	51
43.	PROCUREMENT BY THE CONSULTANT .....	52
44.	SPECIFICATIONS AND DESIGNS .....	52
45.	REPORTS.....	52
46.	ASSISTANCE BY THE NEDA ON GOVERNMENT REQUIREMENTS .....	53
47.	ACCESS TO LAND .....	53
48.	SUBCONTRACT.....	54
49.	ACCOUNTING, INSPECTION AND AUDITING .....	54
50.	CONTRACT COST .....	55
51.	REMUNERATION AND REIMBURSABLE EXPENDITURES .....	55
52.	FINAL PAYMENT .....	57
53.	LIQUIDATED DAMAGES FOR DELAY .....	57

## 1. Definitions

- 1.1. Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:
- (a) “Applicable Law” means the laws and any other instruments having the force of law in the Philippines as they may be issued and enforced from time to time.
  - (b) “**Consultant**” refers to the pre-selected consultant with the Highest Rated and Responsive Proposal (HRRP) determined by the National Economic and Development Authority (**NEDA**) as such in accordance with the *Instructions to Bidders (ITB)*.
  - (c) “Consulting Services” refer to services for Infrastructure Projects and other types of projects or activities of the Government of the Philippines (GPH) requiring adequate external technical and professional expertise that are beyond the capability and/or capacity of the NEDA to undertake such as, but not limited to: (i) advisory and review services; (ii) pre-investment or feasibility studies; (iii) design; (iv) construction supervision; (v) management and related services; and (vi) other technical services or special studies.
  - (d) “Contract” means the agreement signed by the Parties, to which these General Conditions of Contract (**GCC**) and other sections of the Bidding Documents are attached.
  - (e) “Effective Date” means the date on which this Contract comes into full force and effect.
  - (f) “Foreign Currency” means any currency other than the currency of the Philippines.
  - (g) “Funding Source” means the FY 2014 General Appropriations Act.
  - (h) “**GCC**” means these General Conditions of Contract.
  - (i) “Government” means the Government of the Philippines (GPH).
  - (j) “Local Currency” means the Philippine Peso (PhP).
  - (k) “Member,” in case the **Consultant** is a Joint Venture (JV) of two (2) or more entities, means any of these entities; and “Members” means all these entities.
  - (l) “Party” means the **NEDA** or the **Consultant**, as the case may be, and “Parties” means both of them.
  - (m) “**SCC**” means the Special Conditions of Contract by which the **GCC** may be amended or supplemented.

- (n) “Services” means the work to be performed by the **Consultant** pursuant to this Contract and as required in the Terms of Reference (TOR).
- (o) “Sub-Consultant” means any person or entity to whom/which the **Consultant** subcontracts any part of the Services in accordance with the provisions of *GCC Clause 48*.
- (p) “Third Party” means any person or entity other than the Government, the **NEDA**, the **Consultant** or a Sub-Consultant.

## 2. Headings

The headings shall not limit, alter or affect the meaning of this Contract.

## 3. Law Governing Contract and Services

- 3.1. This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.
- 3.2. The **Consultant** shall perform the Services in accordance with the Applicable Law and shall take all practicable steps to ensure that any Sub-Consultant, complies with the Applicable Law. The **NEDA** shall notify the **Consultant** in writing of relevant local customs, and the **Consultant** shall, after such notification, respect such customs. The **Consultant** shall comply with, and strictly observe any law regarding workmen’s health and safety, workmen’s welfare, compensation for injuries, minimum wage, hours of labor and other labor laws.
- 3.3. If, after the date of this Contract, there is any change in the Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the **Consultant** in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the **Consultant** under this Contract shall be increased or decreased on a no loss-no gain basis, and corresponding adjustments shall be made to the ceiling amounts specified in *GCC Clause 50*, provided that the cost is within the Approved Budget for the Contract (ABC).

## 4. Language

This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

## 5. Consultants and Affiliates Not to Engage in Certain Activities

- 5.1. The **Consultant** agrees that, during the term of this Contract and after its termination, the **Consultant** and any entity affiliated with the **Consultant**, as well as any Sub-Consultant and any entity affiliated with such Sub-Consultant, shall be disqualified from providing goods, works or consulting services for any project resulting from or closely related to this Contract other than the

Services and any continuation thereof provided there is no current or future conflict.

5.2. The **Consultant** shall not engage, either directly or indirectly, in any of the following activities:

- (a) During the term of this Contract, any business or professional activities in the Government's country which would conflict with the activities assigned to them under this Contract;
- (b) For foreign Consultants during his/her engagement under this Contract either in his name or through a Consulting Firm, in any business or professional activities in the Philippines other than the performance of his duties or assignment under this Contract, and
- (c) After the termination of this Contract, any business or professional activities in the Government's country which would conflict with the activities that have been assigned to them under this Contract.

## **6. Authority of Member in Charge (*in case of JV*)**

The JV Members hereby authorize \_\_\_\_\_, to act on behalf of the **Consultant** in exercising all the **Consultant's** rights and obligations towards the **NEDA** under this Contract, including without limitation the receiving of instructions and payments from the **NEDA**.

## **7. Entire Agreement**

This Contract, including the documents specified in *Section 37.2.3* of the Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make any statement, representation, promise or agreement not set forth herein of which the Parties shall not be bound by or be liable for.

## **8. Modification**

No modification of the terms and conditions of this Contract, including any modification of the scope of the Services shall be allowed. Pursuant to **GCC Clause 12** hereof, however, each Party shall give due consideration to any proposal for modification made by the other Party.

## **9. Relationship of Parties**

9.1. Nothing contained herein shall be construed as establishing a relation of employer and employee or of principal and agent as between the **NEDA** and the **Consultant**. The **Consultant**, subject to this Contract, has complete charge of its Sub-Consultant/s, if any, performing the Services and shall be

fully responsible for the Services performed by them or on their behalf hereunder and the timely delivery of outputs.

## **10. Authorized Representatives**

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the **NEDA** or the **Consultant** may be taken or executed by the following officials.

For the **NEDA**: Hon. Rolando G. Tungpalan, Deputy Director-General

For the **Consultant**: \_\_\_\_\_

## **11. Good Faith**

The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

## **12. Operation of the Contract**

The Parties recognize that it is impractical for this Contract to provide for every contingency which may arise during the life of this Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly as between them, and without detriment to the interest of either of them; and that, if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties shall use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but no failure to agree on any action pursuant to this Clause shall give rise to a dispute subject to arbitration in accordance with **GCC Clause 32** hereof.

## **13. Notices**

13.1. Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram or facsimile to such Party at the following addresses:

NEDA: National Economic and Development Authority  
Attention: Hon. Rolando G. Tungpalan, Deputy Director-General  
Address: 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City 1605  
Telephone: (02) 631-0960 to 65 local 608  
Facsimile: (02) 631-2186  
Email Address: RGTungpalan@neda.gov.ph

Consultant: \_\_\_\_\_

Attention: \_\_\_\_\_

Address: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Email Address: \_\_\_\_\_

13.2. Notice shall be deemed to be effective as follows:

- (a) In the case of personal delivery or registered mail, on delivery;
- (b) In the case of facsimiles, within four (4) hours following confirmed transmission; or
- (c) In the case of telegrams, within four (4) hours following confirmed transmission.

13.3. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the above provisions with respect to **GCC Clause 13.2**.

## **14. Warranty as to Eligibility**

14.1. The **Consultant** represents, warrants and confirms that it, as well as its Sub-Consultant, if any, is eligible, *i.e.*, has the legal personality to act as a **Consultant** in accordance with the Eligibility Documents submitted for this **Project**.

14.2. The **Consultant** shall fulfill its obligations under this Contract by using knowledge according to the best accepted professional standards. The **Consultant** shall exercise all reasonable skill, care and diligence in the discharge of duties agreed to be performed and shall work in the best interest of the GPH.

## **15. Confidentiality**

Except with the prior written consent of the **NEDA**, the **Consultant** shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the **Consultant** make public the recommendations formulated in the course of, or as a result of, the Services. For purposes of this clause, “confidential information” means any information or knowledge acquired by the **Consultant** arising out of, or in connection with, the performance of the Services under this Contract that is not otherwise available to the public.

## **16. Payment**

16.1. In consideration of the Services performed by the **Consultant** under this Contract, the **NEDA** shall make to the **Consultant** such payments and in such manner as is provided by **GCC Clause 51** of this Contract. However, the **NEDA** may refuse to make payments when the terms and conditions of the contract are not satisfactorily performed by the **Consultant**.

16.2. Subject to the ceilings specified in **GCC Clauses 50 and 51.7** hereof, the **NEDA** shall pay to the **Consultant**: (i) remuneration as set forth in **GCC**



*Clause 51.2; and (ii) reimbursable expenditures as set forth in **GCC Clause 51.5.***

- 16.3. Payment will be made to the **Consultant** through check to be picked-up by the **Consultant**'s representative at the **NEDA** Cashier's Office or through bank-to-bank transfer.
- 16.4. A retention payment of 10 percent shall be withheld. It shall be based on the total amount due to the Consulting Firm prior to any deduction and shall be retained from every progress payment until 50 percent of the value of Study, as determined by **NEDA**, are completed. If, after 50 percent completion, the Study is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the 10 percent retention shall be imposed.
- 16.5. The total "retention money" shall be due for release upon approval of the Final Report. The Consulting Firm may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to **NEDA**, provided that the **Project** is on schedule and is satisfactorily undertaken. Otherwise, the 10 percent retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of the **NEDA** shall be valid for the duration of the Contract.

## **17. Currency of Payment**

All payments shall be made in Philippine Pesos.

## **18. Liability of the Consultant**

The **Consultant**'s liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

## **19. Insurance to be Taken Out by the Consultant**

- 19.1. The **Consultant**, at its own cost, shall be responsible for taking out or maintaining any insurance policy against any risk related to the **Project**.
- 19.2. The **NEDA** undertakes no responsibility in respect of life, health, accident, travel or any other insurance coverage for the Consultant or for his/her dependents.

## **20. Effectivity of Contract**

This Contract shall take effect on the date of the **Consultant**'s receipt of the Notice to Proceed (NTP), or seven calendar (7) days from the issuance of such notice, whichever is earlier.

## 21. Commencement of Services

The **Consultant** shall begin carrying out the Services starting from the effectivity date of this Contract, as mentioned in *GCC Clause 20*.

## 22. Expiration of Contract

Unless sooner terminated pursuant to *GCC Clauses 25 or 26* hereof, this Contract shall terminate one (1) month after the issuance by **NEDA** of the Certificate of Completion and Satisfactory Service or such other time period as the Parties may agree in writing.

## 23. Force Majeure

23.1. For purposes of this Contract, the terms “force majeure” and “fortuitous event” may be used interchangeably. In this regard, a fortuitous event or force majeure shall be interpreted to mean an event which the **Consultant** could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the **Consultant**.

23.2. The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of force majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

23.3. Unless otherwise agreed herein, force majeure shall not include:

- (a) Any event which is caused by the negligence or intentional action of a Party or such Party’s Sub-Consultants or agents;
- (b) Any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract and avoid or overcome in the carrying out of its obligations hereunder;
- (c) Insufficiency of funds or failure to make any payment required hereunder; or
- (d) The **NEDA**’s failure to review, approve or reject the outputs of the **Consultant** beyond a reasonable time period.

23.4. A Party affected by an event of force majeure shall take all reasonable measures to remove such Party’s inability to fulfill its obligations hereunder immediately or within a reasonable time.

23.5. A Party affected by an event of force majeure shall notify the other Party of such event as soon as possible, and in any event not later than 15 days following the occurrence of such event, providing evidence of the nature and

cause of such event, and shall similarly give notice of the restoration of normal conditions as soon as possible.

- 23.6. The Parties shall take all reasonable measures to minimize the consequences of any event of force majeure.
- 23.7. Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a direct and proximate result of force majeure.
- 23.8. During the period of inability to perform the Services as a direct and proximate result of an event of force majeure, the **Consultant** shall be entitled to continue receiving payment under the terms of this Contract as well as to be reimbursed for additional costs reasonably and necessarily incurred by it during such period for the purposes of the Services and in reactivating the Services after the end of such period, provided that such costs are still within the total contract price. However, the foregoing provision shall not apply if the **NEDA** suspends or terminates this Contract in writing, notice thereof duly received by the **Consultant**, pursuant to *GCC Clauses 24 and 25* hereof with the exception of the direct and proximate result of force majeure.
- 23.9. Not later than 15 days after the **Consultant**, as the direct and proximate result of an event of force majeure, has become unable to perform a material portion of the Services, the Parties shall consult with each other with a view to agreeing on appropriate measures considering the circumstances.
- 23.10. In the case of disagreement between the Parties as to the existence, or extent of force majeure, the matter shall be submitted to arbitration in accordance with *GCC Clause 32* hereof.

## 24. Suspension

- 24.1. The **NEDA** shall, by written notice of suspension to the **Consultant**, suspend all payments to the **Consultant** hereunder if the **Consultant** fail to perform any of their obligations due to their own fault or due to force majeure or other circumstances beyond the control of either party (e.g., suspension of civil works being supervised by the **Consultant**) under this Contract, including the carrying out of the Services, provided that such notice of suspension:
  - (a) Shall specify the nature of the failure; and
  - (b) Shall request the **Consultant** to remedy such failure within a period not exceeding 30 days after receipt by the **Consultant** of such notice of suspension.
- 24.2. The **Consultant** may, without prejudice to its right to terminate this Contract pursuant to *GCC Clause 26*, by written notice of suspension, suspend the Services if the **NEDA** fails to perform any of its obligations which are critical to the delivery of the **Consultant**'s services such as, non-payment of any

money due the **Consultant** within 45 days after receiving notice from the **Consultant** that such payment is overdue.

## **25. Termination by the NEDA**

25.1. The **NEDA** shall terminate this Contract when any of the following conditions attends its implementation:

- (a) Outside of force majeure, the **Consultant** fails to deliver or perform the Outputs and Deliverables within the period(s) specified in the Contract, or within any extension thereof granted by the **NEDA** pursuant to a request made by the **Consultant** prior to the delay;
- (b) As a result of force majeure, the **Consultant** is unable to deliver or perform a material portion of the Outputs and Deliverables for a period of not less than 60 calendar days after the **Consultant**'s receipt of the notice from the **NEDA** stating that the circumstance of force majeure is deemed to have ceased;
- (c) In whole or in part, at any time for its convenience, the Head of the **NEDA** may terminate the Contract for its convenience if he/she has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and National Government policies;
- (d) If the **Consultant** is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction; in which event, termination will be without compensation to the **Consultant**, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the **NEDA** and/or the **Consultant**;
- (e) In case it is determined prima facie that the **Consultant** has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation, such as, but not limited to, the following: corrupt, fraudulent, collusive and coercive practices; drawing up or using forged documents; using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and any other act analogous to the foregoing. For purposes of this clause, corrupt, fraudulent, collusive, and coercive practices shall have the same meaning as that provided in *ITB Clause 3.1(a)*;
- (f) The **Consultant** fails to remedy a failure in the performance of their obligations hereunder, as specified in a notice of suspension pursuant to *GCC Clause 13.2* hereinabove, within 30 days of receipt of such notice of suspension or within such further period as the **NEDA** may have subsequently approved in writing;

- (g) The **Consultant**'s failure to comply with any final decision reached as a result of arbitration proceedings pursuant to *GCC Clause 32* hereof; or
- (h) The **Consultant** fails to perform any other obligation under the Contract.

25.2. In case of termination, written notice shall be understood to mean 15 days for short term contracts, *i.e.*, four (4) months or less, and 30 days for long-term contracts.

## 26. Termination by the Consultant

The **Consultant** must serve a written notice to the **NEDA** of its intention to terminate this Contract at least 30 calendar days before its intended termination. This Contract is deemed terminated if no action has been taken by the **NEDA** with regard to such written notice within 30 calendar days after the receipt thereof by the **NEDA**. The **Consultant** may terminate this Contract through any of the following events:

- (a) The **NEDA** is in material breach of its obligations pursuant to this Contract and has not remedied the same within 60 calendar days following its receipt of the **Consultant**'s notice specifying such breach;
- (b) The **NEDA**'s failure to comply with any final decision reached as a result of arbitration pursuant to *GCC Clause 32* hereof
- (c) As the direct and proximate result of force majeure, the **Consultant** is unable to perform a material portion of the Services for a period of not less than 60 days; or
- (d) The **NEDA** unjustly fails to pay any money due to the **Consultant** pursuant to this Contract and not subject to dispute pursuant to *GCC Clause 30* hereof within 84 days after receiving written notice from the **Consultant** that such payment is overdue.

## 27. Procedures for Termination of Contracts

The following provisions shall govern the procedures for the termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the **NEDA** shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;
- (b) Upon recommendation by the **NEDA**, the Head of the **NEDA** shall terminate this Contract only by a written notice to the **Consultant** conveying such termination. The notice shall state:

- (i) That the Contract is being terminated for any of the ground(s) aforementioned, and a statement of the acts that constitute the ground(s) constituting the same;
- (ii) The extent of termination, whether in whole or in part;
- (iii) An instruction to the **Consultant** to show cause as to why the Contract should not be terminated; and
- (iv) Special instructions of the **NEDA**, if any.

The Notice to Terminate shall be accompanied by a copy of the Verified Report;

- (c) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the **Consultant** shall submit to the Head of the **NEDA** a verified position paper stating why this Contract should not be terminated. If the **Consultant** fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the **NEDA** shall issue an order terminating this Contract;
- (d) The **NEDA** may at any time before receipt of the **Consultant's** verified position paper withdraw the Notice to Terminate if it is determined that certain services subject of the notice had been completed or performed before the **Consultant's** receipt of the notice;
- (e) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the **NEDA** shall decide whether or not to terminate this Contract. It shall serve a written notice to the **Consultant** of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the **Consultant** of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate; and
- (f) The Head of the **NEDA** may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the **NEDA**.

## 28. Cessation of Services

Upon termination of this Contract by notice of either Party to the other pursuant to *GCC Clauses 25 or 26* hereof, the **Consultant** shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the **Consultant**, and equipment and materials furnished by the **NEDA** or purchased by the **Consultant** under this Contract, the **Consultant** shall proceed as provided, respectively, by *GCC Clauses 33 or 34* hereof.

## **29. Payment upon Termination**

Upon termination of this Contract pursuant to *GCC Clauses 25 or 26* hereof, the **NEDA** shall make the following payments to the **Consultant**:

- (a) Remuneration pursuant to *GCC Clause 51* hereof for Services satisfactorily performed prior to the effective date of termination;
- (b) Reimbursable expenditures pursuant to *GCC Clause 51* hereof for expenditures actually incurred prior to the effective date of termination; and
- (c) In the case of termination pursuant to *GCC Clause 25.1(b)* hereof, reimbursement of any reasonable cost incident to the prompt and orderly termination of this Contract including the cost of the return travel of the any eligible dependents.

## **30. Disputes about Events of Termination**

If either Party disputes whether an event specified in *GCC Clauses 25.1 or 26* hereof has occurred, such Party may refer the matter to arbitration pursuant to *GCC Clause 32* hereof, and this Contract shall not be terminated on account of such event except in accordance with the terms of any resulting arbitral award.

## **31. Cessation of Rights and Obligations**

Upon termination of this Contract pursuant to *GCC Clauses 25 or 26* hereof, or upon expiration of this Contract pursuant to *GCC Clause 22*, all rights and obligations of the Parties hereunder shall cease, except:

- (a) Such rights and obligations as may have accrued on the date of termination or expiration;
- (b) The obligation of confidentiality set forth in *GCC Clause 15* hereof; and
- (c) The **Consultant's** obligation to permit inspection, copying and auditing of their accounts and records set forth in *GCC Clauses 49.1(b) and 49.1(c)* hereof, any right which a Party may have under the Applicable Law.

## **32. Dispute Settlement**

- 32.1. Should any dispute related to this Contract and/or rights of the Parties arise, the same shall be submitted to mutual consultation, mediation and arbitration, in the order of application. The venue of the proceedings shall be in Pasig City.
- 32.2. In case of a court suit, the venue shall be the courts of competent jurisdiction in Pasig City, to the exclusion of all other courts.

### **33. Documents Prepared by the Consultant and Software Developed to be the Property of the NEDA**

33.1. All plans, drawings, specifications, designs, reports, other documents and software prepared by the **Consultant** for the **NEDA** under this Contract shall become and remain the property of the **NEDA**, and the **Consultant** shall, prior to termination or expiration of this Contract, deliver all such documents to the **NEDA**, together with a detailed inventory thereof. The **Consultant** may retain a copy of such documents and software. Future use, reproduction, distribution or citation of such property by the **Consultant** for any purpose is prohibited unless written consent is given by the **NEDA**.

33.2. Computer programs developed by the **Consultant** under this Contract, if any, shall be the sole and exclusive property of the **NEDA**; provided, however, that the **Consultant** may use such programs for its own use with prior written approval of the **NEDA**. If license agreements are necessary or appropriate between the **Consultant** and third parties for purposes of development of any such computer programs, the **Consultant** shall obtain the **NEDA**'s prior written approval to such agreements. In such cases, the **NEDA** shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned.

### **34. Equipment and Materials Furnished by the NEDA**

Equipment and materials which may be made available to the **Consultant** by the **NEDA**, or purchased by the **Consultant** out of this Contract, shall be the property of the **NEDA** and shall be marked accordingly. Upon termination or expiration of this Contract, the **Consultant** shall make available to the **NEDA** an inventory of such equipment and materials and shall turnover to **NEDA** such equipment and materials in accordance with the **NEDA**'s instructions. While in possession of such equipment and materials, the **Consultant**, unless otherwise instructed by the **NEDA** in writing, shall insure it in an amount equal to their full replacement value. The **NEDA** is not obliged to provide equipment and materials to the **Consultant** under this Contract.

### **35. Services, Facilities and Property of the NEDA**

The **NEDA** is not obliged to provide services, facilities and property to the **Consultant** under the Contract but may provide assistance to the **Consultant** to the extent possible pursuant to *GCC Clauses 46 and 47*. The **Consultant** shall be responsible for the provision of the project office space if necessary, preferably within close proximity to **NEDA**, including the necessary office equipment and furniture for the conduct of the Study.

### **36. Consultant's Actions Requiring NEDA's Prior Approval**

The **Consultant** shall obtain the **NEDA**'s prior approval in writing before taking any of the following actions:

- (a) Entering into a subcontract for the performance of any part of the Services, it being understood that:



- (i) The selection of the Sub-Consultant and the terms and conditions of the subcontract shall have been approved in writing by the **NEDA** prior to the execution of the subcontract; and
  - (ii) The **Consultant** shall remain fully liable for the performance of the Services by the Sub-Consultant pursuant to this Contract. The approval by the Government of the assignment of any part of said services or of the engagement by Consulting Firm of sub-contractors to perform any part of the same shall not relieve the Consulting Firm of any obligations under this Contract;
- (b) Replacement, during the performance of the Contract for any reason, of the Consultant in the actual conduct of the Project.

### **37. Performance of Services**

- 37.1. The **NEDA** may request the **Consultant** to perform additional services not covered by the original scope of work but are determined by the **NEDA** to be critical for the satisfactory completion of the Services.
- 37.2. If the **NEDA** finds that the Consultant has committed serious misconduct or has been charged with having committed a criminal action as defined in the Applicable Law, or has reasonable cause to be dissatisfied with the performance of the **Consultant**, the **NEDA** may consider termination of the contract pursuant to *GCC Clause 25*.
- 37.3. The **Consultant** shall hold the Government free from any and all liabilities, suits, actions, demands or damages arising from death or injuries to persons or properties, or any loss resulting from or caused by him/her incident to or in connection with the services under this Contract. The Consultant shall agree to indemnify, protect and defend at its own expense the Government and its agents from and against all actions, claims and liabilities arising out of acts done by the Consultant in the performance of the services, including the use of, or violation of any copyrighted materials, patented invention, article or appliance.

### **38. Working Hours, Overtime, Leave, Etc.**

- 38.1. Working hours are the responsibility of the **Consultant**. The **Consultant** shall ensure that the working hours are appropriate for the timely accomplishment of the outputs and deliverables of the **Consultant**. Any travel time prior to and after Contract Implementation shall not be considered as part of the working hours.
- 38.2. The **Consultant** shall not be entitled to claim payment for overtime work, sick leave, or vacation leave from the **NEDA** since these items are already deemed covered by the **Consultant's** remuneration. Taking of leave or holiday by the Consultant should not delay the progress of the Services nor in any way prejudice the outputs and deliverables of the **Consultant**.

- 38.3. If required to comply with the provisions of *GCC Clause 41.1* hereof, adjustments with respect to the estimated period of engagement of the **Consultant** in his/her Proposal may be made by the **Consultant** by prior written notice to the **NEDA**, provided that the aggregate of such adjustments shall not cause payments under this Contract to exceed the ceilings set forth in *GCC Clauses 50.1 and 51.7* of this Contract. Any other such adjustments shall only be made with the **NEDA**'s prior written approval.

### 39. Counterpart Personnel

- 39.1. The **NEDA** shall have the option to detail counterpart technical personnel to the Project for the provision of assistance to the **Consultant**. The Government counterpart personnel shall not be entitled to honoraria or remuneration or per diem for its involvement in the consultancy work.
- 39.2. The participation of the Government counterpart personnel shall not in any way prejudice the deliverables and outputs of the **Consultant** under this Contract.

### 40. Performance Security

- 40.1. Within ten (10) calendar days from receipt of the Notice of Award (NOA) from the **NEDA** but in no case later than the signing of the contract by both parties, the **Consultant** shall furnish the Performance Security, which shall be denominated in Philippine Pesos and posted in favor of the **NEDA** in an amount equal to the percentage of the total contract price in accordance with the following schedule and form prescribed below:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Five percent (5%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- 40.2. The Performance Security posted in favor of the **NEDA** shall be forfeited in the event it is established that the **Consultant** is in default in any of its obligations under the Contract.
- 40.3. The Performance Security shall remain valid until issuance by the **NEDA** of the Certificate of Final Acceptance.
- 40.4. The Performance Security may be released by the **NEDA** and returned to the **Consultant** after the issuance of the Certificate of Final Acceptance or Completion subject to the following conditions:
- (a) There are no pending claims against the **Consultant** or the surety company filed by the **NEDA**; and
  - (b) The **Consultant** has no pending claims for labor and materials filed against it.
- 40.5. In case of a reduction of the contract value, the **NEDA** shall allow a proportional reduction in the original performance security, provided that any such reduction is more than 10 percent and that the aggregate of such reductions is not more than 50 percent of the original Performance Security.

#### **41. Standard of Performance**

- 41.1. The **Consultant** shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management and engineering theories and practices, and employ appropriate advanced technology and safe and effective equipment, machinery, materials and methods.
- 41.2. The **Consultant** shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the **NEDA**, and shall at all times support and safeguard the **NEDA**'s legitimate interests in any dealings with Sub-Consultants or third parties.
- 41.3. The **Consultant** shall furnish to the **NEDA** such information related to the Services as the **NEDA** may from time to time reasonably request.
- 41.4. The **Consultant** shall at all times cooperate and coordinate with the **NEDA** with respect to the carrying out of its obligations under this Contract.

#### **42. Consultant Not to Benefit from Commissions, Discounts, Etc.**

The remuneration of the **Consultant** pursuant to *GCC Clause 51* hereof shall constitute the **Consultant**'s sole remuneration in connection with this Contract or the Services and, subject to *GCC Clause 43* hereof, the **Consultant** shall not accept for their own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations hereunder, and the **Consultant** shall use its best efforts to ensure that any

Sub-Consultants, as well as the agents of either of them, similarly shall not receive any such additional remuneration.

### 43. Procurement by the Consultant

If the **Consultant**, as part of the Services, has the responsibility of advising or procuring goods, works or services, for the **NEDA**, the **Consultant** shall comply with any applicable procurement guidelines of the Funding Source, and shall at all times exercise such responsibility in the best interest of the **NEDA**. Any discounts or advantages obtained by the **Consultant** in the exercise of such procurement responsibility shall be for the benefit of the **NEDA**.

### 44. Specifications and Designs

44.1. The **Consultant** shall prepare all specifications and designs using the metric system and shall embody the best design criteria applicable to Philippine conditions. The **Consultant** shall specify standards which are accepted and well-known among industrial nations.

44.2. The **Consultant** shall ensure that the specifications and designs and all documentation relating to procurement of goods and services for this Contract are prepared on an impartial basis so as to promote national and international competitive bidding.

### 45. Reports

45.1. The main output will be the re-calibration of the model and development of an updated manual to run the model following specific deliverables:

Deliverables	Timeline
<b>Inception Report</b> (3 hard copies with electronic copy), which includes, among others, the conceptual framework of the current model, its limitations, problems and the possible solution to the problems.	Within 2 weeks upon receipt of the Notice to Proceed
<b>Consultative Meetings</b> , which includes consultative discussion with NEDA staffs.	At least 3 times within 16 weeks upon receipt of the Notice to Proceed
<b>Interim Report</b> (3 hard copies with electronic copy), includes the re-estimated equations of the CQM, and short run forecasts using the updated model.	Within 17 weeks upon receipt of the Notice to Proceed
<b>Capacity Building</b> of NPPS personnel (40 hours), includes presentation of theory, estimation processes, trouble shooting and updating of the model, if necessary, and preparation of lecture materials.	Within 19 weeks upon receipt of the Notice to Proceed
<b>Presentation of the results</b> to the National Development Office (NDO) for policy and planning and other NEDA officials, including the preparation of presentation materials.	Within 19 weeks upon receipt of the Notice to Proceed

<b>Draft Final Report</b> (3 hard copies with electronic copy), which integrates the final inputs, comments and recommendations from the NDO for Policy and Planning, and contains the detailed specifications of the recalibrated CQM, and the operation manual.	Within 22 weeks upon receipt of the Notice to Proceed
<b>Revised Final Report</b> (5 hard copies with electronic copy), which includes final comments from NPPS, NDO for Policy and Planning and other NEDA officials.	Within 24 weeks upon receipt of the Notice to Proceed

- 45.2. The **Consultant** shall submit to the **NEDA** all reports, deliverables and documents in English.

## 46. Assistance on Government Requirements

- 46.1. The **NEDA**, in coordination with other concerned government agencies/entities, may assist the **Consultant**, in the payment of such taxes, duties, fees and other impositions as may be levied under the Applicable Law by providing information on the preparation of necessary documents for payment thereof.
- 46.2. The **NEDA**, in coordination with other concerned government agencies/entities, shall use its best efforts to ensure that the Government shall:
- (a) Provide the **Consultant**, and Sub-Consultants, if any, with work permits and such other documents as shall be necessary to enable the **Consultant** or Sub-Consultants to perform the Services;
  - (b) Arrange for foreign Consultants and, if appropriate, their eligible dependents to be provided promptly with all necessary entry and exit visas, residence permits, and any other documents required for their stay in the Philippines for the duration of the Contract;
  - (c) Facilitate prompt clearance through customs of any property required for the Services and of the necessary personal effects of the Consultant and his/her eligible dependents;
  - (d) Issue to officials, agents and representatives of the Government all such instructions as may be necessary or appropriate for the prompt and effective implementation of the Services; and
  - (e) Grant to foreign **Consultant**, the privilege, pursuant to the Applicable Law, of bringing into the Government's country reasonable amounts of foreign currency for purposes of the Services or for the personal use of the foreign Consultants and their dependents.

## 47. Access to Land

The **NEDA**, in coordination with and/or other concerned government agency/entity, will facilitate, to the extent possible, the **Consultant's** access to lands in the Philippines that may be necessary for the performance of the Services. The

**Consultant** shall be indemnified in respect of liability for any damage to such land or any property thereon, unless such damage is caused by the default or negligence of the **Consultant** or any Sub-Consultant.

#### **48. Subcontract**

- 48.1. Subcontracting of any portion of the Consulting Services does not relieve the **Consultant** of any liability or obligation under this Contract. The **Consultant** will be responsible for the acts, defaults, and negligence of any sub-consultant, its agents, servants or workmen as fully as if these were the **Consultant**'s own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 48.2. Sub-consultants disclosed and identified during the procurement process may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the **NEDA**.

#### **49. Accounting, Inspection and Auditing**

- 49.1. The **Consultant** shall:
- (a) Keep accurate and systematic accounts and records in respect of the Services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as shall clearly identify and accurately establish all costs actually incurred, as well as relevant time changes, and the bases thereof;
  - (b) Permit the **NEDA** or its designated representative and or the designated representative of the Funding Source at least once for short-term Contracts, and annually in the case of long-term Contracts, and up to one (1) year from the expiration or termination of this Contract, to inspect the same and make copies thereof as well as to have them audited by auditors appointed by the **NEDA**; and
  - (c) Permit the Funding Source to inspect the **Consultant**'s accounts and records relating to the performance of the **Consultant** and to have them audited by auditors approved by the Funding Source, if so required.
- 49.2. The basic purpose of this audit is to verify payments under this Contract and, in this process, to also verify representations made by the **Consultant** in relation to this Contract. The **Consultant** shall cooperate with and assist the **NEDA** and its authorized representatives in making such audit. In the event the audit discloses that the **Consultant** has overcharged the **NEDA**, the **Consultant** shall immediately reimburse to **NEDA** an amount equivalent to the amount overpaid. If overpayment is a result of the **Consultant** having been engaged in what the **NEDA** (or, as the case may be, the Funding Source) determines to constitute corrupt, fraudulent, or coercive practices, as defined in *GCC Clause 25.1(e)* and under the Applicable Law, the **NEDA** shall, unless it decides otherwise, terminate this Contract.

- 49.3. The determination that the **Consultant** has engaged in corrupt, fraudulent, coercive practices shall result in the **NEDA** and/or the Funding Source seeking the imposition of the maximum administrative, civil and criminal penalties up to and in including imprisonment.

## **50. Contract Cost**

- 50.1. Except as may be otherwise agreed under *GCC Clause 8*, payments under this Contract shall not exceed \_\_\_\_\_ **PESOS** (\_\_\_\_\_). The **Consultant** shall notify the **NEDA** as soon as cumulative charges incurred for the Services have reached 80 percent of this ceiling.
- 50.2. The cost of the Services shall be payable in Philippine Pesos.
- 50.3. This Consulting Contract shall be a fixed price contract. Any extension of the contract period shall not involve any additional cost to the Government.

## **51. Remuneration and Reimbursable Expenditures**

- 51.1. Payments of Services do not relieve the **Consultant** of any obligation hereunder.
- 51.2. Remuneration for the **Consultant** shall be determined on the basis of acceptance by **NEDA** of the **Consultant**'s deliverables / outputs.
- 51.3. Further, it is understood that the remuneration rates shall cover:
- (a) Basic rate/salary of the **Consultant**; and
  - (b) On-site training costs including per diem allowance of the **Consultant**;
- 51.4. Bonuses or other means of profit-sharing shall not be allowed.
- 51.5. Reimbursable expenditures actually and reasonably incurred by the **Consultants** in the performance of the Services include the following, as may be applicable:
- a) Training and meeting expenses;
  - b) Communication and reproduction expenses;
  - c) Cost of equipment and supplies;
  - d) Cost of other items deemed necessary for the Project as certified by the **NEDA**.
- 51.6. Billings and payments in respect of the Services shall be made as follows:
- (a) Billing for remuneration under Phase II shall be in accordance with the following delivery schedule, subject to the usual Government accounting and auditing requirements:

<b>Deliverables</b>	<b>Payment Schedule of Consultant Fee/Remuneration</b>
<b>Inception Report</b> (3 hard copies with electronic copy), which includes, among others, the conceptual framework of the current model, its limitations, problems and the possible solution to the problems.	15% upon acceptance of report by NEDA
<b>Interim Report</b> (3 hard copies with electronic copy), includes the re-estimated equations of the CQM, and short run forecasts using the updated model.	20% upon acceptance of report by NEDA
<b>Capacity Building</b> of NPPS personnel (40 hours), includes presentation of theory, estimation processes, trouble shooting and updating of the model, if necessary, and preparation of lecture materials.	15% upon accomplishment
<b>Draft Final Report</b> (3 hard copies with electronic copy), which integrates the final inputs, comments and recommendations from the NDO for Policy and Planning, and contains the detailed specifications of the recalibrated CQM, and the operation manual.	25% upon acceptance of Draft Final Report by NEDA
<b>Revised Final Report</b> (5 hard copies with electronic copy), which includes final comments from NPPS, NDO for Policy and Planning and other NEDA officials.	25% upon acceptance of Revised Final Report by NEDA

- (b) An advance payment may be made to cover mobilization costs, but shall not exceed 15 percent of the contract amount for each phase, subject to the posting of an irrevocable standby letter of credit issued by an entity acceptable to **NEDA** and of an equal amount to the advance payment. The advance payment shall be repaid by the **Consultant** by deducting 15% from its subsequent monthly billings / payments until fully liquidated within the duration of the Contract.
- (c) As soon as practicable and not later than 15 days after the end of each calendar month during the period of the Services, the **Consultant** shall submit to the **NEDA**, in duplicate, itemized statements, accompanied by Official Receipts, and/or other appropriate supporting materials or documents duly notarized, of the amounts payable pursuant to **GCC Clauses 50 and 51** for such month. Each separate monthly statement shall distinguish that portion of the total eligible costs which pertains to remuneration, if any, from that portion which pertains to reimbursable expenditures.



- (d) The **NEDA** shall cause the payment of the **Consultant's** monthly statements within 60 days after the receipt by the **NEDA** of such statements with supporting documents. Only such portion of a monthly statement that is not satisfactorily supported may be withheld from payment. Reimbursable expenditures shall be reimbursed in accordance with the **NEDA's** procedures. Costs submitted for reimbursement but are not adequately supported as determined by **NEDA** may be disallowed from reimbursement. Should any discrepancy be found to exist between actual payment and costs incurred by the **Consultant**, the **NEDA** may add or subtract the difference from any subsequent payments. No interest shall be paid for delayed payments.

- 51.7 The **Consultant** may re-align the budget for remuneration indicated in the Proposal of the **Consultant** to the budget for reimbursable cost indicated the same Proposal and vice-versa subject to the ceiling set forth in *GCC Clause 50.1* of this Contract and provided that the budget or cost for either remuneration or reimbursable expenses indicated in the **Consultant's** Proposal will not change by more than 20 percent.

## **52. Final Payment**

- 52.1. The final payment shall be made only after the final report and a final statement, identified as such, shall have been submitted by the **Consultant** and approved as satisfactory by the **NEDA**. The Services shall be deemed completed and finally accepted by the **NEDA** and the final report and final statement shall be deemed approved by the **NEDA** as satisfactory 90 calendar days after receipt of the final report and final statement by the **NEDA** unless the **NEDA**, within such 90-day period, gives written notice to the **Consultant** specifying in detail deficiencies in the Services, the final report or final statement. The **Consultant** shall thereupon promptly make any necessary corrections within a maximum period of 90 calendar days, and upon completion of such corrections, the foregoing process shall be repeated.
- 52.2. Any amount which the **NEDA** has paid or caused to be paid in accordance with this clause in excess of the amounts actually payable in accordance with the provisions of this Contract shall be reimbursed by the **Consultant** to the **NEDA** within 30 days after receipt by the **Consultant** of notice thereof. Any such claim by the **NEDA** for reimbursement must be made within 12 calendar months after receipt by the **NEDA** of the final report and a final statement approved by the **NEDA** in accordance with the above.

## **53. Liquidated Damages for Delay**

If the **Consultant** fails to deliver any or all of the Services within the period(s) specified in this Contract, the **NEDA** shall, without prejudice to its other remedies under this Contract and under the Applicable Law, deduct from the contract price, as liquidated damages, a sum equivalent to one-tenth of one percent of the price of the unperformed portion of the Services for each day of delay based on the approved contract schedule up to a maximum deduction of ten percent of the contract price. Once the maximum is reached, the **NEDA** may consider termination of this Contract

pursuant to *GCC Clause 25* without prejudice to any further action it may take to recover whatever losses incurred due to non-performance of the **Consultant**. To be entitled to such liquidated damages, **NEDA** does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the Consulting Firm under the contract and/or collect such liquidated damages from the retention money or other securities posted by the Consulting Firm, whichever is convenient to **NEDA**.

## **Section III. Terms of Reference**

# **NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY RESEARCH AND DEVELOPMENT AGENDA**

## **Terms of Reference (TOR) for Consultancy Services on**

### **The Conduct of the Recalibration of the Current Quarter Model (CQM) for the National Economic and Development Authority (NEDA)**

#### **A. Background/Rationale**

The Current Quarter Model (CQM) for the Philippines, which was developed in 2012 by Dr. Yuzo Kumasaka, is a macro forecasting tool used by NEDA in making current quarter projections of the country's gross domestic product (GDP). The CQM provides a time series analysis of high frequency data and offers forecasts of macroeconomic aggregates over the short run horizon. According to Klein and Marquez (1989), it has been observed that time series analysis of high frequency data provide good forecast of economic trends in the short run, for instance, up to six months,<sup>3</sup> thus making it a good alternative to a full-blown econometric model. Moreover, strengthening the CQM used by NEDA is deemed beneficial as it will provide the needed information ahead of the release of official national accounts estimates, which enables NEDA to recommend policy responses sooner to improve economic performance. Furthermore, enabling NEDA to come up with timely estimates on the direction of the economy is expected to strengthen its role in the areas of socioeconomic and physical planning and policy services, technical support and advisory services, as well as in monitoring and evaluation services.

Due to the rapidly changing economic landscape of the country, NEDA recognizes the need for updating, re-estimating, recalibrating the existing CQM.

#### **B. Objective**

The aim of the study is to update, recalibrate, and re-estimate the CQM that is currently being used by NEDA and provide staff training on running and maintaining the CQM for effective policy making.

#### **C. Scope of Work**

The study will entail the following activities, among others:

1. Review the existing CQM currently used by NEDA.
2. Re-estimate the bridge equations used for short-term forecasting.
3. Capacitate staffs on the updating and recalibrating of the CQM.
4. Prepare the operations manual for the recalibrated NEDA CQM.

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<sup>3</sup>L.R.Klein and Marquez (eds.). 1989. **Economics in Theory and Practice: An Eclectic Approach**, 3-16. USA: Kluwer Academic Publishers.

**D. Consultancy Services and Responsibilities of the Consultant**

1. The consultant shall render services equivalent to twenty-four(24) calendar weeks.
2. The consultant shall provide overall guidance and direction for the re-estimation of the CQM;
3. The consultant shall be responsible for the development and completion of the deliverables including the (i) Inception Report and Interim Report which are to be prepared in consultation with the NPPS and the National Development Office for Policy and Planning of NEDA; (ii) Capacity Building for NEDA Central Office personnel; (iii) Draft Final Report (DFR); (iv) Presentation of the results to the NEDA management for approval; and (v) Revised Final Report.
4. The consultant shall be responsible for securing a conducive venue, as approved by NEDA, for capacity building of NEDA staffs.

**E. Timelines/Deliverables**

1. The main output will be the re-calibration of the model and development of an updated manual to run the model following specific deliverables:

<b>Deliverables</b>	<b>Timeline</b>	<b>Payment Schedule of Consultant Fee</b>
<b>Inception Report</b> (3 hard copies with electronic copy), which includes, among others, the conceptual framework of the current model, its limitations, problems and the possible solution to the problems.	Within 2 weeks upon receipt of the Notice to Proceed	15% upon acceptance of report by NEDA
<b>Consultative Meetings</b> , which includes consultative discussion with NEDA staffs.	At least 3 times within 16 weeks upon receipt of the Notice to Proceed	-----
<b>Interim Report</b> (3 hard copies with electronic copy), includes the re-estimated equations of the CQM, and short run forecasts using the updated model.	Within 17 weeks upon receipt of the Notice to Proceed	20% upon acceptance of report by NEDA
<b>Capacity Building</b> of NPPS personnel (40 hours), includes presentation of theory, estimation processes, trouble shooting and updating of the model, if necessary, and preparation of lecture materials.	Within 19 weeks upon receipt of the Notice to Proceed	15% upon accomplishment
<b>Presentation of the results</b> to the National Development Office (NDO) for policy and planning and other NEDA officials, including the preparation of presentation materials.	Within 19 weeks upon receipt of the Notice to Proceed	-----

<b>Draft Final Report</b> (3 hard copies with electronic copy), which integrates the final inputs, comments and recommendations from the NDO for Policy and Planning, and contains the detailed specifications of the recalibrated CQM, and the operation manual.	Within 22 weeks upon receipt of the Notice to Proceed	25% upon acceptance of Draft Final Report by NEDA
<b>Revised Final Report</b> (5 hard copies with electronic copy), which includes final comments from NPPS, NDO for Policy and Planning and other NEDA officials.	Within 24 weeks upon receipt of the Notice to Proceed	25% upon acceptance of Revised Final Report by NEDA

### Responsibility of NEDA

The NEDA, through the Program Management Unit (PMU) shall facilitate the study process by providing the following:

1. Assistance in coordinating with NPPS and other Staffs of NEDA to solicit comments and inputs related to the study; and
2. Technical and secretariat support to the study by coordinating meetings between the consultant and appropriate units in NEDA as well as in consolidating and processing of comments/recommendations/inputs.

The NEDA shall determine the acceptability of the deliverables and shall be the approving authority for all operations-related activities, including payment of consultants.

### F. Qualifications and Criteria for Selection

1. **Qualification Requirements.** The Project shall be undertaken by an individual Consultant whose minimum qualifications are stated herein:

	Qualifications	Requirements
<b>Education</b>	<ul style="list-style-type: none"> <li>▪ Educational attainment in economics, statistics or other development-related fields</li> </ul>	<ul style="list-style-type: none"> <li>▪ At least MA/MS degree; PhD degree will be an advantage</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>▪ Experience in econometric modeling, macroeconomic analysis, economic valuation, Current Quarter Model (CQM), and other similar and/or relevant activities.</li> <li>▪ Has done actual consulting work in the development of a Current Quarter Model (CQM)</li> <li>▪ Involvement in similar and/or related consulting or professional services of size, complexity and technical specialty comparable to the job under consideration.</li> <li>▪ Outstanding analytical skills and</li> </ul>	<ul style="list-style-type: none"> <li>▪ At least ten (10) years of experience in econometric modelling, macroeconomic analysis and/or economic valuation with years of experience in CQM.</li> <li>▪ Must have been a Team Leader/ Manager in similar and/or relevant consulting services.</li> <li>▪ Must have sample related work engagement</li> </ul>

	numeracy, proficiency with statistical/data analysis spreadsheets or software package. <ul style="list-style-type: none"> <li>▪ Excellent written and oral communication skills</li> <li>▪ Previous engagement with Philippine government agency</li> </ul>	(at least two completed reports one of which is with the Philippine government. <ul style="list-style-type: none"> <li>▪ Must have at least one presentation/training conducted).</li> </ul>
<b>Training</b>	<ul style="list-style-type: none"> <li>▪ Knowledgeable in econometric modelling, macroeconomic analysis, economic valuation, Current Quarter Model (CQM), and other similar and/or relevant trainings.</li> <li>▪ Capacity to do additional works, initiate innovation/improvement related to the project, other than proposed.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Must have at least 18 hours of training in econometric modelling, macroeconomic analysis and/or economic valuation, CQM, and other similar and/or relevant training.</li> </ul>

Selection of qualified candidates is rated based on attached Criteria in **ANNEX A** of this TOR.

2. The Consultant shall be selected using the ***Quality-Cost Based Selection*** procedure under Republic Act No. 9184, or the Government Procurement Reform Act (GPRA), and its Revised Implementing Rules and Regulations (IRR) and based on the following criteria:
  - i. Technical Proposal : 70%
  - ii. Financial Proposal : 30%

#### **G. Approved Budget for the Contract (ABC)**

1. The mode of procurement for the consulting services shall be undertaken through a limited source bidding (LSB).
2. The ABC for the proposed study is THREE MILLION PESOS (PhP3,000,000.00). The scope of the bid price shall include professional fees, all applicable government taxes and charges, costs for data gathering or field work, land transportation costs, administrative support, consultation meetings, capacity building, and the production of manual.

Breakdown of estimated ABC:

Item	Total Contract Rate <sup>a</sup>	
	(USD)	(PhP)
<b>1. Professional Fee</b>	<b>61,020.00</b>	<b>2,745,900.00</b>
<b>2. Reimbursable Expenses</b>	<b>5,646.67</b>	<b>254,100.00</b>
<b>TOTAL<sup>d</sup></b>	<b>66,666.67</b>	<b>3,000,000.00</b>

<sup>a</sup>Exchange Rate: USD1.00=PhP45.00

<sup>b</sup>Post adjustment is a cost-of-living adjustment designed to preserve equivalent purchasing power for overseas work

<sup>c</sup>Based on UNDP DSA Circular Report as of May 2015

<sup>d</sup>Total may not tally due to rounding off

## H. Liquidated Damages

Where the contractor refuses or fails to satisfactorily complete the work within the specified contract time, plus any time extension duly granted and is hereby in default under contract, the contractor shall pay NEDA for liquidated damages, and not by way of penalty, an amount, as provided in the conditions of the contract, equal to at least one tenth (1/10) of one (1) percent of the cost of the unperformed portion of the works for every day of delay. To be entitled to such liquidated damages, NEDA does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the contractor under the contract.

## I. Retention Money

A retention payment of ten percent (10%) shall be withheld. It shall be based on the total amount due to the consultant prior to any deduction and shall be retained from every progress payment until 50 percent (50%) of the value of the Project, as determined by NEDA, is completed. If, after 50 percent (50%) completion, the Project is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed. The total “retention money” shall be due for release upon approval of the Final Report.



**ANNEX A: TECHNICAL EVALUATION CRITERIA FOR CONSULTING  
SERVICES FOR THE RE-CALIBRATION AND UPDATING OF**

**NEDA’S CURRENT QUARTER MODEL (CQM)**

	<b>For Individual Consultants</b>
<b>I. Quality of Consultant</b>	<b>70</b>
a.Education	15
b. Relevant Training	15
c.Experience	40
<b>II. Plan of Approach and Methodology</b>	<b>20</b>
a.Substance of the Proposal	8
b. Completeness of the Proposal	8
c.Clarity of Methods and Approaches	4
<b>III. Absorptive Capacity of Consultant</b>	<b>10</b>
<b>Grand Total</b>	<b>100</b>
Extra Points: Innovativeness	10

## Section IV. Proposal Forms

Technical Proposal Forms.....	67
Financial Proposal Forms.....	76
Form of Contract Agreement .....	83
Omnibus Sworn Statement.....	85

## TECHNICAL PROPOSAL FORMS

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### **Notes for Consultants**

The following summarizes the content for the Technical Proposal.

#### **Cover Letter**

Use TPF 1. Technical Proposal Submission Form.

#### **Experience of the Consultant**

Introduction of the background and general experience of the Consultant.

Indicate completed projects in the format of TPF 2. Consultant's References illustrating the relevant experience of the Consultant. No promotional material should be included.

#### **General approach and methodology, work and staffing schedule**

Use TPF 4. Description of the Methodology and Work Plan for Performing the Project, TPF 6. Time Schedule , and TPF 7. Activity (Work) Schedule.

#### **Curriculum Vitae (CV)**

Use TPF 5. Format of Curriculum Vitae (CV) the Consultant.

In addition, the expert should submit a signed written commitment stating that the expert shall work for the Project once awarded the contract. A zero rating shall be given to a nominated expert if the expert:

- (1) failed to state nationality on the CV; or
- (2) the CV is not signed in accordance with paragraph above.

#### **Comments on the terms of reference and data and facilities to be provided by the NEDA**

Use TPF 3. Comments and Suggestions of Consultant on the Terms of Reference and on Data, Services, and Facilities to be Provided by the NEDA

## TPF 1. TECHNICAL PROPOSAL SUBMISSION FORM

---

*[Date]*

*[Name and address of the NEDA]*

Ladies/Gentlemen:

I, the undersigned, offer to provide the consulting services for *[Title of Project]* in accordance with your Bidding Documents dated *[insert date]* and our Bid. I am hereby submitting my Bid, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

If negotiations are held during the period of proposal validity, *i.e.*, before *[insert date]*, we undertake to negotiate on the basis of the proposed staff. My Proposal is binding upon me and subject to the modifications resulting from contract negotiations.

In accordance with **GCC** Clause 16 I acknowledge and accept the NEDA's right to inspect and audit all records relating to my Proposal irrespective of whether I enter into a contract with the NEDA as a result of this Proposal or not.

I understand you are not bound to accept any Proposal received for the selection of a consultant for the Project.

I remain,

Yours sincerely,

Authorized Signature:  
Name and Title of Signatory:  
Address:

## TPF 2. CONSULTANT'S REFERENCES

### Relevant Services Carried Out in the Last Ten Years That Best Illustrate Qualifications

Using the format below, provide information on each project for which you were legally contracted.

Project Name:		Country:
Location within Country:		Position:
Name of Client:		Nº of Staff:
Address:		Nº of Staff-Months; Duration of Project (in months and years):
Start Date (Month/Year):	Completion Date (Month/Year):	Approx. Value of Services (in Current US\$):
Name of Associated Consultants, if any:		Nº of Months of Professional Staff Provided by Associated Consultants:
General Functions Performed:		
Narrative Description of Project:		
Description of Actual Services Provided:		

Consultant's Name: \_\_\_\_\_

**TPF 3. COMMENTS AND SUGGESTIONS OF CONSULTANT ON THE TERMS OF  
REFERENCE AND ON DATA, SERVICES, AND FACILITIES TO BE PROVIDED BY  
THE NEDA**

---

On the Terms of Reference:

- 1.
- 2.
- 3.
- 4.
- 5.

On the data, services, and facilities to be provided by the NEDA:

- 1.
- 2.
- 3.
- 4.
- 5.

**TPF 4. DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR  
PERFORMING THE PROJECT**

---

## TPF 5. FORMAT OF CURRICULUM VITAE (CV)

---

Profession: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Licenses: \_\_\_\_\_

Nationality: \_\_\_\_\_

Membership in Professional Societies: \_\_\_\_\_

Detailed Tasks Assigned: \_\_\_\_\_

### Key Qualifications:

*[Give an **outline** of experience and training most pertinent to tasks on project. Describe degree of responsibility held on related previous projects and give dates and locations. ]*

### Education:

*[Summarize college/university and other specialized education, giving names of schools, dates attended, and degrees obtained.]*

### Relevant Training:

*[Summarize all relevant trainings attended and other related workshops/seminars, giving names of institutions and dates attended (**in months and years**). Kindly attach certificates, if any.]*

### Employment Record:

*[Starting with present position, list in reverse order every employment held. List all positions held since graduation, giving dates (**in months and years**), names of employing organizations, and titles of positions held.]*



**Languages:**

*[For each language, indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]*

---

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

\_\_\_\_\_  
*[Signature of Consultant]* Date: \_\_\_\_\_  
*Day/Month/Year*

Full name of Consultant: \_\_\_\_\_

## TPF 6. TIME SCHEDULE

Name	Position	Reports Due/Activities	Months (in the Form of a Bar Chart)												Number of Months	
			1	2	3	4	5	6	7	8	9	10	11	12		
<i>(name of Consultant)</i>	<i>(individual Consultant)</i>	<i>(e.g., Interim Report or conduct of training, etc.)</i>														<i>(number of months to complete the activity or report)</i>
																Subtotal (1)
																Subtotal (2)
																Subtotal (3)
																Subtotal (4)

Full-time: \_\_\_\_\_  
 Reports Due: \_\_\_\_\_  
 Activities Duration: \_\_\_\_\_  
 Location \_\_\_\_\_

Part-time: \_\_\_\_\_

Signature: \_\_\_\_\_  
 (Authorized representative)

Full Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Address: \_\_\_\_\_

## TPF 7. ACTIVITY (WORK) SCHEDULE

### A. Field Investigation and Study Items

	<i>[1st, 2nd, etc. are months from the start of project.]</i>												
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	
Activity (Work)													
_____													
_____													
_____													
_____													

### B. Completion and Submission of Reports

Reports	Date
1. Inception Report	
2. Interim Report	
3. Draft Final Report	
4. Final Report	
5. Revised Final Report	

## FINANCIAL PROPOSAL FORMS

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### **Notes for Consultants**

The following summarizes the content of the Financial Proposal.

#### **Cover Letter**

Use FPF 1. Financial Proposal Submission Form, which is an acknowledgement that, in preparation and submission of the Technical and Financial Proposals, Consultants have:

- (a) followed the applicable rules and guidelines indicated in this ITB;
- (b) not taken any action which is or constitutes a corrupt, fraudulent, or coercive practice as defined in the applicable rules and guidelines; and
- (c) agrees to allow the NEDA, at their option, to inspect and audit all accounts, documents, and records relating to the its Proposal and to the performance of the ensuing contract.

#### **Costs of Consulting Services**

Use FPF 2. Summary of Costs; FPF 3. Breakdown of Price per Activity; FPF 4. Breakdown of Remuneration per Activity; FPF 5. Reimbursable Expenditures per Activity; and FPF 6. Miscellaneous Expenses.

## FPF 1. FINANCIAL PROPOSAL SUBMISSION FORM

---

*[Date]*

*[Name and address of the NEDA]*

Ladies/Gentlemen:

I, the undersigned, offer to provide the consulting services for *[Title of Project]* in accordance with your Bidding Documents dated *[insert date]* and my Proposals (Technical and Financial Proposals). My attached Financial Proposal is for the sum of *[amount in words and figures]*. This amount is exclusive of the local taxes, which we have estimated at *[amount(s) in words and figures]*.

My Financial Proposal shall be binding upon me subject to the modifications resulting from Contract negotiations, up to expiration of the proposal validity period, *i.e.*, *[Date]*.

In accordance with **GCC** Clause 49, I acknowledge and accept the NEDA's right to inspect and audit all records relating to my Proposal irrespective of whether I enter into a contract with the NEDA as a result of this Proposal.

I confirm that I have read, understood and accept the contents of the Instructions to Bidders (ITB), General Conditions of Contract (GCC), Terms of Reference (TOR), the provisions relating to the eligibility of Consultant and the applicable guidelines for the procurement rules of the Funding Source, any and all Bid bulletins issued and other attachments and inclusions included in the Bidding Documents sent to me.

I understand you are not bound to accept any Proposal you receive.

I remain,

Yours sincerely,  
Authorized Signature:  
Name and Title of Signatory:  
Address:

## FPF 2. SUMMARY OF COSTS

---

Costs	Currency(ies) <sup>4</sup>	Amount in Philippine Peso
Subtotal		
Local Taxes		
Total Amount of Financial Proposal		_____

---

<sup>4</sup> In cases of contracts involving foreign consultants, indicate the exchange rate used.

### FPF 3. BREAKDOWN OF PRICE PER ACTIVITY

Activity <sup>5</sup> No.:	Activity No.: _____	Description: _____
Price Component	Currency(ies) <sup>6</sup>	Amount in Philippine Peso
Remuneration		
Reimbursable Expenditures		
Miscellaneous Expenses		
Subtotal		_____

---

<sup>5</sup> Major activity in the submitted Work Schedule (TPF 7)

<sup>6</sup> In cases of contracts involving foreign consultants, indicate the exchange rate used.

#### FPF 4. BREAKDOWN OF REMUNERATION PER ACTIVITY

---

Activity No. _____		Name: _____		
Names	Position	Input <sup>7</sup>	Remuneration Currency(ies) Rate	Amount
Regular staff				
Local staff				
Consultants				
Grand Total				_____

---

<sup>7</sup> Staff months, days, or hours as appropriate.



## FPF 5. REIMBURSABLE EXPENDITURES PER ACTIVITY

Activity No: \_\_\_\_\_

Name: \_\_\_\_\_

No.	Description (Example)	Unit	Quantity	Unit Price In	Total Amount In
1.	International flights _____	Trip			
2.	Miscellaneous travel expenses	Trip			
3.	Subsistence allowance	Day			
4.	Local transportation costs <sup>8</sup>				
5.	Office rent/accommodation/ clerical assistance				
	Grand Total				_____

---

<sup>8</sup> Local transportation costs are not included if local transportation is being made available by the Entity. Similarly, in the project site, office rent/accommodations/clerical assistance costs are not to be included if being made available by the Entity.

## FPF 6. MISCELLANEOUS EXPENSES

Activity No. \_\_\_\_\_

Activity Name: \_\_\_\_\_

No.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Communication costs between _____ and _____ (telephone, telegram, telex)				
2.	Drafting, reproduction of reports				
3.	Equipment: vehicles, computers, etc.				
4.	Software				
	Grand Total				_____

## FORM OF CONTRACT AGREEMENT

---

THIS AGREEMENT, made this *[insert date]* day of *[insert month]*, *[insert year]* between *[name and address of NEDA]* (hereinafter called the “Entity”) and *[name and address of Consultant]* (hereinafter called the “Consultant”).

WHEREAS, the Entity is desirous that the Consultant execute *[name and identification number of contract]* (hereinafter called “the Works”) and the Entity has accepted the bid for *[insert the amount in specified currency in numbers and words]* by the Consultant for the execution and completion of such Consulting Services and the remedying of any defects therein.

### NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:
  - (a) General and Special Conditions of Contract;
  - (b) Terms of Reference (TOR);
  - (c) Request for Expression of Interest (EOI);
  - (d) Instructions to Bidders;
  - (e) Addenda and/or Supplemental/Bid Bulletins, if any;
  - (f) Proposal forms, including all the documents/statements contained in the Consultant’s proposal envelopes, as annexes;
  - (g) Eligibility Requirements, Documents and/or Statements;
  - (h) Performance Security;
  - (i) Credit line issued by a licensed bank, if any;
  - (j) Notice of Award of Contract and the Consultant’s conforme thereto;
  - (k) Other contract documents that may be required by existing laws and/or the Entity.
3. In consideration of the payments to be made by the Entity to the Consultant as hereinafter mentioned, the Consultant hereby covenants with the Entity to execute and complete the Consulting Services and remedy any defects therein in conformity with the provisions of this Consultant in all respects.
4. The Entity hereby covenants to pay the Consultant in consideration of the execution and completion of the Consulting Services, the Contract Price or

such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

Binding Signature of NEDA

---

Binding Signature of Contractor

---

*[Addendum showing the corrections, if any, made during the evaluation of proposals should be attached with this agreement]*

## OMNIBUS SWORN STATEMENT

---

REPUBLIC OF THE PHILIPPINES )  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

### AFFIDAVIT

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. ***Select one, delete the other:***

*If a sole proprietorship:* I am the sole proprietor of *[Name of Consultant]* with office address at *[address of Consultant]*;

*If a partnership, corporation, cooperative, or joint venture:* I am the duly authorized and designated representative of *[Name of Consultant]* with office address at *[address of Consultant]*;

2. ***Select one, delete the other:***

*If a sole proprietorship:* As the owner and sole proprietor of *[Name of Consultant]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the procurement for *[Name of the Project]* of the *[Name of the NEDA]*;

*If a partnership, corporation, cooperative, or joint venture:* I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Consultant]* in the procurement process as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

3. *[Name of Consultant]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the procurement requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. *[Name of Consultant]* is authorizing the Head of the NEDA or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

*If a sole proprietorship:* I am not related to the Head of the NEDA, members of the NEDA Bids and Awards Committees (NBACs), the Technical Working Groups (TWGs), and the NBAC Secretariats, the head of the Project Management Office (PMO), the Proponent Agency and/or the End-User unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a partnership or cooperative:* None of the officers and members of [Name of Consultant] is related to the Head of the NEDA, members of the NBACs, the TWGs, and the NBAC Secretariats, the head of the PMO, the Proponent Agency and/or the End-User unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a corporation or joint venture:* None of the officers, directors, and controlling stockholders of [Name of Consultant] is related to the Head of the NEDA, members of the NBACs, the TWGs, and the NBAC Secretariats, the head of the PMO, the Proponent Agency and/or the End-User unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. [Name of Consultant] complies with existing labor laws and standards; and
8. [Name of Consultant] is aware of and has undertaken the following responsibilities as a Proponent:
- a) Carefully examine all of the Bidding Documents;
  - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
  - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
  - d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the [Name of the Project].

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of \_\_\_, 20\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
[Consultant's Representative/Authorized Signatory]

[JURAT]