

# **BIDDING DOCUMENTS**

## **Procurement of Consulting Services**

**for the**

***Re-bidding of the Conduct of  
Feasibility Study (F/S) on the Nationwide  
Deployment of Modularized Village-Scale  
Ethanol Biorefinaries using Nipa Sap***

**27 October 2015**

# Section I. Instructions to Bidders

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## A. General

### 1. Introduction

- 1.1. The National Economic and Development Authority (**NEDA**) as the Government Procuring Entity intends to engage a **Consultant** for the Conduct of the Feasibility Study (F/S) on the Nationwide Deployment of Modularized Village-Scale Ethanol Biorefineries using Nipa Sap (hereinafter called the “**Project**”) from among those short listed, in accordance with the Quality-Cost Based Evaluation/Selection (QCBE/QCBS) process.
- 1.2. Funding for this activity shall be sourced from the F/S Fund being administered under the continuing *2014 Government Appropriations Act (GAA)*.
- 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**. Please note that for this particular procurement, the Eligibility Requirements, Technical and Financial Proposals shall be simultaneously submitted in three (3) separate sealed envelopes.
- 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 the *Instruction to Bidders (ITB) Clause 7*.
- 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 **NEDA** or any other authorized institutions in accordance with *ITB Clause 3.1*.

### 2. Conflict of Interest

- 2.1. The **Consultant** is required to provide professional, objective, and impartial advice and at all times hold the **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 civil works contracting and/or supply of equipment;
- (b) If a **Consultant** is associated with, affiliated to, or owned by 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** (including its personnel and subcontractors) and any subsidiaries or entities controlled by such **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 Committee for Consulting Services (NBAC-CS), its Technical Working Groups (TWG) and Secretariat 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 JV, the provisions of items (a), (b), or (c) of this Section shall correspondingly apply to each of the members of the said joint venture, 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 professional staff, or its affiliates or associates under a contract with **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** seeking the imposition of the maximum administrative, civil and criminal penalties up to and including imprisonment.
- 2.5. **Consultants** are discouraged to include officials and employees of the Government of the Philippines (GOP) as part of its personnel. Participation of officials and employees of the GOP 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 **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 GOP, 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 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 the **NEDA** of the benefits of free and open competition.

(iii) “collusive practices” means a scheme or arrangement between two or more participating **Consultants**, with or without the knowledge of the **NEDA**, designed to establish proposal prices at artificial, non-competitive levels.

(iv) “coercive practices” 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 **GCC Clause 47**.

#### **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.

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 GOP or any of its agencies, offices, corporations, or 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 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 joint venture;
- (i) Complying with the disclosure provision under Section 47 of the Act in relation to other provisions of Republic Act 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 GOP 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 open proposals only from those that have been shortlisted.



## 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** may 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 *Section 2 of the Eligibility Documents* as attached in the *Request for Expression of Interest (REI)*. 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 10 November 2015 (Tuesday), 2:00 PM*, at the *4/F OADG-IP Conference Room, National Economic and Development Authority (NEDA) 12 St. Josemaría Escriba Drive, Ortigas Center, Pasig City 1605* to clarify and address the **Consultants'** questions on the technical and financial components of this Project.
- 7.2. **Consultants** are encouraged to attend the pre-proposal conference to ensure that they fully understand the **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.

*All Consultants' representative/s shall secure and bring a written authority from their authorized official (e.g., president, governing boards if Corporation) to be presented to the NBAC-CS during the Pre-Proposal Conference stating that said representative is an authorized person to speak for on behalf of their office/company.*

- 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. **Consultants** 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 on the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the **NEDA** concerned, if available. 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 should 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 staff-months shall be based on the number of professional staff-months estimated by the **Consultant**. **Consultants** are given the flexibility in determining and proposing the most appropriate time input / man-months of the identified/proposed expert relative to the realization of the required activities and/or outputs under the TOR.

- (c) The **Consultant/s** 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 professional staff shall be proposed, and only one Curriculum Vitae (CV) may be submitted for the position or each of the positions.
- (e) Deviations from the TOR in terms of scope and schedule of activities and number of positions/personnel 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) Proposal security as prescribed in *ITB Clause 15*. If the proponent/**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 accompanied by a certification coming from an authorized Insurance Commission that a surety or insurance company is authorized to issue such instrument.
- (b) 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 form *TPF 2. Consultant's References*. For each project, the outline should indicate *inter alia*, the project, contract amount and the **Consultant's** involvement. Information should be provided only for those projects for which the **Consultant** was legally contracted by itself or as one of the major participating **Consultants** within an association or joint venture (JV). Whenever applicable, the experience of individual experts from projects completed independently or when associated with **Consultants** other than the one with whom the individual is currently associated with cannot be claimed as the experience of the current **Consultant** or any one of its partners and/or subcontractors, but can be claimed by the individuals themselves in their CVs. **Consultants** should be prepared to substantiate the claimed experience if so requested by the NBAC-CS.

- (ii) A concise, complete, and logical description of how the **Consultant/s** 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 7. Time Schedule for Professional Personnel) 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 for each nominated expert, including domestic experts, if required, using the format shown. The schedule shall also indicate when experts are working in the project office and when they are working at locations away from the project office.
- (v) An organization chart indicating relationships amongst the **Consultant** and any partner and/or subcontractor, the **NEDA**, the Funding Source and the GOP, 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** Schedule.
- (vii) The name, age, nationality, background employment record, published studies/papers and professional experience of the **Consultant/s** 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 6. Format of Curriculum Vitae (CV) for Proposed Professional Staff.
- (viii) Only one CV for the **Consultant**/each of the **Consultants** involved in the Project may be submitted for the position/each position.
- (ix) The **NEDA** requires that the **Consultant/s** confirm that the content of his/her CV is correct and the **Consultant** himself/herself should sign the certification of the CV. 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:

(ix.1) failed to state nationality on the CV; or

(ix.2) the CV is not signed in accordance with paragraph (ix) above.

- (c) Sworn statement in accordance with *Section 25.2(b) (iv)* of the Revised 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.
- 11.2. The Financial Proposal requires completion of three (3) forms, particularly, FPF 1, FPF 2, and FPF 3. FPF 1. Financial Proposal Submission Form should form the covering letter of the Financial Proposal. Form FPF 2. Summary of Costs. FPF 3. Breakdown of Price per Activity.
- 11.3. The **Consultant/s**, and corresponding inputs, identified in Financial Proposal Forms, must match the expert/s and respective inputs shown in Technical Proposal Forms.
- 11.4. 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)].
- 11.5. 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**, the subcontractors, and its personnel (other than Philippine Nationals or permanent residents of the Philippines).
- 11.6. Total calculated financial proposal prices, as evaluated and corrected for minor arithmetical corrections, such as computational errors, which exceed the approved budget for the contract (ABC) of **Eleven Million Seven Hundred Two Thousand Two Hundred Ninety-Two Pesos Only (Php 11,702,292.00)**, 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 proposal and shall not associate with any other entity other than those already provided in its eligibility documents and 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 one hundred twenty (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 bid.

## 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 proposals, i.e., **23 November 2015**. Any proposal not accompanied by an acceptable proposal security shall be rejected by the **NEDA** as non-responsive during the technical proposal evaluation stage.

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 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 330**, 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 11.6**;
- (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.
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 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 330*; 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 Section 15.1.

15.7. 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.



- 15.8. 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 or RA 9184.
- 15.9. 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 one hundred twenty (120) calendar days from the date of the opening of technical proposals, unless duly extended by the proponent upon the request of the HOPE.
- 15.10. 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 or RA 9184;
  - b.) When all proponents are declared ineligible or post-disqualified and, upon receipt of the notice therefore, 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.
- 15.11. 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.
- 15.12. Commission of any of the acts mentioned in **Section 15.11** 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 Highest Rated Proposal and the **Consultant** with the next Highest Rated Proposal, and so on. However, as regards the **Consultant** with the highest rated proposal, 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.
- 15.13. 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 Section 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 three (3) separate sealed proposal envelopes, and which shall be submitted simultaneously. The **first** shall contain the Eligibility Documents, the **second** shall contain the technical proposal, and the **third** shall contain the financial proposal. Please note that for this particular procurement, the Eligibility Documents, Technical and Financial Proposals are to be submitted simultaneously.
- 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 should be filled in with the information requested.
- 16.3. The **Consultant** shall prepare an original of the first, second, and third envelopes as described in Eligibility Data Sheet and ***ITB Clauses 10 and 11***, respectively. In addition, the **Consultant** is required to submit four (4) copies of the first, second, and third 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, should be signed, and each and every page thereof should 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 Eligibility Documents in one sealed envelope marked “ELIGIBILITY DOCUMENTS”, technical proposal described in *ITB Clause 10*, in another 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, second, and third envelopes shall be similarly sealed duly marking the inner envelopes as “COPY NO. \_\_\_\_ ELIGIBILITY DOCUMENTS”, “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 single envelope.
- 17.3. Each Participating **Consultant** should submit one (1) original and four (4) copies of the first, second, and third components of its proposals. The original and the number of copies of the proposals should be typed or written in indelible ink and should be signed by the proponent or its duly authorized representative/s.
- 17.4. All envelopes should:
- (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; 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 bids 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

The Eligibility Documents, Technical and Financial Proposals must be received by the **NBAC-CS**, 4<sup>th</sup> Floor, at #12 Saint Josemaría Escrivá Drive, Ortigas Center, Pasig City 1605 on or before **23 November 2015 at 12:00 NN**.

## 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 “ELIGIBILITY MODIFICATION”, “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 Financial Proposal Form. 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 R.A. 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 Special Technical Working Group (STWG), 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*.

- 21.2. Any effort by a proponent to influence the **NEDA** in the **NEDA**'s decision in respect of 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** in 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 short listed **Consultants** may be required, at the option of the **NEDA**, to make an oral presentation to be presented by each **Consultant**, or its nominated Project Manager or head, in case of consulting firms, within fifteen (15) calendar days after the deadline for submission of Proposals.
- 23.3. The entire evaluation of the Eligibility Requirements, Technical and Financial Proposals, including the submission of the results thereof to the Approving Authority of the **NEDA** for approval, shall be completed in not more than twenty-one (21) calendar days after the deadline for receipt of proposals. The proposals with the highest rank shall be identified as the Highest Rated Proposal. 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 short listed **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 in the PhilGEPS and the website of the **NEDA**, if available, for a period of not less than seven (7) calendar days.

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

- 24.1. The NBAC-CS, with the assistance of its Technical Working Group and/or Secretariat, as necessary, shall conduct a detailed evaluation of proposals following the procedures below depending on the evaluation procedure identified in the Request for Expression of Interest and *ITB Clause 1.1*.

The opening of the Eligibility Documents shall be on **23 November 2015, 1:00 PM** at the 4<sup>th</sup> Floor Conference Room, National Economic and Development Authority (NEDA), #12 Saint Josemariá Escriba Drive, Ortigas Center, Pasig City 1605.

The bidders or their duly authorized representatives may attend the opening of bids. All **Consultants'** representative/s shall secure and bring a written authority from their authorized official (e.g., president, governing boards if Corporation) to be presented to the NBAC-CS during the Opening of Eligibility Documents stating that said representative is an authorized person to speak for and in behalf of their office/company.

Only those Consultants that passed the Eligibility Screening and met the minimum required score for shortlisting shall have their Technical and Financial Proposals evaluated.

The opening of the Technical and Financial Proposals shall be announced by the NBAC-CS through a Notice to the shortlisted Consultants.

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 twenty percent (20%) while the weight of the technical criteria shall be eighty percent (80%). The BAC shall rank the **Consultants** in descending order based on the combined numerical ratings of their technical and financial proposals and identify the Highest Rated Proposal.
  - 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 Highest Rated Proposal, the NBAC-CS shall, within three (3) calendar days, notify and invite the **Consultant** with the Highest Rated Proposal for negotiation in accordance with **ITB** Clause 26.
- 24.2. The NBAC-CS, with the assistance of its Technical Working Group and/or Secretariat, as necessary, 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) Qualifications of key **Consultant/s** to perform the duties for the Project and general qualifications and skills and competence including education and training of the key **Consultant/s**;

- (b) Experience and capability of the **Consultant** which include records of previous engagement and quality of performance in similar and in other projects; relationship with previous and current clients; and, overall work commitments, geographical distribution of current/impending projects and attention to be given by the **Consultant**. The suitability of the **Consultant** to the Project shall consider both the overall experiences of the firm and/or the individual experience/s of the key **Consultant/s** including the times when employed by other **Consultants/firms**; and
- (c) 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.

24.3. The NBAC-CS shall assign numerical weights to each of the above criteria 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:*

Criteria	Weights
1. Experience and Capability of Firm	10
2. Key Personnel Proposed to be assigned to the Project	60
3. Plan of Approach and Methodology	30

*The minimum St required to pass is **70 points** provided that no score for any major criterion is lower than **50 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 of the conflict of interest cases as described in ***ITB Clause 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<sup>th</sup> Floor, NEDA sa Pasig Building, #12 Saint Josemariá Escriva Drive, Ortigas Center, Pasig City.**

*Financial Proposals shall be opened in the presence of **Consultants** which opted to send representative/s provided that they bring with them a written authority from their authorized official (e.g., president, governing boards if Corporation) 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 their office/company.*

- 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 in the presence of the **Consultants'** representatives 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 proposals 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 GOP's international commitments, the amount of such tax privileges shall be included in the Financial Proposal for purposes of comparative evaluation of Bids.*

*The lowest Financial Proposal (Fm) shall be given a Financial Score (Sf) of 100 points. The Sf of other Financial Proposals shall be computed based on the formula indicated below:*



$$Sf = 100 \times Fl/F$$

Where:

*Sf is the financial score of the Financial Proposal under consideration,*

*Fl is the price of the Fm, and F is the price of the Financial Proposal under consideration.*

*Using the formula  $S = St \times T\% + Sf \times P\%$ , the Bids shall then be ranked according to their combined St and Sf 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 - 0.80*

*P - 0.20*

## 26. Negotiations

- 26.1. Negotiations shall be held at the 4<sup>th</sup> Floor Conference Room, NEDA-sa-Pasig #12 Saint Josemariá Escrivá 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 personnel to be assigned to the job, taking note of over-qualified personnel to be commensurate with the compensation of personnel with the appropriate qualifications, number of man-months and schedule of activities (manning schedule);
  - (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 assurances that the experts 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 until after fifty percent (50%) of the personnel's man-months have been served, except for justifiable reasons. Violators shall be fined an amount equal to the refund of the replaced personnel's basic rate, which should be at least fifty percent (50%) of the total basic rate for the duration of the engagement.

- 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, staffing, and bar charts indicating activities, staff, periods in the field and in the home office, staff-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 Highest Rated Proposal (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 and business tax returns. **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 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 the 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, short listing, or post-qualification of a **Consultant**, **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 the 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 **GOP** as follows:
  - (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 the **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** will 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 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 *ITB Clause 31*;
- (c) Signing of the contract as provided in *ITB Clause 330*; 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 Notice of Award, 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) Highest Rated **Consultant's** proposals, including the Technical and Financial Proposals, and all other documents/statements submitted;
- (d) Bid bulletins;
- (e) Performance Security;
- (f) Notice of Award of Contract
- (g) Notice to Proceed; 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 Notice of Award 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:

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

- 31.3. Failure of the successful **Consultant** to comply with the above-mentioned requirement will 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 Notice to Proceed 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 Notice to Proceed or seven (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 Bid, 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'S  
AUTHORIZED REPRESENTATIVE]  
[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. \_\_\_\_\_.

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**

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## 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 short listed **Consultant** with the Highest Rated and Responsive Proposal determined by the **NEDA** as such in accordance with the ITB.
- (c) “Consulting Services” refer to services for Infrastructure Projects and other types of projects or activities of the Government of the Philippines (GOP) 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 2015 General Appropriations Act.
- (h) “GCC” means these General Conditions of Contract.
- (i) “Government” means the Government of the Philippines (GOP).
- (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) “Personnel” means persons hired by the **Consultant** or by any Sub-**Consultant** as employees and assigned to the performance of the Services or any part thereof; “Foreign Personnel” means such persons who at the time of being so hired had their domicile outside the Government’s country; “Local Personnel” means such persons who at

the time of being so hired had their domicile inside the Philippines; and “Key/Organic Personnel” means the Personnel referred to in GCC Clause 37.

- (n) “SCC” means the Special Conditions of Contract by which the GCC may be amended or supplemented.
- (o) “Services” means the work to be performed by the **Consultant** pursuant to this Contract and as required in the TOR.
- (p) “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 46.
- (q) “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**, as well as the Personnel of the **Consultant** and 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.

## 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, and shall cause their Personnel as well as their Sub-Consultants and their Personnel not to 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 full-time foreign staff during his/her assignment under this Contract either in his name or through the 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 IRR, 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 Personnel and Sub-Consultants, 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.

9.2. The **Consultant** shall during the performance of the Services be an independent contractor, retaining complete control over its Personnel,

conforming to all statutory requirements with respect to all its employees, and providing all appropriate employee benefits.

## 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

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 Josemariá Escrivá Drive, Ortigas Center, Pasig City 1605  
Telephone: 631-0960 to 65 local 608  
Facsimile: 631-2186  
Email Address: **RG**Tungpalan@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 GOP.

## **15. Confidentiality**

Except with the prior written consent of the **NEDA**, the **Consultant** and the Personnel 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** and the Personnel 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** and/or its Personnel 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 49 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. Payment will be made to the **Consultant** through check to be picked-up by the **Consultant's** representative at the **NEDA** Cashier's office.

16.3. A retention payment of 10% 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% of the value of Study, as determined by **NEDA**, are completed. If, after 50% completion, the Study is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the 10% retention shall be imposed.

- 16.4. 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% retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of **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. If the **Consultant** is a joint venture, all partners to the joint venture shall be jointly and severally liable to the **NEDA**.

## **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 Personnel or for the dependents of any such Personnel.

## **20. Effectivity of Contract**

This Contract shall take effect on the date of the **Consultant’s** receipt of the NTP or seven (7) days from its issuance 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 or employees;
  - (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 fifteen (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 their 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 fifteen (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 thirty (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 forty-five (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 sixty (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 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 thirty (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 fifteen (15) days for short term contracts, *i.e.*, four (4) months or less, and thirty (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 thirty (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 thirty (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 sixty (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 sixty (60) days; or
- (d) The **NEDA** 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 eighty four (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 anytime 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**:

- 29.1 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 Personnel and their eligible dependents.

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

If either Party disputes whether an event specified in **GCC** Clause 25.1 or in **GCC** Clause 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 47.1(b) and 47.1(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 45. The **Consultant** shall be responsible for the provision of the necessary project office space, which shall be within close proximity to **NEDA**, for the key/organic personnel and support staffs as well as the Government's detailed personnel, 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 and its Personnel 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 any Personnel as listed in the **Consultant's** Proposal of this Contract requiring the **NEDA's** prior approval.

### **37. Personnel**

- 37.1. The **Consultant** shall employ and provide such qualified and experienced Personnel and Sub-Consultants as are required to carry out the Services.
- 37.2. The position, agreed job description and estimated period of engagement in the carrying out of the Services of each of the **Consultant's** Key/Organic Personnel are described in the Proposal of the **Consultant**.



- 37.3. The Key/Organic Personnel listed in the Proposal of the **Consultant** are hereby approved by the **NEDA**. In respect of other Key/Organic Personnel which the **Consultant** proposes to use in the carrying out of the Services, the **Consultant** shall submit to the **NEDA** for review and approval a copy of their biographical data and, in the case of Key/Organic Personnel to be assigned within the GOP, a copy of a satisfactory medical certificate attached. If the **NEDA** does not object in writing; or if it objects in writing but fails to state the reasons for such objection, within twenty-one (21) calendar days from the date of receipt of such biographical data and, if applicable, such certificate, the Key/Organic Personnel concerned shall be deemed to have been approved by the **NEDA**.
- 37.4. The **NEDA** may request the **Consultants** 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.
- 37.5. No changes shall be made in the Key/Organic Personnel, except for justifiable reasons beyond the control of the **Consultant**, and only upon prior approval of the **NEDA**. The **Consultant** may change its Key/Organic Personnel only for reasons of death, serious illness, incapacity of an individual **Consultant**, or until after fifty percent (50%) of the Personnel's man-months have been served.
- 37.6. If it becomes justifiable and necessary to replace any of the Personnel, the **Consultant** shall forthwith provide as a replacement a person of equivalent or better qualifications. If the **Consultant** introduces changes in Key/Organic Personnel for reasons other than those mentioned above, the **Consultant** shall be fined an amount equal to the refund of the replaced Personnel's basic rate, which should be at least fifty percent (50%) of the total basic rate for the duration of the engagement.
- 37.7. Any of the Personnel provided as a replacement under **GCC** Clauses 37.5 and 37.8, the rate of remuneration applicable to such person as well as any reimbursable expenditure the **Consultant** may wish to claim as a result of such replacement, shall be subject to the prior written approval by the **NEDA**. Except as the **NEDA** may otherwise agree, the **Consultant** shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and the remuneration to be paid for any of the Personnel provided as a replacement shall not exceed the remuneration which would have been payable to the Personnel replaced.
- 37.8. If the **NEDA** finds that any of the Personnel 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 any of the Personnel, then the **Consultant** shall, at the **NEDA**'s written request specifying the grounds therefore, forthwith provide as a replacement a person with qualifications and experience acceptable to the **NEDA**.
- 37.9. 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 its personnel incident to or in connection with the services under this Contract. The Consulting Firm 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 Consulting Firm or its personnel 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 and holidays for Key/Organic Personnel are the responsibility of the **Consultant**. The **Consultant** shall ensure that the working hours and holidays allocated to Key/Organic Personnel 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 Key/Organic Personnel 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. All leaves and holidays to be allowed to the Personnel are the responsibility of the **Consultant**. Taking of leave or holiday by any Personnel should not delay the progress and adequate supervision 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 40.1 hereof, adjustments with respect to the estimated periods of engagement of Key/Organic Personnel set forth in the **Consultant's** 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 48.1 of this Contract. Any other such adjustments shall only be made with the **NEDA's** prior written approval.

### **39. Performance Security**

- 39.1. 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

- 39.2. 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.
- 39.3. The performance security shall remain valid until issuance by the **NEDA** of the Certificate of Final Acceptance.
- 39.4. 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.
- 39.5. 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 ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

#### 40. Standard of Performance

- 40.1. 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.
- 40.2. 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.

40.3. The **Consultant** shall furnish to the **NEDA** such information related to the Services as the **NEDA** may from time to time reasonably request.

40.4. The **Consultant** shall at all times cooperate and coordinate with the **NEDA** with respect to the carrying out of its obligations under this Contract.

#### **41. Consultant Not to Benefit from Commissions, Discounts, etc.**

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 Personnel and agents of either of them, similarly shall not receive any such additional remuneration.

#### **42. 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**.

#### **43. Specifications and Designs**

43.1. 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.

43.2. 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.

#### **44. Reports**

44.1. The deliverables for the subject Study as enumerated below shall be submitted by the Consulting Firm in four (4) hard copies to **NEDA** for review and/or payment processing. An electronic/soft copy shall also be submitted to **NEDA** on the date/period specified hereunder:

<b>Deliverables</b>	<b>Timeline</b>
Work and Financial Plan	Five (5) working days from the date of commencement as indicated in the NTP
Draft Inception Report	1 month after the receipt of NTP
Inception Report	2 months after from the receipt of NTP
Monthly Status Reports	Monthly until the end of tenth month

	(excluding the sixth month), within seven (7) calendar days from the end of agreed month-period
Interim Report	6 months after from the receipt of NTP
Draft Final Report	11 months after from the receipt of NTP
Final Feasibility Report	12 months after from the receipt of NTP

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

## 45. Assistance on Government Requirements

45.1. **NEDA** or other concerned government agencies/entities, may assist the **Consultant**, Sub-Consultants, and Personnel 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.

45.2. **NEDA** or other concerned government agencies/entities, shall use its best efforts to ensure that the Government shall:

- (a) provide the Consultant, Sub-Consultants, and Personnel with work permits and such other documents as shall be necessary to enable the Consultant, Sub-Consultants, or Personnel to perform the Services;
- (b) arrange for the foreign Personnel 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 foreign Personnel and their 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, any foreign Sub-Consultant and the Personnel of either of them 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 Personnel and their dependents.

## 46. Subcontract

46.1. 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.

- 46.2. 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**.

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

- 47.1. 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 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.

- 47.2. 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 the **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 the **NEDA** decides otherwise, terminate this Contract.

- 47.3. 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.

## **48. Contract Cost**

- 48.1. Except as may be otherwise agreed under **GCC** Clause 8, payments under this Contract shall not exceed \_\_\_\_\_, inclusive of all applicable Government taxes and charges, professional fees, and other incidental and administrative costs (i.e., transportation expenses, printing and reproduction of

reports, cost of conduct of workshops and meetings including, food, venue, and equipment rental, and other expenses deemed necessary for the project). The **Consultant** shall notify the **NEDA** as soon as cumulative charges incurred for the Services have reached eighty percent (80%) of this ceiling.

- 48.2. The cost of the Services shall be payable in Philippine Pesos.
- 48.3. This Consulting contract shall be a fixed price contract. Any extension of the contract period shall not involve any additional cost to the Government.

## 49. Payment Schedule

- 49.1 Payments of services do not relieve the **Consultant** of any obligation hereunder.
- 49.2 Remuneration shall be determined on the basis of acceptance by **NEDA** of the **Consultant's** deliverables/outputs. Personnel - Any replacement approved by the Procuring Entity in accordance with *ITB Clause 26.4* shall be provided by the **Consultant** at no additional cost.
- 49.3 Further, it is understood that the remuneration rates shall cover:
  - a. Such salaries and allowances as the **Consultant** shall have agreed to pay to the Personnel as well as factors for social charges and overhead;
  - b. The cost of backstopping by home office staff not included in the Personnel list in the **Consultant's** proposal; and
  - c. The **Consultant's** fee.
- 49.4 Bonuses or other means of profit-sharing shall not be allowed as an element of overhead. Any rates specified for persons not yet appointed shall be provisional and shall be subject to revision, with the written approval of **NEDA**.
- 49.5 Billings and payments in respect of the Services shall be made as follows:
  - a. Billing for remuneration shall be in accordance with the following delivery schedule, subject to the usual Government accounting and auditing requirements:

Description	Payment
Upon acceptance of the Inception Report	10%
Upon acceptance of the Interim Report	25%
Upon acceptance of the Draft Final Report	35%
Upon acceptance of the Final Report	30%
<b>TOTAL</b>	<b>100%</b>

- b. 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.

- c. The monthly progress reports shall be the basis for payment of reimbursable items. Billing for the *reimbursable items* may be requested not more than once a month based on the *actual expenses incurred* and supported by *official receipts/documents*.

In the absence of *official receipts/documents* when claiming for *reimbursable costs*, the Consulting Firm may also be allowed to submit a *certification of actual disbursements made under oath*.

- 49.6 Activity Schedule- Should the rate of progress of the Services, or any part hereof, be at any time in the opinion of the **NEDA** too slow to ensure that the Services are completed in accordance with the Staffing Schedule, the **NEDA** shall so notify the **Consultant** in writing and the **Consultant** shall at its sole cost and expense, there upon take such steps as necessary, subject to the **NEDA's** approval or as reasonably required by the **NEDA**, to expedite progress so as to ensure that the Services are completed in accordance with the Activity Schedule.
- 49.7 Final payment pursuant to GCC Clause 50 shall be made by the Procuring Entity after the final report has been submitted by the **Consultant** and approved by the Procuring Entity.
- 49.8 Termination - Upon the receipt or giving of any notice referred to in GCC Clause 27 and if the **Consultant** is not in default under this Contract and has partly or substantially performed its obligation under this Contract up to the date of termination and has taken immediate steps to bring the Services to a close in prompt and orderly manner, there shall be an equitable reduction in the maximum amount payable under this Contract to reflect the reduction in the Services, provided that in no event shall the **Consultant** receive less than his actual costs up to the effective date of the termination, plus a reasonable allowance for overhead and profit.
- 49.9 No additional payment for variation order, if any, shall be allowed for this Contract.

## 50. Final Payment

- 50.1 The final payment shall be made only after the final report as revised based on **NEDA** comments, and a final statement, identified as such, shall have been submitted by the **Consultant** and approved 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** ninety (90) calendar days after receipt of the final report and final statement by the **NEDA** unless the **NEDA**, within such ninety (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 ninety (90)



calendar days, and upon completion of such corrections, the foregoing process shall be repeated.

- 50.2 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 thirty (30) days after receipt by the **Consultant** of notice thereof. Any such claim by the **NEDA** for reimbursement must be made within twelve (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.

## **51. 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 (10%) 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<sup>3</sup>

## Consulting Services for the Conduct of Feasibility Study on the Nationwide Deployment of Modularized Village-Scale Ethanol Biorefineries

### 1. BACKGROUND/RATIONALE

#### 1.1. Contracting Authority

The General Appropriations Act (GAA) for 2014 has allocated the amount of Four Hundred Million Pesos (PhP 400,000,000.00) for the conduct of feasibility studies (F/S) to be administered by the National Economic and Development Authority (NEDA). Thus, the Central Luzon State University (CLSU) and Mariano Marcos State University (MMSU) submitted the subject proposal to NEDA for consideration and inclusion under the said fund.

NEDA shall be the Executing Agency while CLSU shall be the Principal Implementing Agency in collaboration with MMSU. The proposed project is consistent with CLSU and MMSU's major programs/projects/activities (PPAs).

#### 1.2. Project Profile

The Philippines is a major producer and user of biofuels. The Philippines Biofuels Act of 2006 (Republic Act 9367) requires the blending of biodiesel and ethanol in all locally distributed diesel and gasoline (currently at 2% and 10%, respectively). As the country is the world's top coconut oil producer, there have been no compliance issues meeting the mandated biodiesel blend; compliance with the 10% mandated ethanol blend in gasoline, however, is a big problem for the industry. Inadequate capacity of existing sugarcane distilleries, low productivity, and high production costs has eroded the competitiveness of locally grown sugarcane and the country currently imports more than 83% of its ethanol requirement.

This is a proposal from CLSU and MMSU to engage the services of independent consultants to conduct a feasibility study to deploy low cost ethanol biorefineries, in select areas of the Philippines that have Nipa feedstocks available to produce ethanol and are in close proximity of large commercial scale ethanol distilleries. These biorefineries, costing no more than PhP 200K each to deploy, are capable of using not only sugar cane, but also alternative feedstocks such as nipa palm sap, to produce fuel-grade ethanol. With each ethanol biorefinery capable of producing 60 L of fuel grade ethanol per day, 5,000 of these plants - scattered throughout the Philippines where

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<sup>3</sup>The Terms of Reference (TOR) can also be downloaded from the NEDA website: <http://www.neda.gov.ph>

there are already established large-scale distilleries, - can supply the current shortfall in the bioethanol needs of the country, at the fraction of the cost of building just ONE centralized, large scale bioethanol refinery.

CLSU and MMSU affirm that the project is consistent with the mandate of both universities to provide Extension and Outreach to the community. These are major activities under the umbrella of State Universities and Colleges primary tripartite mandate to provide Research, Instruction and Extension. Likewise, it is generally accepted that State Universities serve a primary role in promoting human development and improving the Philippine economy's competitiveness.

The proposed project under the F/S is congruent with the Strategic Core Investment Programs and Projects under the 2011-2016 Revalidated Public Investment Program, Chapter 4: Competitive and sustainable agriculture and fisheries to wit:

4.2 Philippine Rural Development Program (PRDP) - Agricultural enterprises developed

4.3 Convergence on Value-Chain Enhancement for Rural Growth & Empowerment (ConVERGE)

– Rural enterprises established

4.4 Agribusiness Clusters Engagement Strategy (ACES) – Rural enterprises

### **1.3. Relevant Country/Sector Contexts**

The deployment project, if proven feasible and implemented, will contribute significantly to the realization of the goals of the Philippine Development Plan 2011-2016 that adopted a framework of inclusive growth: high growth that is sustained, generates mass employment, and reduces poverty in rural areas of the Philippines. Most importantly, it will make the country self-sufficient in ethanol.

### **1.4. Current State of the Relevant Sector**

The Philippine government considers the use of biofuels as one of the key ways to reduce carbon dioxide emissions and lessen the country's dependence on foreign oil. Republic Act 9637 (2006 Philippine Biofuels Act), mandated the use of 10% Ethanol as gasoline oxygenate in 2011. Under the Implementing Rules and Regulations of the Act, the Philippine National Standards (PNS) specified that the ethanol used in blending should be 99.3% anhydrous. The technical requirements needed to produce anhydrous ethanol severely limited the participation of village-scale industries in the production of fuel-grade ethanol – the very sector that the legislation purportedly wants to benefit. This is the challenge that anchored the biofuel R & D initiatives at MMSU and CLSU: to develop adoptable and adaptable technologies that would allow ordinary feedstock growers and gatherers to participate in the vertical integration of this nascent industry. These two State Universities have developed fermentation and

distillation technologies to produce fuel-grade ethanol that can be used as oxygenate and fuel blend to gasoline.

From the very beginning, the R&D programs of MMSU and CLSU have had a strong advocacy towards poverty alleviation, livelihood creation, and climate change mitigation. The collaboration of MMSU and CLSU resulted in the development of village-scale ethanol biorefineries that are capable of producing fuel grade hydrous ethanol. Costing no more than a tricycle – the quintessential entry level means of livelihood - these small scale ethanol biorefineries are the antithesis of the large bioethanol refineries that have been built costing billions of pesos but are now floundering. They had the wrong business model for the Philippines.

In a country of 7107 islands, the production of bioethanol must be distributive and scattered rather than centralized. Compared to large-scale bioethanol plants, these enterprises require less financial outlay to establish and are less affected by financial economic downturns. Most importantly, under a small-scale business model, village-level participants stand to benefit from the higher levels of vertical integration in the bioethanol industry. Instead of selling a raw product such as juices to large bioethanol plants, they can profit from the sale of a much higher value product – fuel grade ethanol. Using Nipa sap as primary feedstock, sugars from the sap are converted to ethanol that is then distilled to a concentration of 95%. This ethanol, although containing 5% water, has been proven to be just as good as anhydrous ethanol when used as gasoline oxygenate to power spark-ignition engines. These enterprises would generate employment and alleviate rural poverty through the development of village level bio-ethanol industry.

CLSU and MMSU believe that given the state of their technology, the low-cost ethanol biorefinery is ready for nation-wide deployment as commercial enterprises in areas where ample supply of feedstocks such as nipa sap are available. These areas should be within a reasonable proximity to already existing large, commercial scale distilleries.

### **1.5. Related projects/programs and other donor activities**

More recently, MMSU and CLSU have sought, and received, funding from US-AID to deploy their technology in three pilot locations - Pamplona, Cagayan; Batac, Ilocos Norte; and Mulanay, Quezon - to process nipa sap, sweet sorghum and waste coconut water, respectively. The group received funds from USAID in November, 2014. Their USAID proposal is one of only three that were funded, out of 35 submitted applications under the USAID-Stride Carwin Program. ***The major conclusion of the funded project is that Nipa sap is the most promising alternative feedstock for bioethanol production in rural areas of the Philippines.***

## **2. OBJECTIVE, PURPOSE & EXPECTED RESULTS**

## **2.1 Overall objective of the project/study**

### **Objectives of the Feasibility Study**

The main objective of the feasibility study is to identify and analyse market, organizational/technical and financial requirements related to the deployment of village-scale bioethanol plants in selected areas of the Philippines where Nipa stands are available and are in proximity of existing large scale ethanol distilleries. If proven feasible, proponents will apply for a grant to deploy village-scale biorefineries country-wide. Value/Options Analysis including risk analysis will be integrated in the study.

## **2.2 Specific objectives**

Specifically, the Feasibility Study will:

- i) Identify areas of the country capable of supplying nipa feedstocks to operate a village-scale ethanol biorefinery in close proximity of large-scale commercial distilleries;
- ii) Conduct market research on the size and demographics of the bioethanol market;
- iii) Identify existing distilleries with large capacity, but lacking in outputs (in terms of quantity), as possible market/buyer for the hydrous ethanol with 95% grade;
- iv) Develop project specifications on the deployment of a village-scale modular bioethanol plant in these areas;
- v) Conduct Cost Benefit Analysis; and
- vi) Prepare Feasibility Report.

## **2.3 Expected Results**

The successful deployment of village-scale bioethanol plants throughout the country where ample feedstocks are available will result in:

- Participation of rural communities in the vertically-integrated production of bioethanol.
- Participation of small-scale producers in higher levels of vertical integration in the bioethanol industry; i.e., instead of selling a raw product such as juices to large bioethanol plant, they can profit from the sale of fuel-grade ethanol.
- Generation of employment and alleviation of rural poverty through the development of village level bioethanol industry.
- Maximization of the use of sustainable feedstocks that do not create issues of food vs fuel.

- Reduction in the amounts of ethanol importation and contribute to the ethanol self-sufficiency goals of the country.

All the above expected results buttress the principal goal of the Philippine Development Plan 2011-2016 - inclusive growth, which is high growth that is sustained, generates mass employment, and reduces poverty in the rural communities.

### **3. ASSUMPTIONS & RISKS/LIMITATIONS**

#### **3.1 Assumptions underlying the project intervention**

- There is strong interest in developing the bioethanol industry in the Philippines as evidenced by foreign and local investments in 15 large-scale bioethanol plants in various stages of planning and construction.
- The demand for bioethanol will remain strong in the foreseeable future due to the requirements of the 2006 Biofuels Act and the expanding economy of the country.
- Philippine Development Plan 2011-2016 targets rural communities in its program of inclusive growth, which is high growth that is sustained, generates mass employment, and reduces poverty.

#### **3.2 Limitations**

The proposed F/S project will be limited to the identification and analysis of the bioethanol market for fuel grade ethanol produced at the village-level, as well as organizational/technical and financial issues related to the deployment of village-scale bioethanol plants in selected areas of the Philippines.

### **4. SCOPE OF WORKS**

The scope of works shall cover but not be limited to the conduct of a nipa plantation study, processing study, environmental study, social study, marketing study, financial study and legal study. Value/Options Analysis including risk analysis will be integrated in the study on the deployment of ethanol biorefineries using Nipa sap.

#### **4.1 General**

This study shall cover the following: i.) identification of areas of the country capable of supplying feedstock to operate a village-scale ethanol biorefinery, ii.) conduct market research on the size and demographics of the bioethanol market, iii.) develop project specifications on the deployment of a village-scale modular bioethanol plant in these areas, and iv.) conduct Cost Benefit Analysis.

##### **4.1.1 Proponents, Target Group and Beneficiaries**

Central Luzon State University and Mariano Marcos State University are end users of the F/S and potentially, the implementing agency of biorefinery deployment. Both institutions are comprehensive universities and leaders in bio-ethanol and alternative energy research. As State Universities, the research programs of both institutions have long histories of strong advocacy on poverty alleviation, livelihood and job creation, and climate change mitigation.

The partnership of MMSU's Bioethanol Team and CLSU's Alternative and Renewable Energy Center (AREC) group have developed and fabricated a modular Village Scale Fermentation and Reflux Distillation System costing no more than Php 200,000. This system was publicly unveiled on February 4, 2014. This village scale bioethanol plant is capable of producing 60 liters of hydrous azeotropic ethanol per day and can handle multiple feedstock sources. More recently, an improved model, specific for Nipa sap, was deployed in Pamplona, Cagayan on October 7, 2014. More deployments are planned in the next 12 months with funding from PhilRice and USAID, the target group and beneficiaries of which are the small-scale ethanol producers, including Nipa sap producers, harvesters and processors; copra producers who have no specific use for the waste coco water by-product; and sweet-sorghum farmers. Producers of other feedstocks such as sugar cane, cassava, corn, whose products that are damaged or are in excess of current consumption needs, are also potential beneficiaries.

#### 4.1.2. Geographical area to be covered

The study will encompass all of the Administrative Regions of the Philippines that have potential bioethanol feedstocks except NCR. The identification of more specific areas will follow after consultation with Provincial field offices of Governmental Agencies such as the Department of Agriculture and Department of the Environment and Natural Resources and will comprise the final report. Initially, therefore, this will include:

CAR	Region I	Region II	Region III
<ul style="list-style-type: none"> <li>Abra</li> <li>Apayao</li> <li>Benguet</li> <li>Ifugao</li> <li>Kalinga</li> <li>Mountain Province</li> </ul>	<ul style="list-style-type: none"> <li>Ilocos Norte</li> <li>Ilocos Sur</li> <li>La Union</li> <li>Pangasinan</li> </ul>	<ul style="list-style-type: none"> <li>Batanes</li> <li>Cagayan</li> <li>Isabela</li> <li>Nueva Viscaya</li> <li>Quirino</li> </ul>	<ul style="list-style-type: none"> <li>Aurora</li> <li>Bataan</li> <li>Bulacan</li> <li>Nueva Ecija</li> <li>Pampanga</li> <li>Tarlac</li> <li>Zambales</li> </ul>

  

Region IV-A	Region IV-B	Region V	Region VI
<ul style="list-style-type: none"> <li>Cavite</li> <li>Laguna</li> <li>Batangas</li> <li>Rizal</li> <li>Quezon</li> </ul>	<ul style="list-style-type: none"> <li>Marinduque</li> <li>Occidental Mindoro</li> <li>Oriental Mindoro</li> <li>Romblon</li> <li>Palawan</li> </ul>	<ul style="list-style-type: none"> <li>Albay</li> <li>Camarines Norte</li> <li>Camarines Sur</li> <li>Catanduanes</li> <li>Masbate</li> <li>Sorsogon</li> </ul>	<ul style="list-style-type: none"> <li>Aklan</li> <li>Antique</li> <li>Capiz</li> <li>Guimaras</li> <li>Iloilo</li> <li>Negros Occidental</li> </ul>

Region VII	Region VIII	Region IX	Region X
<ul style="list-style-type: none"> <li>• Bohol</li> <li>• Cebu</li> <li>• Negros Oriental</li> <li>• Siquijor</li> </ul>	<ul style="list-style-type: none"> <li>• Biliran</li> <li>• Eastern Samar</li> <li>• Leyte</li> <li>• Northern Samar</li> <li>• Samar</li> <li>• Southern Leyte</li> </ul>	<ul style="list-style-type: none"> <li>• Zamboanga del Norte</li> <li>• Zamboanga del Sur</li> <li>• Zamboanga Sibugay</li> </ul>	<ul style="list-style-type: none"> <li>• Bukidnon</li> <li>• Camiguin</li> <li>• Lanao del Norte</li> <li>• Misamis Occidental</li> <li>• Misamis Oriental</li> </ul>

Region XI	Region XII	Region XIII	ARMM
<ul style="list-style-type: none"> <li>• Compostela Valley</li> <li>• Davao del Norte</li> <li>• Davao del Sur</li> <li>• Davao Oriental</li> </ul>	<ul style="list-style-type: none"> <li>• Cotabato</li> <li>• Sarangani</li> <li>• South Cotabato</li> <li>• Sultan Kudarat</li> <li>• General Santos City</li> </ul>	<ul style="list-style-type: none"> <li>• Agusan del Norte</li> <li>• Agusan del Sur</li> <li>• Dinagat Island</li> <li>• Surigao del Norte</li> <li>• Surigao del Sur</li> </ul>	<ul style="list-style-type: none"> <li>• Basilan</li> <li>• Lanao del Sur</li> <li>• Maguindanao</li> <li>• Shariff Kabunsuan</li> <li>• Sulu</li> <li>• Tawi-tawi</li> </ul>

From among the areas listed above, the study should be able to identify at least four (4) locations each from Luzon, Visayas and Mindanao (total of 12 locations). Each location should have at least 100 hectares of Nipa plantation. Each location should, as much as possible, be in close proximity to a large bioethanol distillery such as those, but not limited, to those shown in the accompanying map below as there may be other distilleries that were not identified in the map. If on the other hand, the identified areas are not in close proximity to a large distillery, the study should be able to identify an area that is central to the four locations and then be able to include in the f/s options that will cater to the distillation of the 95% hydrous ethanol produced by the village-scale biorefineries into higher grade ethanol as specified by law for fuel consumption (e.g. construction of large distillery, transportation of hydrous ethanol to nearest distillery, procurement of a device that converts hydrous to non-hydrous ethanol).<sup>4</sup>

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<sup>4</sup> Note that there has not been any large distillery identified yet in Mindanao





Simple cost and return analysis should be conducted. It should present the benefits (tangible and intangible benefits) that could be derived out of the deployment and of operating the village-scale biorefinery. In this regard, the study will consider the following; harvesting nipa sap and processing it into hydrous ethanol as source of income for the village people, need for the village people to form an association/organization for them to effectively and efficiently operate and manage the small biorefinery, and computation on return on investments.

## 5. TIMELINES AND DELIVERABLES

### 5.1 Commencement Date and Period of Implementation

The Study shall be completed within a period of twelve (12) months, commencing from the date of receipt of the Notice to Proceed (NTP). Refer to **ANNEX A** for the table activities/expected outputs.

### 5.2 Table of Deliverables and Timelines

A *detailed Work and Financial Plan* (WFP) shall be submitted by the Consulting Firm to CLSU for review (copy furnished NEDA for monitoring purposes and payment processing) within five (5) working days from the date of commencement as indicated in the NTP.

The deliverables for the subject study as enumerated below shall be submitted by the Consultant in four (4) hard copies to CLSU for review and two (2) hard copies to NEDA for monitoring purposes. An electronic/soft copy shall also be submitted to CLSU and NEDA.

All analyses and findings resulting from this study shall be documented in a formal report that shall be prepared in a comprehensive manner, supported with sufficient details and information.

Deliverables	Timeline
Work and Financial Plan	Five (5) working days from the date of commencement as indicated in the NTP
Draft Inception Report	1 month after the receipt of NTP
Inception Report	2 months after from the receipt of NTP
Monthly Status Reports	Monthly until the end of tenth month (excluding the sixth month), within seven (7) calendar days from the end of agreed month-period
Interim Report	6 months after from the receipt of NTP
Draft Final Report	11 months after from the receipt of NTP
Final Feasibility Report	12 months after from the receipt of NTP

The *Inception Report and Work and Financial Plan* shall include, among others, the detailed work program for the scope of the study, as well a detailed schedule for all

work, including field work related to applicable tasks. The Inception Report shall contain the initial assessment and appreciation of the Consultant on the available data/information collected relative to the study, including their recommendations and additional requirements. The Inception Report shall also include the fulfilment of the study conditions listed in this TOR as well as approached methodologies and other engineering norms to be utilized in the development of the study.

The *Monthly Progress Reports* shall include updates on the physical and financial accomplishments of each of the activities under the Work and Financial Plan, including the difficulties encountered and measures taken to overcome them.

The *Interim Report* shall include the accomplishments done during the first 6 months of the project, including problems encountered during the conduct of the study, as well as recommendations in order to satisfy the objectives of the study.

The *Draft Final Report*, which shall be submitted to CLSU for final approval, will in general, consist of the completed F/S. It should contain the discussions on the activities as specified on the Scope of Work of the study. It should also include problems encountered during the conduct of the study, as well as solutions done in solving the encountered problems. Finally, the report should be able to conclude as to whether deploying a small biorefinery in the target locations is warranted or not, including the engineering specifications of the small biorefinery to be deployed.

Specifically, this report shall consist of, but not limited to, the following:

- 1) **Volume 1** (Executive Summary) – shall contain brief discussions, project highlights and conclusions/recommendations pertaining to the selected/adopted sites;
- 2) **Volume 2** (Main Report) – shall contain detailed and narrative discussions of the Consultant's findings, evaluation and analyses generated on all aspects and disciplines involved in the study;
- 3) **Volume 3 to *n*** – shall consist of individual/stand-alone report for each island grid where potential hydropower sites are to be developed. Each volume shall contain detailed description and technical highlights of the selected sites, conceptual design drawings/layouts of the preferred scheme/plant configuration and brief discussions pertaining to the prospective plant components and associated facilities; and
- 4) **Appendices** – shall contain the primary/secondary data and references used in the study (i.e. hydrological, geological and geotechnical data, socio-environmental, etc.).

The *Final Report* shall be prepared and submitted by the Consultant, subject to the acceptance of CLSU, in a set of ten (10) copies along with the reproducible and/or soft copies of all the documents (in CDs, DVDs and/or other media types and in format acceptable to CLSU) comprising the Final Report. The final report shall be prepared in a manner and format similar to the Draft Final Report including the

adjustments made, if any, due to CLSU's comments and/or suggestions to the draft final report.

## **6. EXPERTISE REQUIREMENTS**

### **6.1 Key Experts, Consultant Qualifications and Skills**

**General:** The assignment is intended for an independent consulting team, to be chosen following the standard procurement process contained in Republic Act 9184. The team and the key professionals must demonstrate strong experience in bringing together a network of technical, project management and financial partners into small-scale biorefineries. It shall also have experience in executing and leading activities to develop potential investment opportunities. All experts under this contract must demonstrate: Good written and verbal command in English; have excellent communication, analytical and organizational skills; be proficient in report drafting; and have excellent team working abilities. The selection of team members will be primarily based on the technical capability and qualifications.

#### **6.1.1 Team Leader/Biofuels Production and Utilization Expert**

##### **Qualifications and Skills:**

The Team Leader should have at least PhD degree in Agricultural Engineering with minimum ten (10) years of work experience in providing advisory services and specific experience in the biofuels field including in capacity as Team Leader of at least two (2) projects of similar nature.

The Team Leader must be knowledgeable in the conduct of VE/VA or pre-F/S and F/S with option analysis/choice of alternatives with at least two (2) projects of work experience related thereto.

The team leader shall be responsible for the overall management and coordination of day-to-day work of the team, monitoring of the progress of the study as well as support the team of experts during performance of the study in all aspects that are within his/her competence and are subject of this specification. In addition, he/she will devise a strategy to create and maintain close contacts and good working relation with NEDA and CLSU-MMSU

#### **6.1.2 Technical Experts (Qualification and Skills)**

##### **6.1.2.1 Fermentation Biologist/Chemist**

The Fermentation Biologist/Chemist should have at least MSc degree in Biological Sciences or Agricultural Chemistry with significant work experience in the biofuels field minimum of five (5) years with at least one (1) project of similar nature.

The consultant shall be responsible to the identification of areas suitable for deployment of ethanol biorefinery as well as identification of feedstock suitable for ethanol production in specific areas. In addition, he/she will participate in the assessment of the potentials of regions.

#### **6.1.2.2 Agricultural/Environmental Engineer**

Consultant should have at least MSc degree in Agricultural or Environmental Engineering with significant work experience in the biofuels field and project packaging minimum of five (5) years with at least one (1) project of similar nature.

The consultant shall be responsible for the following: i.) assessment of environmental effect of deployment of village-scale ethanol biorefineries in the rural areas, ii.) identify projects and prepare engineering packages for deployment of ethanol biorefineries, and iii.) assist in formulating and assessment of the potentials of regions

#### **6.1.2.3 Developmental Economist**

Consultant should have at least MS degree in economics, finance or business administration with a professional career of a minimum of five (5) years of relevant work experience in the agriculture systems.

The consultant shall be responsible for the following: i.) perform economic and financial analysis and modelling, ii.) analyse the technical and financial feasibility of renewable energy related to biofuels, iii.) quantify and assess the likelihood of risks in developing and operating small ethanol biorefineries, and iv.) assess key private sector considerations when investing in small biorefineries.

#### **6.1.2.4 Legal Law Expert**

Legal Law expert must have a University degree in law with at least five (5) years experience in the field of national law and regulations related to the biofuels industry.

The consultant shall provide legal services relating to biofuels and bioethanol production in small scale including analyses of specific legal requirements in setting up small-scale bioethanol plants.

#### **6.1.2.5 Development Communications Expert**

Development Communications expert must have at least MS degree in Development Communications and minimum (5) years of work experience on dissemination of reports on technology deployment in rural areas related to agricultural products.

The consultant shall conduct training needs assessment associated with deployment of new technology in the rural areas

### **6.1.3 Support Staff**

Contractor's team shall include adequate support staff to assist the Key Experts in the performance of the Study. Support staff shall perform the necessary technical, administrative and secretarial duties.

## **7. CRITERIA FOR SELECTION**

**7.1** Prospective Consulting will be rated based on the criteria shown in **ANNEX B** ("Criteria for Shortlisting") and as summarized below:

**7.1.1** Applicable Experience of the Firm (within the past 15 years);

**7.1.2** Qualification of Officer, Key Organic Personnel who may be Assigned to the Project (*Note: In case that the nominated personnel is not key official/organic, a notarized letter of commitment should be submitted for each personnel*); and

**7.1.3** Job Capacity

**7.2** The Consulting Firm shall be selected using the Quality-Cost Based Selection/Evaluation (QCBS/QCBE) procedure under Republic Act (RA) No. 9184, or the Government Procurement Reform Act (GPRA), and its Revised Implementing Rules and Regulations (IRR) and based on the following criteria:

**7.2.1** Technical Proposal : 80%

**7.2.2** Financial Proposal : 20%

## **8. SOURCE OF FUNDS**

Funds for the conduct of subject F/S will be sourced from NEDA's F/S Fund.

## **9. INSTITUTIONAL SET-UP/RESPONSIBILITIES**

### **9.1. Executing Agency (EA)/NEDA**

**9.1.1** Shall be the Executing Agency (i.e. representative of the Government in the Contract Agreement with the consultant);

- 9.1.2 Shall, through its NEDA Bids and Awards Committee (NBAC), be responsible for facilitating the bidding and tendering of the consultancy services in compliance with Republic Act 9184 and its Implementing Rules and Regulations (IRR) with the Implementing Agency as end-user;
- 9.1.3 Shall be responsible for the disbursement of the fund for the conduct of the F/S once the contract becomes executed;
- 9.1.4 Shall be responsible for the preparation and submission of financial reports as required by the Department of Budget and Management (DBM) and other reportorial requirements regarding the F/S Fund administration;
- 9.1.5 Shall evaluate, in accordance with CLSU, all request for payments/billings and determine the acceptability/correctness of the same;
- 9.1.6 Shall have the option to detail two (2) counterpart technical personnel to the project for the purpose of on-the-job capacity building/technology transfer; and
- 9.1.7 Shall provide, upon the request of the Consulting Firm, available information/data and also, if available, copies of previous related studies subject to the execution of the Non-Disclosure Agreement, if necessary.

## **9.2.Implementing Agency (IA)/CLSU**

- 9.2.1 Shall be the beneficiary/end-user of the consultancy services;
- 9.2.2 Shall be responsible for the contract implementation and management, including ensuring the quality of outputs. Further, CLSU, in coordination with NEDA, shall be responsible for the monitoring and evaluation of the progress of the study and approval of reports to ensure delivery of outputs as specified in Sections 2,3 and 4 of this TOR;
- 9.2.3 Shall provide assistance in coordination with other agencies related to the study;
- 9.2.4 Shall warrant, with the assistance from NEDA, that the Consulting Firm shall have free and unimpeded access to all lands and properties required for the effective execution of the services. Likewise, CLSU shall be jointly responsible with NEDA for any damage to such land or any property thereon resulting from such access (unless such damage is caused by the willful default or negligence of the Consulting Firm or its Staff);
- 9.2.5 Shall provide, upon the request of the Consulting Firm, available information/data and also, if available, copies of previous related studies subject to the execution of the Non-Disclosure, if necessary;

- 9.2.6 Shall evaluate and endorse to NEDA the acceptability and correctness of the deliverables for the purposes of fund release/payment to the Consulting Firm; and
- 9.2.7 Shall have the option to detail two (2) counterpart technical personnel to the project for the purpose of on-the-job capacity building/technology transfer.

### **9.3.Consulting Firm**

- 9.3.1 Shall be responsible for the conduct of the study and the timely delivery of results/outputs as indicated under Sections 2, 5 and 6 of this TOR;
- 9.3.2 Shall be responsible for the provision of the necessary office space which shall be within close proximity to NEDA or CLSU, for their project staff as well as the Government's detailed personnel including the necessary office equipment (i.e. computers, printers, office supplies, etc.) for the conduct of the study. All equipment procured or used in the development of the project shall be transferred to the government at the end of the project;
- 9.3.3 Shall shoulder all expense required in the conduct of the study, including travel costs and lodging of detailed Government personnel during field visits, except for their salaries;
- 9.3.4 Shall (a) carry out the services with sound engineering theories and practices to ensure that the final works will provide the most economical and feasible development for the study, (b) accept full responsibility for the consulting services to be performed under this TOR for which the Consulting Firm is liable to CLSU, (c) perform the work in an efficient and diligent manner and shall use its best effort to keep reimbursable costs down to the possible minimum without impairing the quality of the services rendered, and (d) comply with, and strictly observe any laws regarding workmen's health and safety, workmen's welfare, compensation for injuries, minimum wage, hours of labor and other labor laws;
- 9.3.5 Shall (a) keep accurate and systematic records and accounts in respect of the services in such form and detail as is customary and sufficient to establish accurately that the costs and expenditures under this TOR have been duly incurred, and (b) permit the duly authorized representatives of the Government from time to time to inspect its records and accounts as well as to audit the same;
- 9.3.6 Shall not assign nor sub-contract any part of the professional engineering services under this TOR to any person or firm, except with prior written consent of NEDA/CLSU. The approval by the Government to the assignments of any part of said services or to the engagement by the Consulting Firm of



sub-contractors to perform any part of the same shall not relieve the Consulting Firm of any obligations under this TOR;

- 9.3.7 Shall, during or after the conclusion or termination of the study, limit its role under the project to the provision of the services and hereby disqualifies itself and any other contractor, consulting engineer or manufacturer with which it is associated or affiliated, from the provision of goods and services other than the services herein, except as NEDA/CLSU may otherwise agree;
- 9.3.8 Shall prohibit full-time foreign staff during his assignment under this TOR to engage, directly or indirectly, either in his name, or through the Consulting Firm, in any business or professional activities in the Philippines other than the performance of his duties or assignment under this TOR;
- 9.3.9 Shall not any time communicate to any person or entity any information disclosed to them for the purpose of the services, nor shall the Consulting Firm make public any information as to the recommendations formulated in the course of or as a result of the services, except with the prior consent of NEDA/CLSU;
- 9.3.10 Shall agree that nothing contained herein shall be construed as establishing or creating between the Government and the Consulting Firm, the relationship of employer and employee or principal and agent, it being understood that the position of the Consulting Firm and anyone else performing the services is that of an independent contractor;
- 9.3.11 Shall hold the Government free from any and all liabilities, suits, actions, demands, or damages arising from the death or injuries to persons or properties, or any loss resulting from or caused by said personnel incident to or in connection with the services under this TOR. The Consulting Firm 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 Consulting Firm or its staff in the performance of the services including the use or violation of any copyrighted materials, patented invention, article or appliance; and
- 9.3.12 Shall provide on-the-job capacity building/technology transfer to the Government's personnel detailed to the project.

## **10. APPROVED BUDGET FOR THE CONTRACT**

The procurement of the consulting services for the F/S updating shall be through competitive public bidding. The ABC for the proposed study is **ELEVEN MILLION SEVEN HUNDRED TWO THOUSAND TWO HUNDRED NINETY-TWO PESOS ONLY (Php 11,702,292.00)**, inclusive of all applicable government taxes and charges, professional fees, and other incidental and administrative costs which shall be paid on a reimbursement basis (e.g., travel expenses, communication expenses, office

supplies, office space, and other expenses deemed necessary for the project as certified by the Executing Agency). Attached as **ANNEX C** is the breakdown of the ABC.

Please note that this consulting contract shall be a fixed price contract. Any extension of contract time shall not involve any additional cost to the Government.

All equipment, materials, item acquired for the study shall be turned over to NEDA at the conclusion of the study.

## 11. PAYMENTS SCHEME/SCHEDULE

- 11.1 The monthly progress reports shall be the basis for payment of reimbursable items. Billing for the reimbursable items may be requested not more than once a month based on the actual expenses incurred and supported by official receipts/documents.

In the absence of *official receipts/documents* when claiming for *reimbursable costs*, the Consulting Firm may also be allowed to submit a *certification of actual disbursements made under oath*.

- 11.2 Billing for non-reimbursable items, including professional fees, shall be in accordance with the following delivery schedule.

Upon acceptance of the Inception Report and Work Plan-15% of total cost for non-reimbursable items

Upon submission of the Interim Report	-15% of total cost for non-reimbursable items
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Upon submission of the Draft Final Report	-40% of total cost for non-reimbursable items
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Upon acceptance of the Final Report	-30% of total cost for non-reimbursable items
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100%

- 11.3 The Consulting Firm may also be allowed to submit its own payment schemes for the remuneration component only subject to compliance with existing regulations/laws.

- 11.4 An advance payment shall be made to cover mobilization costs, but shall not exceed FIFTEEN PERCENT (15%) of the contract amount, 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 Consulting Firm by deducting from his subsequent billings/payments such sum as

agreed upon during contract negotiations until fully liquidated within the duration of the contract.

## **12. RETENTION PAYMENT**

A retention payment of ten percent (10%) 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 fifty percent (50%) of the value of study, as determined by NEDA, are completed. If, after fifty percent (50%) completion, the study 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. 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 ten percent (10%) retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of NEDA shall be valid for the duration of the contract.

## **13. LIQUIDATED DAMAGES**

Where the Consulting Firm 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 the contract, the Consulting Firm shall pay NEDA for liquidated damages, and not by way of penalty, an amount, as provided in the conditions of 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. Should the amount of liquidated damages reach ten percent (10%) of the contract amount, NEDA shall, at its own discretion, terminate the contract without prejudice to any further action it may take to recover whatever losses incurred due to non-performance of the Consulting Firm.

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.

## ANNEX A

The consulting services will be undertaken over a twelve (12)-month period as shown below:

ACTIVITIES / WORKPLAN		MONTHS														
		1	2	3	4	5	6	7	8	9	10	11	12			
Work and Financial Plan, Mobilization, Inception Meetings																
Draft Inception Report																
Inception Report																
Start of Feasibility Study																
Field Visits, Town Hall meetings																
Interim Report																
Draft Final Report for NEDA Comments																
Final Feasibility Study Report																
KEY RESULT AREAS	KEY ACTIVITIES	STRATEGIES	TARGET OUTCOME	MONTHS												KEY PERSONNEL
				1	2	3	4	5	6	7	8	9	10	11	12	
Planning, Preparation and accomplishment of pertinent documents	Inception meetings	Implementation plan of Project Activities	Approved WFP showing concurrence with CLSU and MMSU													Team Leaders Consultants
	Designation and Hiring of Project staff	Recruitment, Orientation and Deployment	Issuance of Special Order to the Project staff CV of Staff													Project Personnel
Feasibility Study Preparation (See also attached details Matrix)	Meeting s with Regional government officials and Private Companies	Courtesy calls and Introduction of the Project	Project coordination with Key officials on the respective areas													Team Leaders Consultants Key Officials
	Identification of target areas	Deployment of Researchers on the areas of	Target areas identified													Project personnel and project staff

KEY RESULT AREAS	KEY ACTIVITIES	STRATEGIES	TARGET OUTCOME	MONTHS												KEY PERSONNEL
				1	2	3	4	5	6	7	8	9	10	11	12	
		concern														
	Assessment of Target areas on the potential of different feedstock for bioethanol production	Collection of information on the potential of different feedstock for bioethanol production  Field Visits	Different feedstock potential for bioethanol production													Project personnel and Project staff Team Leaders Consultants Field Guides
	Monthly Progress Reporting	Consolidation of data, analysis, and report writing	Monthly Report													Team Leaders Consultants Project personnel and Project staff
	Draft Final Report for NEDA Comments  Final Feasibility Study Report	Preparation of Draft Final Report and submission to NEDA  Reproduction and presentation of Final Feasibility Study Report	Comments of NEDA on the Draft Reports  Manuscript of Feasibility Study													Team Leaders Consultants NEDA Officials

*Note: The above chart is indicative only and does not preclude the shortlisted Consulting Firms from submitting their own work Plan and Gantt Chart of Activities as part of their Technical Proposal.*

## ANNEX B

### Criteria for Shortlisting

	<b>RATING FACTOR</b>	<b>POINTS/WEIGHT</b>
<b>I</b>	<b>Applicable Experience of the Firm</b> (within the past 15 years) <ul style="list-style-type: none"> <li>▪ Completed consulting services of size, complexity and technical specialty comparable (similar/relevant) to the job under consideration, including quality of performance</li> <li>▪ Other completed consulting services related to the job under consideration</li> <li>▪ Known cases of prior performance, including quality of work conforming to obligations and cost of services</li> </ul>	<b>30</b>
<b>II</b>	<b>Qualification of Officers, Key Organic Personnel who may be Assigned to the Project</b>	<b>50</b>
<b>III</b>	<b>Job Capacity</b> <ul style="list-style-type: none"> <li>▪ Absorptive capacity to do additional works other than those currently being undertaken</li> </ul>	<b>20</b>
	<b>Total</b>	<b>100</b>

*Note: Similar projects are those contracts involving the conduct of pre-feasibility/feasibility study/value-chain study/market study of production and/or processing of feedstock for biofuel production or power generation using biomass.*

*On the other hand, relevant projects refer to contracts with scope of works covering the conduct of i) pre-feasibility/feasibility study/value-chain study/market study of agricultural processing or other energy-related projects or ii) detailed engineering of processing plants of feedstock for biofuel production and biomass for power generation.*

**ANNEX C**  
**Breakdown of the Approved Budget for the Contract (ABC)**

<b>COST ESTIMATE OF CONSULTING SERVICES</b>					
<b>ITEM NO.</b>	<b>DESCRIPTION</b>	<b>UNIT</b>	<b>QUANTITY</b>	<b>UNIT PRICE (Php/unit)</b>	<b>AMOUNT (Php)</b>
<b>1</b>	<b>REMUNERATION OF PERSONNEL</b>				
<b>1.1</b>	<b>Key Personnel</b>				
1.1.1	1 – Project Team Leader/Biofuels Production and Utilization Expert				
1.1.2	1 - Fermentation Biologist				
	1 - Agricultural/Environmental Engineer				
1.1.3	1 - Developmental Economist				
1.1.4	1 - Legal Law Expert				
1.1.5	1- Developmental Communication Expert				
<b>1.2</b>	<b>Support Staff</b>				
	<b>TOTAL (1. Remuneration of Personnel)</b>				<b>6,515,040.00</b>
<b>2</b>	<b>REIMBURSABLE COSTS</b>				
2.1	Meals and Accommodation				
2.2	Transportation Costs				
	a) Air Fares				
	b) Other Means of Transportation				
2.3	Field/Office Supplies				
	a) Supplies				
	b) Communications				
	c) Office Equipment Rental				
	d) Office Space Rental				
2.4	Printing and Reproduction				
2.5	Field and Survey Works				
2.6	Miscellaneous				
	<b>TOTAL (2. Reimbursable Costs)</b>				<b>5,187,252.00</b>
<b>SUMMARY</b>					
1	Remuneration of Personnel (with 12% VAT)				<b>6,515,040.00</b>
2	Reimbursable Costs (with 5% contingency)				<b>5,187,252.00</b>
<b>TOTAL ESTIMATED COST OF CONSULTING SERVICES</b>					<b>11,702,292.00</b>

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## TECHNICAL PROPOSAL FORMS

### Notes for Consultants

The following summarizes the content for the Technical Proposal.

#### **Cover Letter**

Use TPF 1. Technical Proposal Submission Form.

#### **Experience of the Firm**

Introduction of the background and general experience of the **Consultant**, including its partner(s) and subcontractors, if any.

Indicate completed projects in the format of TPF 2. Consultant's References illustrating the relevant experience of the **Consultant**, including its partner and subcontractors, if any. 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 5. Team Composition and Task, TPF 7. Time Schedule for Professional Personnel, and TPF 8. Activity (Work) Schedule.

*If subcontracting is allowed, add the following:* If the **Consultant** will engage a subcontractor for the portions of the Consulting Services allowed to be subcontracted, the **Consultant** shall indicate which portions of the Consulting Services will be subcontracted, identify the corresponding subcontractor, and include the legal eligibility documents of such subcontractor.

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

Use Staff. Sample published studies/papers of the **Consultant**/Staff should be attached to the CV.

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:

We, the undersigned, offer to provide the consulting services for [Title of Project] in accordance with your Bidding Documents dated [insert date] and our Bid. We are hereby submitting our 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. Our Proposal is binding upon us and subject to the modifications resulting from contract negotiations.

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

We understand you are not bound to accept any Proposal received for the selection of a **Consultant** for the Project.

We remain,

Yours sincerely,

Authorized Signature:  
Name and Title of Signatory:  
Name of Firm:  
Address:

## TPF 2. CONSULTANT'S REFERENCES

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

Using the format below, provide information on each project for which your firm/entity, either individually, as a corporate entity, or as one of the major companies within an association, was legally contracted.

Project Name:		Country:
Location within Country:		Professional Staff Provided by Your Firm/Entity(profiles):
Name of Client:		Nº of Staff:
Address:		Nº of Staff-Months; Duration of Project:
Start Date (Month/Year):	Completion Date (Month/Year):	Approx. Value of Services (in Current US\$):
Name of Associated <b>Consultants</b> , if any:		Nº of Months of Professional Staff Provided by Associated <b>Consultants</b> :
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:		
Narrative Description of Project:		
Description of Actual Services Provided by Your Staff:		

**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. TEAM COMPOSITION AND TASK PROJECTS

---

1. Technical/Managerial Staff		
Name	Position	Task

2. Support Staff		
Name	Position	Task

## TPF 6. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

---

Proposed Position: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Name of Staff: \_\_\_\_\_

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

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

Years with Firm/Entity: \_\_\_\_\_ Nationality: \_\_\_\_\_

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

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

### Key Qualifications:

*[Give an outline of staff member's experience and training most pertinent to tasks on project (in months and years with detailed description/discussion on the nature and scope of work). Describe degree of responsibility held by staff member on relevant previous projects and give dates and locations. Use about half a page.]*

### Education:

*[Summarize college/university and other specialized education of staff members, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]*

### Employment Record:

*[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of projects. For experience in last ten years (in days, months and years), also give types of activities performed and client references, where appropriate. Use about two pages.]*

### 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 staff member and authorized representative of the firm]*

Date: \_\_\_\_\_  
*Day/Month/Year*

Full name of staff member: \_\_\_\_\_

Full name of authorized representative: \_\_\_\_\_



**TPF 7. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL**

			Months (in the Form of a Bar Chart)												Number of Months
Name	Position	Reports Due/Activities	1	2	3	4	5	6	7	8	9	10	11	12	
															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 8. 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
Work and Financial Plan	
Draft Inception Report	
Inception Report	
Monthly Status Reports	
Interim Report	
Draft Final Report	
Final Feasibility Report	

## FINANCIAL PROPOSAL FORMS

---

### 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 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 1. FINANCIAL PROPOSAL SUBMISSION FORM

---

*[Date]*

*[Name and address of the NEDA]*

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for *[Title of Project]* in accordance with your Bidding Documents dated *[insert date]* and our Proposals (Technical and Financial Proposals). Our 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]*. This amount is inclusive of all applicable government taxes.

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

In accordance with **GCC** Clause 47, we acknowledge and accept the **NEDA**'s right to inspect and audit all records relating to our Proposal irrespective of whether we enter into a contract with the **NEDA** as a result of this Proposal.

We confirm that we have read, understood and accept the contents of the Instructions to Bidders (ITB), General Conditions of Contract (GCC), Special Conditions of Contract (SCC), 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 us.

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

We remain,

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

## FPF 2. SUMMARY OF COSTS

---

Costs	Currency(ies) <sup>5</sup>	Amount in Philippine Peso
Non-Reimbursables		
Reimbursables		
Total Amount of Financial Proposal		

---

<sup>5</sup>In cases of contracts involving foreign **Consultants**, indicate the exchange rate used.

### FPF 3. BREAKDOWN OF PRICE PER ACTIVITY

---

Activity No.:_____	Activity No.:_____	Description:_____
Price Component	Currency(ies) <sup>6</sup>	Amount in Philippine Peso
Non-Reimbursables		
Reimbursables		
Subtotal		_____

---

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

## 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
  - (c) Request for Expression of Interest;
  - (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 Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office 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 Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office 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 Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office 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]*

# Section V. Appendices

## **I. Description of Services**

Give detailed descriptions of the Services to be provided, dates for completion of various tasks, place of performance for different tasks, specific tasks to be approved by Client, etc.

## **II. Reporting Requirements**

List format, frequency, and contents of reports; persons to receive them; dates of submission; etc. If no reports are to be submitted, state here “Not applicable.”

## **III. Key/Organic Personnel and Sub-Consultants**

List under:

1. Titles [and names, if already available], detailed job descriptions and minimum qualifications, and staff-months of service, and estimated periods of engagement for each, including a copy of a satisfactory medical certificate.
2. Same information as in no. 1 for Key foreign Personnel to be assigned to work outside the Government’s country.
3. Same information as in no.1 for Key Local Personnel.
4. List of approved Sub-**Consultants** (if already available) and Counterpart personnel (if allowed); same information with respect to their Personnel as in no.’s 1 and 2.

## **IV. Breakdown of Contract Price**

List here the elements of cost, including expenditures in foreign currency(ies) denominated and payable in Philippine Peso, used to arrive at the itemized breakdown of the contract price:

1. Monthly rates for Personnel (Key/Organic Personnel and other Personnel)
2. Reimbursable expenditures
3. Applicable taxes

## **V. Services and Facilities Provided by the Client**

Give detailed description of the services and facilities made available to the **Consultant**, and the time and manner of its availment.