

CONTRACT AGREEMENT

*Consulting Services for the Conduct of a Study on the Philippine Rural Roads
for Access, Development and Services Program*

THIS AGREEMENT made this ____ day of JAN 07 2019 in **QUEZON CITY**
Philippines, by and between:

The **NATIONAL ECONOMIC AND DEVELOPMENT
AUTHORITY (NEDA)** with address at NEDA-sa-Pasig Bldg., No. 12
Saint Josemaria Escriva Drive, Ortigas Center, Pasig City, herein
represented by its Undersecretary, **JOSE MIGUEL R. DE LA ROSA**, and
hereinafter referred to as the **"Procuring Entity"**;

- and -

The **FOUNDATION FOR RURAL ENTERPRISE AND ECOLOGY
DEVELOPMENT OF MINDANAO (FREEDOM), INC.** with address
at 604 Aguho Street, Juna Subdivision, Matina, Davao City, herein
represented by its Board Director, **LOPE B. SANTOS III**, and hereinafter
referred to as the **"Consultant"**;

WHEREAS, upon the invitation of the **Procuring Entity**, the **Consultant** submitted
proposal/bid for the Procurement of Consulting Services for the Conduct of a Study on the
Philippine Rural Roads for Access, Development and Services Program in the sum of **Fourteen
Million Nine Hundred Ninety-Four Thousand Three Hundred Eighteen Pesos and 18/100
(PHP14,994,318.18)**, inclusive of all applicable government taxes and charges, professional
fees, and other incidental and administrative costs, hereinafter referred to as the (**"Contract
Price"**);

WHEREAS, the **Procuring Entity** subsequently accepted the proposal/bid of the
Consultant pursuant to the NEDA Bids and Awards Committee for Consulting Services
(NBAC-CS) Resolution No. 273-2018 approved on 27 December 2018;

NOW THEREFORE, the **Procuring Entity** and the **Consultant** have agreed on the
following terms and conditions:

1. In this Contract, 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 Contract, to wit:
 - (a) Bidding Documents, consisting of:
 - i. Request for Expression of Interest;
 - ii. Instructions to Proponents/Bidders;
 - iii. Proposal/Bid Data Sheet;
 - iv. General and Special Conditions of Contract; and

- v. Terms of Reference;
- (b) Proposal/Bid forms, including all the documents/statements contained in the Proponent's/Bidder's proposal/bidding envelopes, as annexes, and all other documents/statements submitted (e.g., proponent's/bidder's response to request for clarifications on the proposal/bid), including corrections to the proposal/bid, if any, resulting from the Procuring Entity's proposal/bid evaluation;
 - (c) Bid Bulletin Nos. 01 and 02 issued on 12 November 2018 and 20 November 2018, respectively;
 - (d) Eligibility requirements, documents and/or statements;
 - (e) Performance Security: G(13)-A-0033822;
 - (f) NBAC-CS Resolution Nos. 171-2018, 173-2018, 192-2018, 200-2018, 247-2018, and 273-2018;
 - (g) Highlights of the Negotiation Meeting held on 17 December 2018;
 - (h) Abstract of Bids;
 - (i) Notice of Award with the Consultant's *conforme* thereto;
 - (j) Notice to Proceed;
 - (k) Addendum and/or Supplement to the Contract, if any; and
 - (l) Other contract documents that may be required by existing laws and/or the Procuring Entity.
3. In consideration of the payments to be made by the **Procuring Entity** to the **Consultant**, the **Consultant** hereby covenants to execute and complete the Consulting Services and remedy any defects therein in conformity with the provisions of this Contract in all respects.
 4. The **Procuring 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 time and in the manner prescribed by this Contract.
 5. The **Consultant** shall submit five (5) hard copies to the **Procuring Entity** for review of concerned entities, including electronic/soft copies to the Department of the Interior and Local Government (DILG) and NEDA, of the following outputs in the form and within the timeline indicated herein:

Deliverable	Timeline
Draft Inception Report with Approved Work and Financial Plan (WFP)	Within one (1) month from receipt of Notice to Proceed (NTP)
Final Inception Report	Within one (1) week after receipt of the comments/recommendations of the EA/IA
Draft Interim Report	Within four (4) months from the receipt of the NTP
Final Interim Report	Within one (1) week after receipt of the comments/recommendations of the EA/IA

Deliverable	Timeline
Draft Final Report	Within six (6) months from receipt of NTP
Final Report	Within two (2) weeks after receipt of the comments/recommendations of the EA/IA

6. The **Consultant** shall submit a detailed WFP in traceable Excel format to the DILG (*copy furnished NEDA Infrastructure Staff for monitoring purposes and payment processing*) within ten (10) working days from date of commencement as indicated in the NTP.
7. The **Consultant** shall submit Progress Report to the **Procuring Entity** for monitoring purposes, which shall include updates on the physical and financial accomplishments of each of the activities under the WFP, including the difficulties encountered and measures taken to overcome them.
8. During the negotiation meeting conducted on 17 December 2018, the **Procuring Entity** and the **Consultant** agreed that the Study shall cover the 1,627 identified geographically isolated areas (GIAs).
9. Payment to the **Consultant** shall be made in accordance with the following delivery schedule:

Particulars	Payment Allocation and Amount
Upon acceptance of the Final Inception Report	20%
Upon acceptance of the Final Interim Report	30%
Upon acceptance of the Draft Final Report	30%
Upon acceptance of the Final Report	20%
TOTAL	100%


10. The Study shall be completed within a period of eight (8) months, with six (6) person-months of work for the **Consultant**, commencing from the date of receipt of the NTP.
11. This Contract shall not create an employer-employee relationship between the **Procuring Entity** and the **Consultant** nor shall the services rendered herein be considered as government service. The **Consultant** shall not be entitled to benefits enjoyed by the regular personnel of the government.
12. Where the **Consultant** 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 **Consultant** shall pay the **Procuring Entity** 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 percent (1%) 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 Price**, the **Procuring Entity** 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 **Consultant**.


13. To be entitled to such liquidated damages, the **Procuring Entity** 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 to the **Consultant** under the Contract and/or collect such liquidated damages from the retention money or other securities posted by the **Consultant**, whichever is convenient to the **Procuring Entity**.
14. Any amendment to this Contract shall be made in writing and signed by the **Procuring Entity** and the **Consultant**.
15. 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.
16. 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.

IN WITNESS WHEREOF, the parties have caused this contract to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

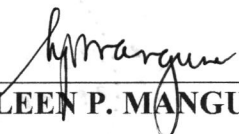
Signed, sealed, and delivered by:


JOSE MIGUEL R. DE LA ROSA
Undersecretary
NEDA Central Support Office
NEDA-sa-Pasig Building
Ortigas Center, Pasig City

Signed, sealed, and delivered by:


LOPE B. SANTOS III
Board Director
FREEDOM
604 Aguho Street, Juna Subdivision
Matina, Davao City

Signed in the presence of:


KATHLEEN P. MANGUNE


CARLO P. PERMUT

ACKNOWLEDGMENT

Republic of the Philippines)
QUEZON CITY S.S.

Before me this _____ day of JAN 09 2019 in **QUEZON CITY**
personally appeared:

Name	Government Issued Identification Document	Date and Place Issued
JOSE MIGUEL R. DE LA ROSA In his capacity as Undersecretary NEDA Central Support Office NEDA-sa-Pasig Bldg. No. 12 Saint Josemaria Escriva Drive Ortigas Center, Pasig City	Philippine Passport S0012632A	02 November 2017 DFA Manila
LOPE B. SANTOS III In his capacity as Board Director FREEDOM 604 Aguho Street, Juna Subdivision Matina Davao City	Philippine Passport P8617697A	05 September 2018 DFA Manila

all known to me and to me known to be the same persons who executed the foregoing instrument consisting of five (5) pages including this page, together with the documents deemed and construed part of this Contract, on which this acknowledgment is written, duly signed by their instrumental witnesses, and they acknowledged to me that the same is their own free and voluntary act and deed as well as that of the entities which they represent.

WITNESS MY HAND on the date and place first hereinabove stated.

Doc. No. 123
Page No. 26
Book No. XXX
Series of 2019.

EVELYN C. BALGOS
Notary Public for Quezon City
Until December 31, 2019
Unit 2A, Block 4, Lot 10B Zabarte Road, Q.C.
Notarial Commission No. NP-67
Roll of Attorney No. 37126
IBP No. 1357902; 01/08/18 – Quezon City
PTR No. 2810231C; 01/08/18 – Quezon City
MCLE Compliance No. VI-008950; 8/11/15