

CONTRACT AGREEMENT

*For the Consulting Services for the Conduct of Value Engineering / Value Analysis for
Panay River Basin Integrated Development Project (PRBIDP)*

THIS AGREEMENT made this 14th day of December 2018 in Pasig City, Philippines, by and between:

The **NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA)**, a government agency with principal office No. 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City, represented by its Undersecretary, **JOSE MIGUEL R. DE LA ROSA**, and hereinafter referred to as the **"Procuring Entity"**;

- and -

The Joint Venture of **SYSTRA Philippines Incorporated (SPI; lead firm)** and **Engineering and Development Corporation of the Philippines (EDCOP)**, a joint venture duly organized and existing under the laws of the Republic of the Philippines, with principal address at 1601 West Tower, Philippine Stock Exchange Centre Exchange Road, Ortigas Center, Pasig City, represented by its Authorized Representative and SPI President, **MARIA RHIZA S. CASTILLO**, 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 Value Engineering / Value Analysis for Panay River Basin Integrated Development Project (PRBIDP) in the sum of **Eleven Million One Hundred Ninety-Nine Thousand Nine Hundred Ninety-Nine Pesos and 99/100 (P11,199,999.99)**, 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. 87-2018 approved on 7 August 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 (TOR);
- (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 16 July & 31 July respectively;
- (d) Eligibility requirements, documents and/or statements;
- (e) Performance Security (Western Guaranty Corporation Performance Bond, OIC No. 026360);
- (f) NBAC-CS Resolution Nos. 41-2018, 43-2018, 50-2018, 57-2018, 110-2018, and 110A-2018;
- (g) Highlights of the Negotiation Meeting held on 29 October 2018;
- (h) Abstract of Bids;
- (i) Notice of Award with the Consultant's *conforme* thereto;
- (j) Notice to Proceed (NTP);
- (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. The **Consultant** shall deliver to the **Procuring Entity** the following outputs in the form and number as well as within the timeline indicated herein:

Deliverables	Timelines (reckoned from receipt of NTP)
<p><u>VE/VA WFP</u></p> <p>The Consulting Firm shall formulate and submit to NEDA a detailed WFP for the conduct of the VE/VA Study, consistent and in accordance with the terms and conditions of the Contract Agreement, which shall include the following:</p> <ul style="list-style-type: none"> • Description of the Work Plan, which includes the methodology and mechanics in conducting the VE/VA Study, and work timetable. The methodology to be used should be the Six (6)-Phase VE/VA Job Plan or similar methodology/principle. The VA Handbook for NEDA (2009), or the output of Reform Agenda 006-07, shall be used as reference; • List of main activities and tasks to be undertaken by the Consulting Firm / Study Team in order to develop the VE/VA Report and other deliverables under this TOR, which shall also indicate the sequence and relationships between 	<p><u>Draft WFP</u>: Within two (2) weeks</p> <p><u>Final WFP</u>: Within four (4) weeks or one (1) week from receipt of NEDA comments</p>

Deliverables	Timelines (reckoned from receipt of NTP)
<p>tasks and provide a realistic estimate of start and duration of each task; and,</p> <ul style="list-style-type: none"> • The Financial Plan shall include information on the total cost for the Study and the corresponding cost breakdowns for the study activities and tasks consistent with the Work Plan. 	
<p><u>Preliminary VE/VA Report</u></p> <p>The Preliminary VE/VA Report shall detail the initial findings of the first four (4) phases of the Six (6)-Phase VE/VA Job Plan.</p>	<p>Draft Preliminary VE/VA Report: Within 13 weeks</p> <p>Final Preliminary VE/VA Report: Within 15 weeks</p>
<p><u>Interim VE/VA Report</u></p> <p>The Interim VE/VA Report shall provide more in depth findings based on the Development Phase.</p>	<p>Draft Interim VE/VA Report: Within 19 weeks</p> <p>Final Interim VE/VA Report: Within 21 weeks</p>
<p><u>Capacity Building Workshops</u></p> <p>The Study Team shall conduct capacity building workshops on the VE/VA process that it will adopt in the conduct of the VE/VA Study on PRBIDP for selected government technical personnel, supervisors/managers and officials.</p>	<p>Training Workshop (Technical): Within 15 weeks</p> <p>Training Workshop (Managers): Within 25 weeks</p>
<p><u>Presentation to NEDA/NIA/ICC/INFRACOM</u></p> <p>The Consulting Firm / Study Team will present to NEDA/NIA the results of the VE/VA Study for comments. The Study Team may also be called to present the same to the ICC and/or INFRACOM.</p>	<p>Within 23-24 weeks</p>
<p><u>Draft Final VE/VA and Workshop Reports</u></p> <p>The VE/VA Report shall detail the most appropriate and cost-efficient alternative(s) for the optimum and sustainable use of water for agriculture and fishery development, for flood mitigation, for use of water for power generation and potable water supply, and for watershed management, among others, covering the Six (6)-Phase VE/VA Job Plan as well as draw recommendations on the best identified option/s for the improvement of the Project. The Report will include the results of the VE/VA Study on all identified options and the implementation strategy for the recommended option.</p>	<p>Within 24 weeks</p>

Deliverables	Timelines (reckoned from receipt of NTP)
<p><u>Final VE/VA Report</u></p> <p>The Study Team shall incorporate any applicable comment and recommendation received from NEDA/NIA/ICC/INFRACOM after the submission of the Draft Final VE/VA Report. The Final VE/VA Report shall be accompanied by the Workshop Reports based on the capacity building activities undertaken.</p>	Within 28 weeks
<p><u>Monthly Progress Reports</u></p> <p>The Monthly Progress Reports shall incorporate billing statements corresponding to the actual Reimbursable Expenses incurred in each month supported by official receipt/documents.</p>	Monthly, within one (1) week from end of agreed month-period

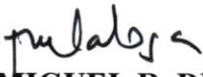
4. In consideration of the payments to be made by the **Procuring Entity** to the **Consultant**, the **Consultant** hereby covenants to execute and complete the Consulting Services and remedy any defects therein in conformity with the provisions of this Contract in all respects.
5. The **Procuring Entity** 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.
6. The monthly progress report 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 Consultant may be allowed to submit a certification of actual disbursements made under oath.
7. Billing for remuneration shall be in accordance with the following delivery schedule:

Milestone	Percentage
Upon NEDA approval of the WFP	10% of Remuneration
Upon NEDA acceptance of the Preliminary VE/VA Report	20% of Remuneration
Upon NEDA acceptance of the Interim Report	20% of Remuneration
Upon NEDA acceptance of the Draft Final VE/VA Report, including the Capacity Building Workshop Reports	30% of Remuneration
Upon NEDA acceptance of Final VE/VA Report	20% of Remuneration


8. The Consulting Services will be implemented within a period of Six (6) Person-Months [spread over Seven (7) Person-Months] commencing from the date of receipt of the NTP by the **Consultant**.
9. 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.
10. Any amendment to this Contract shall be made in writing signed by the **Procuring Entity** and the **Consultant**.
11. 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.
12. 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:

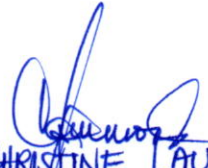

JOSE MIGUEL R. DE LA ROSA
Undersecretary
NEDA Central Support Office
NEDA sa Pasig Building
N0. 12 Saint Josemaria Escriva Drive
Ortigas Center, Pasig City

Signed, sealed, and delivered by:


MARIA RHIZA S. CASTILLO
President
SYSTRA Philippines Incorporated
1601 West Tower, Philippine Stock
Exchange Centre, Exchange Road,
Ortigas Center, Pasig City

Signed in the presence of:


RODERICK M. PLANTA
Signature over printed name


CHRISTINE LAUMOND
Signature over printed name

ACKNOWLEDGMENT

Republic of the Philippines)
) S.S.
MANDALUYONG CITY,

Before me this DEC 18 2018 day of MANDALUYONG 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 Building No. 12 Saint Josemaria Escriva Drive Ortigas Center, Pasig City	Philippine Passport S6012632A	02 NOV 2017 DFA MANILA
MARIA RHIZA S. CASTILLO In her capacity as Authorized Representative, Joint Venture of SYSTRA Philippines Incorporated and Engineering and Development Corporation of the Philippines (EDCOP); and, President, SYSTRA Philippines Incorporated. 1601 West Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City	Philippine Passport EC2058427	09 September 2014 DFA NCR EAST

all known to me and to me known to be the same persons who executed the foregoing instrument consisting of six (6) pages including this page on which this acknowledgment is written, together with the documents deemed and construed part of this Contract, 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. 133
Page No. 28
Book No. 170
Series of 2018.

ATTY. JAMES K. ABUGAN
NOTARY PUBLIC
Until Dec. 31, 2018
IBP No. 021498/1-5-2018
Rizal Chapter
Roll No. 26890
MCLE No. V-0004484-10/31/2014
PTR # 3369955 - 01/05/2018
Mandaluyong City
TIN # 116-239-956
Tel. 631-40-90