

CONTRACT AGREEMENT

For the Procurement of Consulting Services for the Formulation of Tourism Infrastructure Development Plans in Top Tourist Destinations in the Philippines Based on Their Carrying Capacities

THIS AGREEMENT made this 10th day of MAY in Pasig City, Philippines, by and between:

The **National Economic and Development Authority (NEDA)**, a government agency duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office No. 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City, duly represented herein by Undersecretary for Central Support Office, **JOSE MIGUEL R. DE LA ROSA**, hereinafter referred to as the "**Procuring Entity**";

- and -

The Joint Venture of **Test Consultants, Inc. (TCI)**, lead firm and **Woodfields Consultants, Inc. (WCI)**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at Suite 3202, Antel Global Corporate Center #3 Julia Vargas Avenue, Ortigas Center, Pasig City, Philippines, duly represented herein by President, **MARILYN M. ALONZO**, hereinafter referred to as the "**Consultant**";

WHEREAS, upon the invitation of the **Procuring Entity**, the **Consultant** submitted bid for the Procurement of Consulting Services for the Formulation of Tourism Infrastructure Development Plans in Top Tourist Destinations in the Philippines Based on Their Carrying Capacities in the amount of **Eighty-Five Million One Hundred Forty-Three Thousand Three Hundred Eighty Pesos Only (P85,143,380.00)**, inclusive of all applicable government taxes and charges (hereinafter referred to as the "**Contract Price**");

WHEREAS, the **Procuring Entity** accepted the bid of the **Consultant** through NEDA Bids and Awards Committee for Consulting Services (NBAC-CS) Resolution No. 12-2019, which was approved by the Head of the Procuring Entity on 29 April 2019.

NOW THEREFORE, for and in consideration of the above mentioned premises, the **Procuring Entity** and the **Consultant** hereby agree as follows:

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 Agreement, to wit:
 - (a) Bidding Documents, consisting of:
 - i. Request for Expression of Interest;
 - ii. Instructions to Proponents/Bidders;
 - iii. Bid Data Sheet;

- iv. General and Special Conditions of Contract; and
v. Terms of Reference (TOR);
- (b) Bid forms, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents/ statements submitted (e.g., bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;
 - (c) Bid Bulletin Nos.1,2 & 3 issued on 11 & 19 February and 21 March 2019 respectively;
 - (d) Eligibility requirements, documents and/or statements;
 - (e) Performance Security No. 159835
 - (f) NBAC-CS Resolution Nos. 02-2019, 03-2019, 06-2019, 07-2019, 11-2019 and 12-2019;
 - (g) Highlights of the Negotiation Meeting held on 26 April 2019;
 - (h) Abstract of Bids;
 - (i) Notice of Award with the Consultant's *conforme* thereto;
 - (j) Notice to Proceed (NTP);
 - (k) Amendment to the Contract, if any; and
 - (l) Other contract documents that may be required by existing laws and/or the Procuring Entity.

PERIOD OF AGREEMENT

3. This Agreement shall be for a period of twelve (12) months, commencing from the date of receipt of the NTP by the Consultant.

OBLIGATION OF THE CONSULTANT

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 **Consultant** shall submit the following deliverables in the specified number and form within the timeline indicated herein:

Deliverables	Timeline
Draft Inception Report including WFP	One (1) month from receipt of NTP
Final Inception Report	15 calendar days after receiving comments from TIEZA and NEDA
Monthly Progress Reports	Monthly (excluding the months with major outputs) within seven (7) calendar days from the end of agreed month-period
Situational Analysis Report	Three (3) months from receipt of NTP
Midterm Report	Six (6) months from receipt of NTP
Preliminary Business Case/ Pre-FS Reports	9.5 months from receipt of NTP
Draft Final Report (Master Plans and Pre-FS)	10.5 months from receipt of NTP

Presentation to the INFRACOM ¹ , TIEZA Board, and Regional Development Councils (RDCs) ²	Within one (1) week from submission of Draft Final Report
Final Report (Master Plan and Pre-FS)	Thirty (30) calendar days after receipt from TIEZA and NEDA of the evaluation/comments but not more than twelve (12) months from receipt of NTP

It is noted that while the commencement of activities is anchored on the receipt of NTP, a turnaround period on submission of deliverables is considered in the timeline.

- a) The Inception Report (and WFP), which shall be submitted by the Consulting Firm to NEDA and TIEZA for review, comment and approval, shall include the detailed work program for the scope of work, a detailed schedule for all work, including field work related to applicable tasks.

The Inception Report shall include provisions pertaining to the fulfillment of the Study conditions listed in this TOR as well as approaches and methodologies to be utilized in the development of the Study.

- b) The Situational Analysis Report, which shall be submitted by the Consulting Firm to NEDA and TIEZA for review, comment and monitoring purposes, shall include the definition of the boundary for which the carrying capacity study will be made and general characteristics, state of tourism development, key site issues/impacts of tourism development, and development restrictions in the tourist destination.
- c) The Monthly Progress Reports, to be submitted by the Consulting Firm to NEDA and TIEZA for review, comment and monitoring purposes 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.
- d) The Midterm Report, to be submitted by the Consulting Firm to NEDA and TIEZA for review, comment and approval, shall cover the consolidated reports from the start of the project up to the middle of the project duration, and shall include preliminary findings and recommendations with respect to the activities specified under Section 3.3 (i.e., Strategy Building/Determination of Carrying Capacity) of this TOR. Furthermore, the capacity building plan for the study shall also be included.

It shall also identify a list of priority projects from which three (3) for each tourist destination will be selected for the conduct of Business Case/Pre-FS study. The criteria and methodology for the selection of priority projects shall also be included.

- e) Preliminary Business Case/ Pre-FS Reports, to be submitted by the Consulting Firm to NEDA and TIEZA for review, comment and approval,

¹ NEDA Board Committee on Infrastructure

² Respective RDC governing the tourist destinations

shall include, among others, the identified short-term investment projects for implementation. The Preliminary Business Cases/ Pre-FS Reports shall also consider the technical, social, environmental analyses as well as market study for the top three (3) priority projects for each tourist destination.

- f) The Draft Final Report shall include, among others, the findings and results of the studies conducted on the different aspects of the Master Plan, with due consideration of the inputs of stakeholders, including the Draft Final Business Cases/ Pre-FS Reports. The Draft Final Business Cases/ Pre-FS Reports shall include, among others, the economic, financial and environmental analyses, as well as the institutional merit of the projects. It shall be submitted by the Consulting Firm to NEDA and TIEZA for review/comments and shall be presented to the INFRACOM, TIEZA Board, and RDCs.
- g) The Final Report, which shall be submitted 30 calendar days after the receipt of the comments on the Draft Final Report from NEDA and TIEZA, shall contain all pertinent findings concerning the scope of works of the projects as described in Section 3 of this TOR, including all pertinent comments of the INFRACOM and RDCs on the Draft Final Report.

OBLIGATION OF THE PROCURING ENTITY

6. 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 Agreement.
7. Billing for reimbursable items shall be on monthly basis, based on the actual expenses incurred and supported by official receipts/documents or certification of actual expenditures made under oath, including the monthly progress reports.
8. Billing for non-reimbursable items, including professional fees, shall be in accordance with the following delivery schedule, upon recommendation and endorsement of TIEZA and NEDA, subject to the usual government accounting and auditing requirements:

Output	Payment Schedule
Upon acceptance of the Inception Report and WFP	15%
Upon acceptance of the Situational Analysis Report	15%
Upon acceptance of the Midterm Report	20%
Upon acceptance of the Preliminary Reports: Business Case/Pre-FS	15%
Upon submission of the Draft Final Report	15%
Upon acceptance of the Final Report	20%
TOTAL	100%

LIQUIDATED DAMAGES

9. 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 contractor 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 number 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 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 to the contractor under the contract and/or collect such liquidated damages from the retention money or other securities posted by the contractor whichever is convenient to NEDA.

AMENDMENT

10. Any amendment to this Agreement shall be made in writing signed by the **Procuring Entity** and the **Consultant**.

ALTERNATIVE DISPUTE RESOLUTION

11. Should any dispute related to this Agreement and/or the rights of the Parties arise, the same shall be submitted for mutual consultation, mediation and arbitration, in the order of application. The venue of the proceedings shall be in Pasig City.


VENUE IN CASE OF SUIT

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 agreement to be executed on the day and year first above written.


NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

Represented by:



JOSE MIGUEL R. DE LA ROSA
Undersecretary
NEDA Central Support Office


TEST CONSULTANTS, INC.

Represented by:


MARILYN M. ALONZO
President and
Authorized Representative

Signed in the presence of:


KATHLEEN P. MANGUNE
Director of End-User Staff
12 Saint Josemaria Escriva Drive
Ortigas Center, Pasig City
Philippines 1605


CINDERELLA J. YALUNG
Witness for the Consultant
Suite 3202 Antel Global Corporate
Center, Julia Vargas Avenue, Ortigas
Center, Pasig City, Philippines 1605

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.

QUEZON CITY MAY 17 2019

BEFORE ME, a Notary Public for and in _____ this _____ 2019, personally appeared the following with their respective proofs of identity indicated beside their names:

NAME

PROOF OF IDENTITY

Jose Miguel R. De La Rosa

Philippine Passport ID No. S0012632A
Valid until 01 November 2022
Issued at DFA Manila


Marilyn M. Alonzo

Philippine Passport No. P5935292A
Valid until 06 February 2028
Issued at DFA NCR East

known to me to be the same persons who executed the foregoing Agreement consisting of six (6) pages, including this Acknowledgment, and they acknowledged to me that the same is their free and voluntary act and deed as well as that of the entities which they respectively represent.

WITNESS MY HAND AND SEAL, on the day, year and place above written.

Doc. No. 21 ;
Page No. 3 ;
Book No. X/ ;
Series of 2019.


ATTY. ROGELIO J. BOLIVAR
NOTARY PUBLIC IN QUEZON CITY
AM Adm. Not. Com. No. NP-124 1-12-19 until 12-31-2020
IBP O.R. No. 055255 Jan. 2019 & IBP O.R. No. 055256 Jan. 2020
PTR O.R. No. 7376155 C 1-7-19 / Roll No. 33832 / TIN# 129-871-009
MCLE No. V-0019296 valid from 04/15/2016 until 04/14/2019/PASIG CITY
Address: 31-F Harvard St. Cubao, Q.C.