
REQUEST FOR PROPOSALS

Selection of Consultants

for

**Construction Supervision Consultant
for the
Maritime Safety Capability Improvement Project
for the Philippine Coast Guard**

**Client: Department of Transportation and Communications
/Philippine Coast Guard**

Country: The Republic of the Philippines

**Project: Maritime Safety Capability Improvement Project for the
Philippine Coast Guard**

Loan No.: PH-P257

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REQUEST FOR PROPOSALS

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Section 1. Letter of Invitation

Letter of Invitation

Invitation No. 01, Loan No. PH- P257

Manila, Philippines, 02 January 2014

1. The Government of the Republic of the Philippines (hereinafter called “Borrower”) has applied financing from Japan International Cooperation Agency (JICA) toward the cost of the Maritime Safety Capability Improvement Project for the Philippine Coast Guard (hereinafter called “the Project”).
 2. The Department of Transportation and Communications now invites proposals to provide the following consulting services: procurement assistance and construction supervision. More details on the services are provided in the Terms of Reference.
 3. Your firm is one of three (3) Consultants being invited to present a proposal for consulting services.
 - a) Shipbuilding Research Center of Japan Inc. (former Overseas Shipbuilding Cooperation Center)
 - b) Japan Marine Science Inc.
 - c) Fisheries Engineering Co. Ltd.
 4. It is not permissible to transfer this invitation to any other firm.
 5. A firm will be selected under QCBS (Quality- and Cost-Based Selection) and procedures described in this RFP, in accordance with the applicable Guidelines for the Employment of Consultants under Japanese ODA Loans.
 6. The RFP includes the following documents:
 - Section 1 – Letter of Invitation
 - Section 2 – Instructions to Consultants (including Data Sheet)
 - Section 3 – Technical Proposal – Standard Forms
 - Section 4 – Financial Proposal – Standard Forms¹
-

Section 5 – Terms of Reference

Section 6 – Standard Form of Contract

Section 7 – Eligible Source Countries of Japanese ODA Loans

7. Please inform us in writing at the address below, upon receipt:

- (a) that you received the Letter of Invitation; and
- (b) whether you will submit a proposal alone or as a joint venture.

Address: **DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS**
15th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas
Avenue, Mandaluyong City, Philippines, 1555
Phone/Facsimile: +63-2-654-7725
E-mail: bacsec@dotc.gov.ph

8. Details on the proposal's submission date, time and address are provided in Clause 12.6 of the Instructions to Consultants (ITC).

Yours sincerely,

(SGD.) ATTY. JOSE PERPETUO M. LOTILLA

Undersecretary for Legal and Chairman,

Bids and Award Committee

Department of Transportation and Communications

Section 2.
Selection Procedures

Option B:
Quality- and Cost-Based Selection
(QCBS)

Section 2. Option B: QCBS - Instructions to Consultants

The Instructions to Consultants governing this selection process are the “Instructions to Consultants, Option B - QCBS, Section 2” of the Standard Request for Proposals (version 1.0) published by JICA in October 2012. Those Instructions to Consultants are available on the JICA’s web site shown below:

http://www.jica.go.jp/english/our_work/types_of_assistance/oda_loans/oda_op_info/guide/tender/index.html

A copy of these Instructions is not attached to this RFP.

Option B: QCBS - Data Sheet

Paragraph Reference	
1. (b)	The Applicable Guidelines are those published in April 2012.
1.(c)	Pertinent laws and policies of JICA and GOP
2.1	Amount of the Loan Agreement : Japanese Yen <u>18,732</u> Million Signed date of the Loan Agreement : December 14, 2013 Name of Project: Maritime Safety Capability Improvement Project for the Philippines Coast Guard
2.2	Name of the Client: The Department of Transportation and Communications (DOTC) and the Philippine Coast Guard (PCG)
2.3	Name of the assignment: Consulting Services for Procurement Assistance and Construction Supervision
2.4	A pre-proposal conference will be held: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> , on 21 January 2014, 10:00 AM at Unit 167, 16th Floor , The Columbia Tower, Brgy Wack Wack, Ortigas Ave., Manda;uyong City The Client's representative is: ATTY. JOSE PERPETUO M. LOTILLA Undersecretary for Legal and Chairman, Bids and Awards Committee Address: Department of Transportation and Communications, 15 th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City, Philippines, 1555 Phone/Facsimile: +63-2-654-7725 E-mail: bacsec@dotc.gov.ph
2.5	The Client will provide the following inputs, project data, reports, etc. to facilitate the preparation of the Proposals: (1) Make available to the Consultant existing reports and data related to the Project as maybe allowed under Philippine Laws. (2) Furnish all available data, maps and information required for the execution of the services as maybe allowed under Philippine Laws.
4.1(c)	A list of debarred firms and individuals is available at the World Bank's

	website: www.worldbank.org/debarr
6.3	Proposals shall be submitted in the following language: English
7.1	Proposals must remain valid 90 days after the submission deadline date February 27, 2014
7.8(a)	The price of the Financial Proposal shall be adjusted by the following factor: The local currency portion of the amounts payable under the Contract shall be adjusted by a factor reflecting local inflation during the period of extension, and the foreign currency portion of the amounts payable under the Contract shall be adjusted by a factor reflecting the international inflation (in the country of the foreign currency) during the period of extension.
7.8(b)	The fixed portion of the price of the Financial Proposal shall be adjusted by the following factor: The local currency portion of the fixed portion of the amounts payable under the Contract shall be adjusted by a factor reflecting local inflation during the period of extension, and the foreign currency portion of the fixed portion of the amounts payable under the Contract shall be adjusted by a factor reflecting the international inflation (in the country of the foreign currency) during the period of extension.
8.1	Clarifications may be requested <i>21 days before the submission deadline date.</i> The address for requesting clarification is: ATTY. JOSE PERPETUO M. LOTILLA Undersecretary for Legal and Chairman, Bids and Awards Committee Department of Transportation and Communications Address: Department of Transportation and Communications, 15 th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City, Philippines, 1555 Phone/Facsimile: +63-2-654-7725 E-mail: bacsec@dotc.gov.ph
11.1 (i)	Minimum numbers of man-months for Experts are: - International Experts: 151 man-months - Local Expert: <u>77</u> man-months - Total: 228 man-months (1) a per diem allowance in respect of Experts of the Consultant for every day in which the Experts shall be absent from their home office;

	<p>(2) cost of necessary international and local air travel of Experts by the most appropriate means of transport and the most direct practicable route;</p> <p>(3) land transportation including vehicle rental;</p> <p>(4) cost of international or local communications such as the use of telephone internet and facsimile required for the purpose of the Services;</p> <p>(5) cost, rental and freight of any equipment required to be provided by the Consultants for the purposes of the Services;</p> <p>(6) cost of printing reproduction and dispatching of the reports to be produced for the Services;</p> <p>(7) miscellaneous administrative and support costs including office operations, support personnel and translation;</p> <p>(8) provisional sums; and</p> <p>(9) cost of such further items required for purposes of the Services not covered in the foregoing.</p>
11.1 (ii) c	<p>Amount for provisional sums:</p> <p>- for foreign currency: None</p> <p>- for local currency: None</p> <p>Contingency amount:</p> <p>- for foreign currency: Japanese Yen 24 M</p> <p>- for local currency: Philippine Peso 2M</p>
11.2	<p>Tax exemption:</p> <p>(1) GOP, through its Executing Agency, shall assume the payment of all taxes and levies for Japanese companies operating as suppliers, contractors and/or consultants,</p> <p>(2) GOP, through its Executing Agency, will not withhold any part of fiscal levies and taxes including the VAT when making payments for their purchases of products and services to the Japanese companies operating as suppliers, contractors and/or consultants, and</p> <p>(3) GOP, through its executing agency will be responsible for the liquidation or settlement of such taxes and levies including Value Added Tax (VAT)</p>

	<p>The necessary procedure related to VAT are already stipulated in various government circulars including Bureau of Internal Revenue (BIR)'s RMC42-99 and Department of Budget and Management (DBM)'s Budget Circular No. 2006-12.</p>
11.3	<p>The other international traded currency(ies) permitted are: (i) <u>US Dollar</u></p> <p>Consultants must state the portion of their price representing local cost in US Dollar</p>
12.3	<p>Number of copies of the Technical Proposal: the original one plus 5 copies</p>
12.5	<p>Time and date of the Proposal submission deadline:</p> <p>- Time: 10:00 a.m. - Date: 27 February 2014</p>
12.6	<p>Consultants must submit the original and all copies of the Technical Proposal, and the original Financial Proposal to the Client to the following address:</p> <p>The Client's representative is:</p> <p style="text-align: center;">ATTY. JOSE PERPETUO M. LOTILLA Undersecretary for Legal and Chairman, Bids and Award Committee Department of Transport and Communications</p> <p>Address: Department of Transport and Communications, 15th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City, Philippines, 1555 Phone/Facsimile: +63-2-654-7725 E-mail: bacsec@dotc.gov.ph</p> <p>Proposals must be submitted no later than the following date and time:</p> <p>Time: 10:00 a.m. Date : 27 February 2014</p>
14.2	<p>Criteria, sub-criteria, and point system for the evaluation are:</p>

	<u>Points</u>
(i) Experience of the Consultants relevant to the assignment:	
a) Experience of international projects of comparable size, complexity and technical specialty	6
b) Experience in developing countries under comparable conditions	2
c) Experience in Japanese ODA projects	<u>2</u>
Total points for criterion (i):	10
(ii) Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:	
a) Technical approach and methodology	15
b) Work plan	9
c) Organization and staffing	<u>6</u>
Total points for criterion (ii):	30
(iii) Key Experts' qualifications and competence for the assignment:	
<u>International</u>	
a) Project Manager	15
b) Naval Architect	9
c) Machinery Engineer	4.8
d) Electrical Engineer	4.8
e) Supervisor (hull) (Building Stage only)	4.8
f) Supervisor (machinery) (Building Stage only)	4.8
g) Document Specialist (Bidding Stage only)	4.8
h) Administrator	2.4
<u>National</u>	
i) Assistant Project Manager	6
j) Project Coordinator	<u>3.6</u>
Total points for criterion (iii):	[60]
The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub-criteria and relevant percentage weights:	
1) General qualifications	[30%]
2) Adequacy for the assignment	[50%]
3) Familiarity with the language and the conditions of the Country	[20%]
Total weight:	100%
Total points for the three criteria:	100

	The minimum technical score (St) required to pass is: <u>70</u> Points
14.4	Expected date (month/year) for public opening of Financial Proposals: <u>28 March 2014</u> at the office of Department of Transport and Communications, 15 th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City, Philippines, 1555
14.6(i)	The single currency for price conversion is: Japanese Yen The source of official selling rates is the TTS rate quoted by the Bank of Tokyo-Mitsubishi UFJ. The date of exchange rates is 14 days before the date of the public opening of the Technical Proposals.
14.8	Quality-Cost Ratio: 80:20
15.1	Expected date and address for contract negotiations: <u>25 April 2014</u> at the Office of Department of Transport and Communications, 15 th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City, Philippines, 1555
17.2	Expected date for commencement of consulting services: <u>30 May 2014</u> at the Office of Department of Transport and Communications

Section 3. Technical Proposal - Standard Forms

Notes on Technical Proposal - Standard Forms

Section 3. Technical Proposal – Standard Forms provides Technical Forms that the Client shall include in its Request for Proposals. Consultants shall fill out these Forms and include them in their proposals. As specified in this section, these forms are the Technical Proposal Submission Forms and other relevant Technical Proposal Forms.

The Acknowledgement of Compliance with the Guidelines for Employment of Consultants under Japanese ODA Loans shall be included in the Technical Proposal.

Italicized notes provide guidance to the shortlisted Consultants for the preparation of their Technical Proposals; they should not appear on the Technical Proposals to be submitted.

Refer to ITC 10.1 for Forms required and number of pages recommended.

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Form TECH-1: Technical Proposal Submission Form

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [Insert name of assignment] in accordance with your Request for Proposals dated [Insert Date] and our Proposal. [Select appropriate wording depending on the selection method stated in the RFP: “We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal sealed in a separate envelope” or, if only a Technical Proposal is invited “We hereby are submitting our Proposal, which includes this Technical Proposal only in a sealed envelope.”].

[If the Consultant is a joint venture, insert the following: We are submitting our Proposal as a joint venture with: [Insert a list with full name and the legal address of each member, and indicate the lead member]. We have attached a copy [insert: “of our letter of intent to form a joint venture” or, if a JV is already formed, “of the JV agreement”] signed by every participating member, which details the likely legal structure of and the confirmation of joint and severable liability of the members of the said joint venture.

OR

If the Consultant’s Proposal includes Sub-consultants, insert the following: We are submitting our Proposal with the following firms as Sub-consultants: [Insert a list with full name and address of each Sub-consultant.]

We hereby declare that:

- (a) All the information provided and statements made in this Proposal are true and we accept that any misinterpretation or misrepresentation contained in this Proposal may lead to our disqualification by the Client.
- (b) Our Proposal shall be valid and remain binding upon us for the period of time specified in the Data Sheet, Clause 7.1.
- (c) We have no conflict of interest in accordance with ITC 3.
- (d) We meet the eligibility requirements as stated in ITC 5, and we confirm our understanding of our obligation to abide by JICA’s policy in regard to corrupt and fraudulent practices as per ITC 4.

- (e) We undertake to negotiate a Contract on the basis of the proposed Key Experts. We accept that the substitution of Key Experts for reasons other than those stated in ITC 7.5 and ITC 15.4 may lead to the termination of Contract negotiations.
- (f) Our Proposal is binding upon us and subject to any modifications resulting from the Contract negotiations.

We understand that the Client is not bound to accept any Proposal that the Client receives.

We remain,

Yours sincerely,

Authorized Signature [*in full and initials*]: _____

Name and Title of Signatory: _____

Name of Consultant [*company's name or JV's name*]: _____

In the capacity of: _____

Address: _____

Contact information [*phone and e-mail*]: _____

[*For a joint venture, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached*]

Form TECH-2: Consultant's Organization and Experience

A - Consultant's Organization

[Provide here a brief (two pages) description of the organization and general experience of the Consultant and, if applicable, each joint venture member for this assignment.]

B - Consultant's Experience

[Using the format below, provide information on each assignment for which your firm and each joint venture member for this assignment, was legally contracted either individually as a corporate entity or as a lead firm or one of members within a joint venture, for carrying out consulting services similar to the ones requested under this assignment. Use about 20 pages.]

Assignment name:	Approx. value of the contract (in current US\$ or Euro):
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total N ^o of man-months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (in current US\$ or Euro):
Start date (month/year): Completion date (month/year):	N ^o of professional man-months provided by the joint venture members or Sub-consultants:
Name of joint venture member or Sub-consultants, if any:	
Narrative description of Project:	
Description of actual services provided in the assignment:	

Firm's Name: _____

Form TECH-3: Comments and Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be Provided by the Client

A - On the Terms of Reference

[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to enhance performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding others, or proposing a different phasing of the activities).]

B - On Counterpart Staff and Facilities

[Comment here on counterpart staff and facilities to be provided by the Client according to Clause 2.5 of the Data Sheet including: administrative support, office space, local transportation, equipment, data, background reports, etc., if any.]

Form TECH-4: Description of Approach, Methodology and Work Plan for Performing the Assignment

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (about 50 pages, inclusive of charts and diagrams) divided into the following three chapters:

- a) Technical Approach and Methodology,*
 - b) Work Plan, and*
 - c) Organization and Staffing,*
-
- a) Technical Approach and Methodology. In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach. Staffing for training should also be explained, if so required in the TOR. Please do not repeat/copy the TOR in here.*
 - b) Work Plan. In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule of Form TECH-8.*
 - c) Organization and Staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the Key Experts and Non-Key Experts, and proposed technical and administrative support staff. You shall also specify if you will be the lead firm in a joint venture or in an association with Sub-consultants. For joint ventures, you must attach a copy of the joint venture agreement or a letter of intention to form a Joint Venture, as specified in Form TECH-1.]*

Form TECH-6: Curriculum Vitae (CV) for Proposed Key Experts

1. General

Position Title and No.	[e.g., K-1, TEAM LEADER] [<i>Note: Only one candidate shall be nominated to each position.</i>]
Name of Key Expert	[Insert full name]
Name of the Firm proposing the Key Expert	
Date of Birth	[day/month/year]
Nationality	
Country of Citizenship/Residence	

2. Education: [*List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained*]

3. Employment record relevant to the assignment: [*Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the assignment does not need to be included.*]

Period	Employing organization and your title/position. Contact information for references*	Country	Summary of activities performed relevant to the Assignment
[e.g., May 2005-present]	[e.g., Ministry of, advisor/consultant to... For references: Tel...../e-mail.....; Mr. Hbbbb, deputy minister]		

*Contact information for references is required only for assignments during the last 3 years.

4. Membership in Professional Associations and Publications:

5. Language Skills (indicate only languages in which you can work): _____

6. Adequacy for the Assignment:

<p>Detailed Tasks Assigned on Consultant’s Team of Experts: <i>[List major deliverables/tasks as in TECH- 5 in which the Expert will be involved]</i></p>
<p>Reference to Prior Work/Assignments that Best Illustrates Capability to Handle the Assigned Tasks</p>

7. Certification:

I, the undersigned, certify to the best of my knowledge and belief that:

- (i) this CV correctly describes my qualifications and my experience;
- (ii) In the absence of medical incapacity, I will undertake this assignment for the duration and in terms of the inputs specified for me in the Expert Schedule in Form TECH-7 provided team mobilization takes place within the validity of this proposal or any agreed extension thereof;
- (iii) I am committed to undertake the assignment within the validity of Proposal;
- (iv) I am not part of the team who wrote the terms of reference for this consulting services assignment;
- (v) I am, pursuant to Clauses 3 and 4 of the ITC, eligible for engagement.

I understand that any misstatement described herein may lead to my disqualification or dismissal, if engaged.

_____ Date: _____
[Signature of Key Expert or authorized representative of the firm]¹ Day/Month/Year

Full name of authorized representative: _____

¹ This CV can be signed by an authorized representative of the Consultant provided that if the Consultant’s proposal is ranked first, a copy of the CV signed by the Key Expert and/or specialist must be submitted to the Client prior to the commencement of contract negotiations.

Form TECH-7: Expert Schedule¹

N°	Name of Expert /Position /Category(International or Local)	Professional Expert input (in the form of a bar chart) ²													Total man-month input					
		1	2	3	4	5	6	7	8	9	10	11	12	N	Home	Field ^{3,4}	Total			
Key Experts																				
ex.	Mr. XYZ Project Manager (International)	[Home]															[Field]			
1																				
2																				
n																				
													Subtotal							
Non-Key Experts																				
1		[Home]															[Field]			
2																				
n																				
													Subtotal							
													Total							

- 1 For Key Experts, the input should be indicated individually for the same position as required under Clause 14.2 of the Data Sheet; for Non-Key Experts it should be indicated individually, or, if appropriate, by category (e.g. economists, financial analysts, etc.).
- 2 Months are counted from the start of the assignment. For each Expert indicate separately the input for home and field work.
- 3 One (1) month equals twenty two (22) working days. One (1) working day shall be not less than eight (8) hours. National holidays and holidays are locally recognized days. [to be identified and confirmed at the contract negotiation]
- 4 Field work means work carried out at a place other than the Expert’s home office; i.e. normal place of business.
 - Full time input
 - Part time input

Form TECH-9: Acknowledgement of Compliance with the Guidelines for Employment of Consultants

- A) I, [*name and position of authorized signatory*] duly authorized by [*name of Consultant/members of joint venture*] (“Consultant”) hereby certify on behalf of the Consultant and myself that information provided in the Technical and Financial Proposals (collectively “Proposals”) submitted by the Consultant for [*Loan No. and name of the Project*] (hereinafter called “the Project”) is true, correct and accurate to the best of my knowledge and belief. I further certify that on behalf of the Consultant that:
- (i) the Proposals have been prepared and submitted in compliance with the terms and conditions set forth in Guidelines for the Employment of Consultants under Japanese ODA Loans (hereinafter called “Guidelines”); and
 - (ii) the Consultant has not taken any action which is or constitutes a corrupt, fraudulent, collusive or coercive practice and is not subject to any conflict of interest as stipulated in the relevant section of the Guidelines.

<If debarment for more than one year by the World Bank Group is NOT imposed, use the following sentence B).>

- B) I certify that the Consultant has NOT been debarred for more than one year by the World Bank Group since the date of issuance of the Request for Proposals¹.

<If debarment for more than one year by the World Bank Group has been imposed BUT three (3) years have passed since such debarment decision, use the following sentence B’).>

- B’) I certify that the Consultant has been debarred by the World Bank Group BUT three (3) years have passed since such debarment decision, on the date of issuance of the Request for Proposals. The profile of the debarment is as follows;

name of the debarred firm	starting date of debarment	ending date of debarment	reason of debarment

- C) I certify that the Consultant will not make a Sub-contract with an entity or individual which is debarred for more than one year by the World Bank Group, unless three (3) years have passed since such debarment decision on the sub-contract date.
- D) I certify that the Experts of the Consultant and either Sub-consultant having a direct contract with the Consultant or Expert nominated by the Consultant, who are assigned to this contract on time basis, will not be engaged in any other assignment which may have time conflict with the Contract.

¹ The starting date should be revised to "appointment", if a consultant is selected through the Single-Source Selection method; or to “commencement of the actual selection process,” if the Borrower adopt a method other than QCBS, QBS, or Single Source Selection.

- E) I further certify on behalf of the Consultant that, if selected to undertake services in connection with the Contract, I shall carry out such services in continuing compliance with the terms and conditions of the Guidelines.
- F) If any of the statement, as acknowledged above, proves to contradict the facts subsequently, or is not complied with, I have no objection as to whether (i) the Employer exercises any remedies and/or (ii) JICA imposes sanctions against the Consultant.

Authorized SIGNATORY
For and on behalf of the Consultant

Date: _____

Section 4. Financial Proposal - Standard Forms

Notes on Financial Proposal - Standard Forms

Section 4. Financial Proposal – Standard Forms provides Financial Forms that the Client shall include in its Request for Proposals. Consultants shall fill out these Forms and include them in their proposals.

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal according to the instructions provided under ITC 11.1. Forms FIN-1, FIN-2, FIN-3, and FIN-5, are to be used whatever the selection method indicated in Clause 5 of the Letter of Invitation is. However, Form FIN-4 shall only be used when the QBS method is adopted as detailed in Section 2 - Option A, ITC 15.7.

This Section 4 includes as well an Appendix providing instructions on how to fill out each specific Form.

Italicized notes provide guidance to the shortlisted Consultants for the preparation of their Financial Proposals; they should not appear on the Financial Proposals to be submitted.

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Form FIN-1: Financial Proposal Submission Form

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for [*insert name of assignment*] in accordance with your Request for Proposal dated [*insert Date*] and our Technical Proposal. Our attached Financial Proposal is for the sum of [*insert amount(s) in words and figures¹*].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Clause 7.1 of the Data Sheet.

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

We remain,

Yours sincerely,

Authorized Signature [*in full and initials*]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

¹ Amounts must coincide with the ones indicated under Total in Form FIN-2. This amount is inclusive of the local indirect taxes, which shall be confirmed during negotiations, and included in the Contract price.

Form FIN-2: Summary of Costs

Invitation No.:

Competitive Components:	US\$	JPY	Local Currency
<i>Remuneration</i>	399,000	42,750,500	1,695,000
<i>Reimbursable Expenses</i>	98,810		100,000
<i>Sub-Total</i>¹	497,810	42,750,500	1,795,000
Non-Competitive Components:			
<i>Provisional Sums</i> ²	158,500		
<i>Contingencies</i> ^{2, 3}	65,631	4,275,000	179,500
<i>Indirect Taxes Estimates</i> ⁴	49,781		10,000
<i>Sub-Total</i>	273,912	4,275,000	189,500
<i>Total</i>	771,722	47,025,500	1,984,500

1 Indicate the aggregate costs, which are exclusive of local indirect taxes, to be fixed by the Client in each currency for remuneration and reimbursable expenses. Such aggregate costs must coincide with the sum of the relevant sub-totals indicated in Form FIN-3 and Form FIN-5 provided with the Proposal.

2 The amounts provided for these items must correspond to the exact amount specified in the Data Sheet and these will be discussed during the contract negotiations.

3 In case that provisions on price adjustment are stated in the conditions of contract, contingencies for price escalation must be included in this item.

4 Indirect taxes to be discussed and finalized at the negotiations if the Contract is awarded.

Form FIN-3: Remuneration

Invitation No:

Key Experts

Name of Expert Position International/Local	Employment	Home Office Rate		Field Rate		Sub-	
	Status ¹	Currency	(per mo)	Months	(per mo)	Months	Total
XXX <i>Civil Engineer (International)</i>	FT	USD	24,500	5	25,400	10	376,500
YYY <i>Community Development Specialist (International)</i>	OS	JPY	0	0	2,850,00	15	42,750,000
ZZZ <i>Irrigation Specialist (International)</i>	FT	EUR	23,500	20	24,500	50	1,695,000

Non-Key Experts

Expert	Employment Status ¹	Currency	Home Office Rate (per mo)	Months	Field Rate (per mo)	Months	Sub- Total
AAA <i>Irrigation Specialist (Local)</i>		USD		0	1,500	15	22,500

¹ Full-time (FT) – employee of the lead firm or joint venture member or Sub-consultant; Other Source (OS) – an Expert provided by another source that is not a joint venture member or a Sub-consultant firm; Independent Expert (IP) – independent, self-employed Expert.

Form FIN-4: Breakdown of Remuneration (for QBS only)

Invitation No.:

EXPERT				1 Basic Monthly Salary	2 Social Charges	3 Overhead	4 Sub-Total	5 Fee	6 Home Office Rate	7 Others ^{5/}	8 Field Rate /Month	9 Multiplier	10 Support Documents
Position	Firm ^{1/}	Type ^{2/}	Employment Status ^{3/}	Currency ^{4/}	Amount	Amount	Amount	Amount	/Month	Amount	/Month	(6/1)	(6/1)
Full Name					% of 1	% of 1	(1+2+3)	% of 4	(4+5)	% of 1	(6+7)		

1/ Initials of firm, joint venture member or Sub-consultant (please indicate in the box, the firm represented by initials);

2/ K=Key Expert, NK=Non-Key Expert

3/ FT - Full time with firm or joint venture member or Sub-consultant

OS - Expert being provided by other source (other than lead firm or joint venture member or Sub-consultant)

IP - Independent, self-employed Expert

4/ Currency of the firm's country

5/ If applicable, please provide explanations.

INITIALS	FIRM NAME

CERTIFIED AS CORRECT

_____ :

Name _____ :

Position in Firm _____ :

Date _____ :

Form FIN-5: Breakdown of Reimbursable Expenses

Invitation No.:

Foreign	Unit	Currency	Unit Cost	Qty	Cost
<i>Per Diem</i>	Day	USD	135	90	12,150
<i>International Air Travel</i>					
London/Kabul: XXX	RT	USD	4,010	6	24,060
San Francisco/Kabul: YYY	RT	USD	3,500	6	21,000
Tokyo/Kabul: ZZZ	RT	USD	2,500	6	15,000
<i>Communications</i>	Month	USD	6,000	1	6,000
<i>Report Preparation, Production</i>	lump sum	USD	6,000	1	6,000
<i>Provisional sums</i>					
Equipment	lump sum	USD	150,000	1	150,000
Local	Unit	Currency	Unit Cost	Qty	Cost
<i>National Air Travel</i>	RT	USD	100	5	500
<i>Office Operations, LC (Office Supplies, Support Staff)</i>					
Supporting Staff	Month	USD	350	6	2,100
	Month	USD	4,000	3	12,000
<i>Provisional sums</i>					
Seminars	lump sum	USD	3,500	1	3,500
Workshops	lump sum	USD	5,000	1	5,000

Appendix: Instructions for Preparing Financial Proposal Forms FIN-1 to FIN-5

- 1** Forms FIN-1 to FIN-4 must be completed and submitted to the Client in hard and soft copies, strictly in accordance with the instructions.
- 2** It is the Consultant's responsibility to ensure the correct Financial Proposal format is used for the selection method indicated in the Data Sheet.
- 3 Form FIN-1** Financial Proposal Submission Form shall be filled in following the instructions provided in the Form.
- 4 Form FIN-2** Summary of Costs. Form FIN-2 provides a summary of the elements of estimated costs for implementation of the proposed Consultant services.
- 5 Form FIN-3** Remuneration
 - (i) The purpose of Form FIN-3 is to identify the monthly billing rates for each Key Expert and Non-Key Expert to be fielded by the Consultant as part of its proposed team of Experts. Please note that, for purposes of computing remuneration payable to Experts, payments for periods of less than one month shall be calculated on an hourly basis for actual time spent in the Consultant's home office and directly attributable to the Services (one hour being equivalent to 1/176th of a month) and on a calendar-day basis for time spent away from home office (one day being equivalent to 1/30th of a month).
 - (ii) The following details shall be shown for each Expert:
 - a. Expert's name
 - b. Key or Non-Key Expert
 - c. International or Local Expert
 - d. Employment status
 - Regular full-time (FT) - employee of the Consultant or the Sub-consultant. [Refer to Form TECH-2, footnote 1 of Section 3].
 - Other source (OS) - an Expert being provided by another source which is not a Consultant or a Sub-consultant.
 - Independent Expert (IP) - independent, self-employed Expert.
 - e. Nominated position; same as that shown on Expert Schedule (Form TECH-7, Section 3).
 - f. Currency; currency or currencies in which payments are to be made to the Experts.
 - g. Home office rate; remuneration rate when the Expert is working in the Consultant's home country office.

- h. Field rate; remuneration rate when the Expert is working outside the Expert's home country.
- i. Months; number of months input to match that shown on the Expert Schedule (Form TECH-7, Section 3).

When QCBS is used, support documents relating to remuneration are not required, in general.

6 **Form FIN-4** Breakdown of Remuneration

Form FIN-4 shall only be used when QBS is used and full details showing how the remuneration rate was determined must be provided. These include basic salary, social charges, overhead fee and other special loadings to the basic salary that may be applicable, and these shall be shown in complete detail on Form FIN-4.

The following provides guidance as to the meaning of these terms.

- (i) **The Basic Monthly Salary** is the actual base salary payable on a regular basis by the Consultant, or its Sub-consultant to its regular full-time employee based on the employee's contract of employment with the firm. This is before any supplemental payments or any deductions are made to or from the salary. During contract negotiations, the Consultant will be required to provide certified copies of salary slips, contracts of employment or other relevant documents to be regarded as equivalent to the said documents to support salaries the Consultant shows in the Financial Proposal.
- (ii) **Social Charges** represent costs to the Consultant of specific employee benefits such as paid vacation, contributions to pension funds, insurance and similar costs directly attributable to the employee. These costs should be distinguished from the generalized overhead costs of the firm.
- (iii) **The Overhead Cost** represents the Consultant's normal overhead expense at the home office that is attributable to its consulting activity. The Consultant and its joint venture member or its Sub-consultant should each show one overall average percentage figure to be applied for all of their own experts who are regular full-time employees. In the case of independent individual Experts contracted from outside the Consultant's own regular full time employees, a suitably reduced overhead may be shown as a percentage of their contracted cost.
- (iv) **The Fee**, or profit to be earned by the Consultant is computed as a percentage of the summation of the basic monthly salary, the social charges and the overhead cost.
- (v) **Other Allowances** provide for inclusion of any other payment the Consultant is obligated in accordance with the Consultant's employment policies, to add to the Expert's home office basic monthly salary when the Expert is working outside its

home country. For such cases during contract negotiations the Consultant must provide a copy of the Expert's employment conditions showing the Consultant's obligation to make this payment. When this allowance is accepted by the Client, it is computed at a percentage of the Expert's basic salary and is not subject to social charges, overhead cost or fee additions. The maximum allowance the Client will accept is limited to 20 percent of the Expert's basic salary.

- (vi) **The Multiplier** shows the ratio between the home office rate per month and the basic monthly salary. These multipliers are subject to negotiation.
- (vii) **Support Documentation** in the form of salary slips, contract of employment or other relevant documents to be regarded as equivalent to the said documents to support basic salaries shown by the Consultant in the Financial Proposal and a copy of the Consultant's (or Sub-Consultant's) latest set of annual statement of income and expense will be required for review by the Client during contract negotiations. Annual statement should be a copy certified by an independent auditor.

7 Form FIN-5 Breakdown of Reimbursable Expenses

- (i) The purpose of Form FIN-5 is to identify all reimbursable expenses in foreign and local currencies considered by the Consultant necessary to carry out the assignment. The cost of training of the Client's staff is identified, only if training is a major component of the assignment, specified as such in the TOR.
- (ii) All required reimbursable expense is an international or a local expense.
 - a. Type - whether the expense is an international or local expense.
 - b. Unit - type of unit (monthly, daily lump sum, etc.)
 - c. Currency - currency of expense
 - d. Per unit cost - unit rate for the item
 - e. Quantity - quantity of the item
- (iii) Per Diems
 - a. For International Experts, the weighted average per diems (i.e., one per diem rate for all locations) need to be computed (per diems are calculated on the basis of 30 days per calendar month). The per diem comprises room costs and subsistence allowance for meals and other similar expenses.
 - b. For Local Experts, when the Experts are required to work away from the Consultant's project office, the weighted average per diems (i.e., per diem rate for all locations) of the local Consultants calculated on the basis of 30 days per calendar month need to be shown.

(iv) International Travel

International travel costs will show the airfares needed by International Experts to travel from their home office, or regular place of work, to the field, by the most appropriate and the most direct practicable route. Air travel shall be by less than first class.

For International Experts spending twenty-four (24) consecutive months or more in the Client's country, one extra round trip will be reimbursed for every twenty-four (24) months of assignment in the Client's country. Such International Experts will be entitled to such extra round trip only if upon their return to the Client's country, such International Experts are scheduled to serve for the purposes of the Project for a further period of not less than six (6) consecutive months.

Air transport for dependents: the cost of transportation to and from the Client's country of eligible dependents who shall be the spouse and not more than two (2) unmarried dependent children under eighteen (18) years of age of those of the International Experts assigned to resident duty in the Client's country for the purpose of the Services for periods of six (6) consecutive months or longer, provided that the stay of such dependents in the Client's country shall have been for not less than three (3) consecutive months duration. If the assignment period for resident staff of the International Experts will be thirty (30) months or more, one extra economy class air trip for their eligible dependents for every twenty-four (24)-month assignment will be reimbursed.

The number of round trips, the cost for each trip and destinations should be shown under "air travel".

(v) Miscellaneous Travel Expenses

A separate item "Miscellaneous Travel Expenses" should be shown to cover a lump sum allowance per round trip for processing necessary travel documents (passport, visas, travel permits), airport taxes, transport to and from airports, inoculations, the cost of excess baggage up to twenty (20) kilograms per person, or the equivalent in cost of unaccompanied baggage or air freight for each International Expert and each eligible dependent, etc.

(vi) Miscellaneous Costs

Miscellaneous costs include, but are not limited to:

- a. The costs of international and local communication reasonably required by the Consultant for the purposes of the Services;
- b. The cost of printing, reproducing and shipping of the documents, reports, drawings, etc.;
- c. The cost of acquisition, shipment and handling of the equipment, instruments, materials and supplies required for the Services;

d. Miscellaneous administrative and support costs.

(vii) Provisional Sums and Contingency

The amounts indicated as “provisional sums” (e.g. workshop, seminar amounts, etc.), which are reimbursable, and the contingency amount must be the exact amounts and in the same currency as specified in the Data Sheet for such cost.

STANDARD FORM A FOR QBS

BREAKDOWN OF SOCIAL CHARGES (As claimed in Form FIN-4 Column 2 and Shown as a Percentage of Total Salary Cost of Firm's Regular Professional Staff)

<u>Item Description</u>	<u>Reference</u> ¹	<u>Amount</u> <u>(Currency)</u>	<u>As % of Total</u> <u>Basic Salary</u> ²	<u>Comments</u>
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	Total ³	0.00%
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¹ You may refer to an income statement or an equivalent financial report.

² An independent auditor should also certify these figures as correct.

³ This figure should correspond to the total percentage for social charges claimed in FIN-4 Column 2 for the experts shown.

***ILLUSTRATIVE EXAMPLE OF COMPUTING
SOCIAL CHARGES (FORM A)***

BREAKDOWN OF SOCIAL CHARGES
(As claimed in Form FIN-4 Column 2 and Shown
as a Percentage of Total Salary Cost of
Firm's Regular Professional Staff)¹

Item Description	<u>Reference</u> ²	<u>Amount (Currency)</u>	<u>As % of Total Basic Salary</u>	<u>Comments</u>
Statutory Holidays	n/a	n/a	3.84% ⁴	
Vacation Leave	n/a	n/a	7.69% ⁵	
Sick Leave	n/a	n/a	1.92% ⁶	
13 th month pay	IS (1)	1,605	0.74%	
Incentive pay	IS (2)	1,350	0.62%	
Retirement/Super-Annuation Fund	IS (3)	5,958	2.76%	
Social Security Contribution	IS (4)	3,670	1.70%	
Health and Medical Expense	IS (5)	2,025	0.94%	
Meal Allowance	IS (6)	1,826	0.84%	
Education/Training Benefits	IS (7)	1,675	0.77%	
	IS (T) ³	Total	<u>21.82%⁷</u>	

¹ Certified correct by an independent auditor.

² IS = income statement.

³ IS reference (T) = 216,131.

⁴ Example: 2 weeks/52 weeks = 3.84%.

⁵ Example: 4 weeks/52 weeks = 7.69%.

⁶ Example: 1 week/52 weeks = 1.92%.

⁷ Corresponds to the total percentage for social charges claimed in FIN-4 Column 2 for the experts shown.

***ILLUSTRATIVE EXAMPLE OF COMPUTING
OVERHEAD COSTS (FORM B)***

**BREAKDOWN OF OVERHEAD COSTS
(As claimed in Form FIN-4 Column 3 and Shown
as a Percentage of Total Salary Cost of
Firm's Regular Professional Staff)¹**

<u>Item Description</u>	<u>Reference</u> ²	<u>Amount (Currency)</u>	<u>As % of Total Basic Salary</u>	<u>Comments</u>
Amortization Expense	IS (A)	13,587	6.29%	
Depreciation Expense	IS (B)	12,097	5.60%	
Rent	IS (C)	24,000	11.10%	
Insurance Expense	IS (D)	9,594	4.44%	
Professional Fees	IS (E)	18,000	8.33%	
Light, Power and Water	IS (F)	19,521	9.03%	
Telephone/Communications Facilities	IS (G)	9,117	4.22%	
Travel and Transportation	IS (H)	11,726	5.42%	
Data Processing Costs	IS (I)	12,735	5.89%	
Federal/State Taxes and Licenses	IS (J)	1,814	0.84%	
Representation	IS (K)	12,503	5.78%	
Office Supplies	IS (L)	12,496	5.78%	
Advertising and Promotion	IS (M)	10,255	4.74%	
Repairs and Maintenance	IS (N)	7,891	3.65%	
Personnel Training and Development	IS (O)	5,145	2.38%	
Research and Development	IS (P)	8,675	4.01%	
Subscription Dues	IS (Q)	1,275	0.59%	
Membership Dues	IS (R)	4,600	2.13%	
Salary - Non-Billable/Administrative Staff	IS (S)	43,483	20.12%	
	IS (T)	Total ³	<u>110.34%</u> ⁴	

¹ Certified correct by an independent auditor.

² IS – Income Statement.

³ Reference (T) = 216,131.

⁴ Corresponds to the total percentage for overhead cost claimed in FIN-4 column 3 for the experts shown.

Section 5. Terms of Reference

Notes on the Terms of Reference

Section 5. Terms of Reference (TOR) describes the scope of the Services, the objectives, goals, specific tasks required to implement the assignment, and the relevant background information of the Project. It provides details on the required qualifications of the key experts; and lists the expected deliverables.

This Section shall not be used to over-write provisions in Section 2.

The text below provides guidance to the Client for the preparation of the TOR that shall be included in the Request for Proposal. It should not appear on the actual TOR to be delivered to the shortlisted Consultants.

Section 5. Terms of Reference

**TERMS OF REFERENCE
FOR THE CONSTRUCTION SUPERVISION CONSULTANT
FOR THE
MARITIME SAFETY CAPABILITY IMPROVEMENT PROJECT
FOR THE PHILIPPINE COAST GUARD**

I. PROJECT INFORMATION

a. Background

The Government of the Republic of Philippines has applied for and received a loan from the Japan International Cooperation Agency (hereinafter referred to as "JICA") to finance the implementation of the Maritime Safety Capability Improvement Project for the Philippine Coast Guard (PCG) (hereinafter referred to as "the Project"). The Project aims to improve the capabilities of the PCG to quickly and appropriately respond to coastal maritime incidents, such as search and rescue (SAR) missions, maritime law enforcement (MARLEN) activities, etc., by providing Multi-Role Responsive Vessels (MRRVs) to the Philippine Coast Guard (PCG), thereby contributing to maritime safety of the country.

The Government of the Republic of Philippines intends to use part of the proceeds of the loan for eligible payments for consulting services for which this Terms of Reference (TOR) is issued.

b. Scope of the Project

The Project is comprised of the following components:

- i) Construction and delivery of ten (10) Multi-Role Response Vessels (MRRVs) and related services; and,
- ii) Consulting Services.

c. Location of the Project

The ten (10) Multi-Role Response Vessels (MRRVs) will be delivered to PCG Headquarters in Manila, such that they will be utilized flexibly all around the coastal areas in the Philippines, including the following twelve (12) Districts of PCG:

- (1) NCR-Central Luzon (CGDNCR–CL) located in Manila;
- (2) Central Eastern Visayas (CGDCEV) located in Cebu;
- (3) South Western Mindanao (CGDSWM) located in Zamboanga City;
- (4) Palawan (CGDPAL) located in Puerto Princesa City;
- (5) Southern Tagalog (CGDSTL) located in Batangas City;
- (6) Western Visayas (CGDWV) located in Iloilo City;
- (7) Northern Luzon (CGDNLZ) located in San Fernando, La Union;
- (8)South Eastern Mindanao (CGDSEM) located in Davao City;
- (9)Bicol (CGDBCL) located in Legaspi City;
- (10) Northern Mindanao (CGDNM) located in Cagayan de Oro City;
- (11) North Eastern Luzon (CGDNELZN) located in Appari City; and
- (12) Eastern Visayas (CGDEV) located in Ormoc

d. The Project Implementation Schedule

The Project is expected to commence in May 2014 and be completed by October 2018, including twelve (12) months defects liability period.

e. The Organization for Project Implementation

Executing Agency(ies) (EA) :	The Department of Transportation and Communication (DOTC) The Philippine Coast Guard (PCG)
Project Management Office :	DOTC-PCG PMO composed jointly of members from DOTC and PCG

The DOTC and PCG (hereinafter referred to as “Executing Agency/ies”). DOTC, as a contract party, in coordination with PCG will be the contracting party during the planning stage of the Project, while PCG shall provide necessary endorsement for the technical issues. Thus, both are responsible for overall coordination and implementation of the Project from the planning to the completion of the Project. The Executing Agency will establish the Project Steering Committee (PSC), comprising representatives of DOTC and PCG. The PSC will meet whenever necessary to assess the Project implementation status and provide guidance to the PMO on Project implementation matters.

On the other hand, the Philippine Coast Guard (PCG) is the end user of the Project. The said agency is responsible for reviewing and endorsing all technical matters during the planning and implementation stages; and is also responsible for conducting an ex-post evaluation during the operation and maintenance stage of the Project. Under the Executing Agencies, the Project Management Office “DOTC-PCG PMO” has been established. The PMO is headed by the Director and six members, consisting of both the Executing Agencies staff. The PMO is responsible for day-to-day monitoring and supervising the performance of the Consultant and the Contractor to ensure the proper and timely execution of the Project in all the stages.

f. Technical information for the Project

The reports on “Preparatory Survey on Maritime Safety Capability Improvement Project for the Philippine Coast Guard” will be made available to the Consultant.

g. Related Project

A related initiative to the project is Technical Cooperation project entitled “Enhancement of Practical Capability for Maritime Law Enforcement Project” involving the Philippine Coast Guard.

II. OBJECTIVES OF CONSULTING SERVICES

The objective of the consulting services is to ensure that ten (10) units of MRRVs are satisfactorily constructed in accordance with the specifications required in the contract executed between the DOTC-PCG and the Vessel Construction Contractor (herein after referred to as “Contractor”) and delivered to the designated locations according to the agreed time schedule. In view of the Government’s priority to deliver the 1st batch of vessels within November 2014 to October 2015, the Consultant shall pay utmost attention to the delivery schedule

The consulting services shall be provided by an international consulting firm (hereinafter referred to as “the Consultant”) in association with national consultants in accordance with Guidelines for the Employment of Consultants under Japanese ODA Loans, April 2012.

The objective of the consulting services is to achieve efficient and proper preparation and

implementation of the project through the following:

- (1) Procurement Assistance/Tendering – involves preparation of tender documents; provision of technical assistance in the bid process for Contractor selection; and other related tasks.
- (2) Supervision during Construction and Delivery of Vessels – involves supervision and inspection during and after vessel construction activities; review of construction plans, designs and schemes; coordination of contractor activities; sea trial supervision; and other related tasks;
- (3) Assistance for Technology Transfer to be Implemented by the Contractor – involves providing support in the technology transfer aspect of the project to be provided by the contractor
- (4) Other Administrative Assistance – involves other related logistical, managerial, reportorial, tasks in line with the project, among others.

An outlined list of tasks in line with the consulting services components stated above is included in “Section III” of this Terms of Reference.

III. SCOPE OF CONSULTING SERVICES

The services of the consultants will consist of the following:

A. Procurement Assistance / Tendering

- 1) Provide technical assistance in evaluating the bids in accordance with the criteria set forth in the bidding documents and submit the same in the form of Bid Evaluation Report for approval of the Executing Agency;
- 2) Provide technical assistance in the negotiation between Executing Agency and prospective contractors for the construction contract;
- 3) Provide technical assistance to prepare a draft and final contract agreement;
- 4) Toward the end of the guarantee period, perform the necessary inspection to examine or re-examine the remedial works already complete, and the instruct the Contractor to expedite any remedial measures to be undertaken; and,
- 5) Perform other related tasks in line with procurement assistance and tendering for the Project.

B. Supervision during Construction and Delivery of Vessels

The Consultant shall perform his duties during the contract implementation period of the contracts to be executed by the Executing Agency (EA) and the Contractor. Standard Bidding Documents under Japanese ODA Loans for Procurement of Plants will be applied to this Project. In this context, the Consultant shall:

- 1) Act as the Project Manager to execute construction supervision and contract administration services in accordance with the power and authority to be delegated by the Executing Agency;
- 2) Provide assistance to the Executing Agencies concerning variations and claims which are to be ordered/issued at the initiative of the Executing Agencies. Advise the Executing Agencies on resolution of any dispute with the Contractor;
- 3) Issue instructions, approvals and notices as appropriate;
- 4) Provide recommendation to the Executing Agencies for acceptance of the Contractor's performance security, advance payment security and required insurances;
- 5) Assess adequacy of all inputs such as materials, labor and equipment provided by the Contractor;
- 6) Check and approve the Contractor's method of work, including site organization, program of performance, quality assurance system, safety plan and environmental monitoring plan so that the requirements set forth in the applicable laws and regulations, the specifications or other parts of the contract are to be duly respected;
- 7) Review and approve the proposals submitted by the contractors which include shipbuilders' production control and quality control schemes, work program, method statements, material sources, manpower and equipment deployment;
- 8) Regularly monitor physical and financial progress, and take appropriate action to expedite progress if necessary, so that the time for completion set forth in the contract will be duly respected by Contractor;
- 9) Explain and/or adjust ambiguities and/or discrepancies in the Contract Documents and issue any necessary clarifications or instructions;
- 10) Review and approve the Contractor's design for the works to be constructed, working drawings, shop drawings and drawings for temporary works;
- 11) Liaise with the appropriate authorities to ensure that all the affected utility services

- are promptly relocated;
- 12) Carry out field inspections on the Contractor's setting out of the works in relation to original points, lines and levels of reference specified in the contract;
 - 13) Organize, as necessary, management meetings with the Contractor to review the arrangements for future work. Prepare and deliver a minutes of such meetings to the Executing Agencies and the Contractor;
 - 14) Supervise the works so that all the contractual requirements are met by the Contractor, including those in relation to i) quality of the works, ii) safety and iii) protection of the environment. Confirm that an accident prevention officer proposed by the Contractor is duly assigned at the project site;
 - 15) Supervise field tests, sampling and laboratory test to be carried out by the Contractor;
 - 16) Inspect the construction method, equipment to be used, workmanship at the site, and attend shop inspection and manufacturing tests in accordance with the Executing Agencies' Requirements;
 - 17) Regularly monitor physical and financial progress against the milestones as per the contract so as to ensure completion of the contract time;
 - 18) Review change orders that may arise to those that have not been anticipated in the contract documents prior to contract signing and approval;
 - 19) Inspect and test major equipment/machineries and sea trials at shipyard;
 - 20) Submit inspection and/or test report;
 - 21) Coordinate the works among different contractors employed for the Project;
 - 22) Verify payment applications submitted by the Contractor and issue payment certificates such as interim payment certificates and final payment certificate as specified in the contract;
 - 23) Modify the Executing Agencies' requirements as may be necessary in accordance with the actual site conditions, and issue variation orders (including necessary actions in relation to the works performed by other contractors working for other projects, if any);
 - 24) Carry out timely reporting to the Executing Agencies for any inconsistency in executing the works and suggesting appropriate corrective measures to be applied;
 - 25) Inspect and verify claims issued by the parties to the contract (i.e. the Executing Agencies and Contractor) and make recommendations to the EA for agreement between the parties to the contract;

- 26) Supervise Pre-commissioning carried out by the Contractor, check and approve the Contractor's Pre-commissioning report, and issue the Completion Certificate as specified in the contract;
- 27) Supervise Commissioning and Guarantee Test carried out by the Contractor, check and approve the Contractor's report on the Commissioning and Guarantee Test, and issue the Operational Acceptance Certificate as specified in the Contract;
- 28) Provide periodic and/or continuous inspection services during defects liability period and if any defects are noted, instruct the Contractor to rectify;
- 29) Check and certify as-built drawings prepared by the Contractor;
- 30) Check and certify the operation and maintenance manual prepared by the Contractor;
- 31) Conduct maintenance supervision during the 12 months period of guarantee on the works by the Contractor, and determine or advice regarding the Contractor's liability in respect of any defects found during this stage, and give instructions to the Contractor as necessary or when so required;
- 32) Assist in settling disputes or differences in opinions, which may arise between the Executing Agencies and the Contractor in connection with, or arising out of the construction contract or the execution of the construction and installation, except litigation and arbitration; and,
- 33) Perform other tasks related to construction supervision and delivery of the MRRVs.

C. Assistance for technology transfer to be implemented by the Contractor

The Consultant shall provide technical advice to effect the transfer of technology in the maintenance and operation of the vessels. The Consultant's task shall be finalized depending on the bidding document preparation and contract negotiation for the vessel procurement package.

D. Other Administrative Assistance

- 1) Prepare and submit reports to the Executing Agency, which are detailed in Section IV, REPORTS and DELIVERABLES in relation to the implementation of the Project;
- 2) Develop and monitor the Project benefit based on the reference indicators for the monitoring and evaluation of activities for the Project;

- 3) Deliver to the Executing Agency upon completion of the works all job records, reproducible “as-built” drawings and the instruction necessary for the satisfactory operation and maintenance of the works;
- 4) Prepare an Operation Management Study Report that will incorporate maintenance procedures and guidelines aimed at preserving the integrity of the MRRV during its operational life;
- 5) Provide any additional services related to the project upon request, subject to the approval of Executing Agency, of the basis of justifiable and mutually acceptable billing rates/costs; and,
- 6) Prepare a final certificate only when the works are reinstated to the satisfaction of the Consultant; and
- 7) Perform all other administrative duties as necessary and incidental to the satisfactory execution of the project.

IV REPORTS AND DELIVERABLES:

The Consultant shall prepare and submit to Executing Agency the following report with corresponding number of copies and timing.

	Type of Report	No. of Copies and Schedule
1.	Inception Report	15 copies, within one month from the time of commencement of Services
2.	Monthly Progress Report	15 copies, end of each calendar month
3.	Quarterly Report	15 copies, every quarter;
4.	Annual Report	15 copies, every quarter;
5.	Bid Evaluation Report	10 copies, within one (1) month after the opening of bids.
6.	Information Catalogues and Photos	5 copies upon request
7.	Factory inspection/ Project Inspection Report	Whenever inspection is undertaken
8.	Final/Acceptance Report and ;	15 copies of the Final Progress Report upon completion of the works
9.	Project Completion Report	Upon issuance of Certificate of Completion including the accompanying one (1) set of the

		construction records comprising the “As-built” drawings and photographs of the construction and accident reports which has been submitted by the contractor and approved by the Consultant/Engineer
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V EXPECTED TIME SCHEDULE:

The total duration of consulting services will be 57 months. These include the 12 months defect liability period after the completion of the construction/delivery of vessels. The Consultant is expected to commence the services on May 2014. The implementation schedule is shown in Table 1.

Table 1: Target Implementation Schedule

Key Activities	Date	Duration in Months
Commencement of Consulting Services	May 30, 2014	4
Bidding and award of contract for procurement of vessels	February 2014 to July 2014	
Commencement of Construction works	August 2014	41
Delivery of 1 st batch of vessels	Nov. 2014-Oct. 2015	
Delivery of last batch of vessels	Nov. 2016-Oct. 2017	
Defect Liability Period	October 2018	12
Termination of Consulting Services	October 2018	

VI. MANNING REQUIREMENTS AND RESPONSIBILITIES OF KEY CONSULTANTS

A. Staffing Requirements

The consulting services will require a total of 228 person-months of both international and national consultants, consisting of 151 person-months of International Profession (A) experts, 25 person-months of Local Professional (B) experts and 52 person-months of Local Supporting Staff over the period of 69 calendar months. The input of eight (8) Professional (A) consultants, one (1) professional (B) consultant and one (1) national supporting staff shall be over the period

of 69 months duration of consulting services. The estimated inputs of each position are as follows:

International (Professional (A))

1. Project Manager	33 M/M
2. Naval Architect	25 M/M
3. Machinery Engineer	17 M/M
4. Electrical Engineer	14 M/M
5. Supervisor (hull) (Building Stage only)	21 M/M
6. Supervisor (machinery) (Building Stage only)	21 M/M
7. Document Specialist (Bidding Stage only)	9 M/M
8. Administrator	11 M/M

National (Professional (B))

1. Assistant Project Manager	25 M/M
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National (Supporting Staff)

1. Local Project Coordinator	52 M/M
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Total Man-Months	228 M/M
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a. Responsibilities of Key Consultants

The Consultant shall be responsible to ensure the timely completion of the Project and shall provide the expert personnel as indicated above, manning requirements and in line with the Project Implementation Schedule as shown in Section V of this TOR.

The following are the qualification requirements, roles and responsibilities of Key Consultants who will be assigned in the project:

- 1) PROJECT MANAGER - Shall have at least a degree in Naval Architecture or maritime related courses and at least ten (10) years business experiences in shipbuilding/marine engineering which shall include ship building projects. He/she must have skills/experience in project management, monitoring and evaluation, as well as

coordinating the works of a team of experts. He/she must be familiar with international guidelines in shipbuilding in the last five (5) years. He/she must be permanent employee of the Firm (or the leading Firm) for the last ten (10) years or longer and have effective communication skills in the English and Japanese languages. He/she will attend to the over-all project management and relations to client and other project proponents. He/she will also handle the technical and administrative management of the Consultancy group, oversees its performance and accomplishment and will conduct review and coordination of design documents.

He/she will attend to the over-all project management and relations to client and other project proponents. He will also handle the technical and administrative management of the Consultancy group, oversees its performance and accomplishment and will conduct review and coordination of design documents.

- 2) NAVAL ARCHITECT- Naval Architect, with preference to holder of post graduate degree in related field, with at least five (5) years combined experience in architectural and shipbuilding design and construction supervision of the vessel.

He/she shall be in-charge of the review of the designs to be submitted by the Contractor for the vertical facilities and development layout. He/she will supervise construction of the vessel facilities and will provide technical coordination for design and construction interface.

- 3) MACHINERY ENGINEER - Mechanical Engineer, with preference to holder of post graduate degree in related field, with at least five (5) years combined experience in marine engineering design, specification and cost estimate preparation and installation supervision of mechanical system such as HVAC for buildings, conveying system, fuel supply system, waterworks sewerage treatment facilities, pumping systems, security facilities, etc.

He/she shall be in-charge of the review of the designs to be submitted by the Contractor for the mechanical engineering works and supervise works such as HVAC for buildings, conveying system, fuel supply system; waterworks; sewerage treatment facilities, pumping systems; security facilities as well as technical coordination for design and

construction interface. He/she will likewise be in-charge of all mechanical related works during the conduct of value engineering.

- 4) ELECTRICAL ENGINEER - Electrical Engineer, with preference to holder of post graduate degree in related field, with at least five (5) years combined experience in electrical engineering, specification and cost estimate preparation and installation supervision of electrical system of marine vessel facilities.

He/she shall be in-charge of the review of the designs to be submitted by the Contractor for the electrical engineering works and supervise the works, provide safety control of electrical facilities as well as construction safety and in all matters related to electrical works. He/she will likewise provide technical coordination for design and construction interface and be in-charge of all electrical related works during the conduct of value engineering.

- 5) DECK (HULL) SUPERVISOR - Shall have at least a degree in Engineering or equivalent. He/she shall have experiences in ship building project for at least 5 years with good communication skills in English Languages and Japanese. He/she will conduct site construction supervision in terms of hull construction, painting deck; commissioning and trials; identify non-conformance and report it to the engineers where necessary; monitor construction schedule regularly to the engineers.

- 6) MACHINERY SUPERVISOR - Shall have at least a degree in Engineering or equivalent. He/she shall have experiences in a ship building project for the at least five (5) years with good communication skills in English Languages and Japanese. He/she will be in charge site construction supervision in terms of machinery and electrical outfitting; commissioning and trials; identify non-conformance and report it to the engineers where necessary; monitor construction schedule regularly, comparing to planned schedule and report the progress regularly to the engineers.

- 7) ASSISTANT PROJECT MANAGER (Local) - Shall have at least a degree in Engineering or equivalent and at least ten (10) years business experiences in the country which shall include maritime transport related projects. He/she must have skills/experience in project management, monitoring and evaluation, as well as

coordinating the works of a team of experts. He/she shall have experiences as a Project Manager in JBIC/JICA ODA project in the Philippines. He/she must be familiar with international guidelines in shipbuilding in the last 10 years.

He/she shall assist and advise the Project Manager for the overall management of the Project. He/she will act as liaison between the PMO and the Consultants, particularly while Project Manager being abroad; review administrative and commercial documents prepared by the Contractor; and prepare recommendations for corrective actions where necessary. He/she will also represent the Consultants in meetings with the PMO on behalf of the Project Manager.

- 8) DOCUMENT/CONTRACT SPECIALIST- Shall have experience in the preparation and evaluation of prequalification and tender documents using international competitive bidding procedures for bilateral or multilateral financed projects, and extensive experience in contract and document administration. At least five (5) years combined review and updates the tender document, assist in the conduct of prequalification activities and bidding for other contracts packages such as equipment, etc. Provide technical coordination for design specifications and contract administration during construction and maintenance period.
- 9) LOCAL PROJECT COORDINATOR– Holder of a bachelor’s degree or its equivalent. He/she will acts as Administrative Secretary and assists the Assistant Project Manager in operation of the Project in the Philippines. He/she shall have experiences in administrative matter for five (5) to ten (10) years; support the team in communication between Japan and the Philippines; and assist Project Manager in the overall management of the project.
- 10) ADMINISTRATOR – Holder of a bachelor’s degree and its equivalent. He/she acts as Administrative Secretary to the Project in Japan, assisting Project Manager; support the team in communication between Japan and the Philippines; directing, organizing and controlling project, activities, under the direction of a Project Manager and Assistant Project Manager; assist the Project Manager and Assistant Project Manager in the drafting and issuance of project proposals, RFP’s, tenders, budgets, cash flows and preliminary schedules; track the progress and quality of work being performed; keep the

Project Manager and the team fully informed about the project status and issues that may impact client relations; assist Project Manager and the team in overall management of the project.

VII. ARRANGEMENTS TO BE PROVIDED BY THE GOVERNMENT

The Philippine Government through the DOTC-PCG will provide the Consultants with the following:

- (1) Make available to the Consultant existing reports and data related to the Project as maybe allowed under Philippine Laws.
- (2) Furnish all available data, maps and information required for the execution of the services as maybe allowed under Philippine Laws.
- (3) Act as counterpart personnel for the purpose of liaison with other Government agencies; and
- (4) Make necessary arrangement to assume the payment of custom duties, internal taxes and levies which might be imposed on the consultant by the Government of Philippines.
- (5) Facilitate the processing of the necessary immigration procedures for the foreign experts, such as applications for entry, stay exit and work permit.
- (6) Use its best efforts to ensure that the assistance and exemption, as described in the Standard Request for Proposal issued by JICA, will be provided to the Consultant, in relation to
 - (i) Work permit and such other documents;
 - (ii) Entry and exit visas, residence permits, exchange permits and such other documents
 - (iii) Clearance through customs; and,
 - (iv) Instructions and information to officials, agent and representatives of the Borrower's Government.

Note: The consultant may hold office within or near the premises of the DOTC-PCG PMO during their expected stay provided advance notice be given to the DOTC-PCG PMO, the executing agencies. However, consultants should provide for their own local transportation.

VIII. RESPONSIBILITY OF THE GOVERNMENT

The Government and its Executing Agencies shall comply with the “Guidelines for the Employment of Consultants under JICA ODA Loans” issued in March 2008”, and “Sample

Request for Proposal under Japanese ODA Loans (Selection of Consultants) issued in September 2009 both published by JICA.

Special attention should be paid to the following:

- (1) In case of difference of opinion between the Executing Agencies and the Consultant on any important matters involving professional judgment that might affect the proper evaluation or execution of the Project, the Executing Agencies shall allow the Consultant to submit promptly to the Executing Agencies a written report and simultaneously, to submit a copy to JICA. The Executing Agencies shall forward the report to JICA with its comments in time to allow JICA to study it and communicate with the Executing Agencies before any irreversible steps are taken in the matter. In case of urgency, the Consultant shall have the right to request Executing Agencies and/or JICA that the matter to discussed immediately between the Executing Agencies and JICA.
- (2) The Executing Agencies is responsible for supervising the Consultant's performance and ensuring that the Consultant carries out the assignment in accordance with the contract. Without assuming the responsibilities of the Executing Agencies or the Consultants, JICA may monitor the work as necessary in order to confirm that this is being carried out in accordance with appropriate standard and based on acceptable data. As appropriate, JICA may take part in the discussions between the Executing Agencies and the Consultant. However, JICA shall not be liable in any way for the implementation of the Project by reason of such monitoring or participation in the discussions. Neither the Executing Agencies nor the Consultant shall be released from any responsibility for the project by reason of JICA's monitoring or participation in discussion.

Section 6. Standard Forms of Contract

CONTRACT FOR CONSULTANTS' SERVICES

Time-Based

Project Name: *[Maritime Safety Capability Improvement Project
for the Philippine Coast Guard]*

Loan Agreement No.: *[insert loan number]*

Contract No.: *[insert contract number]*

between

[name of the Client]

and

[name of the Consultant]

Dated: _____

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I. Form of Contract

TIME-BASED

[All notes should be deleted in final text]

This CONTRACT (hereinafter called the “Contract”) is made the [day] day of the month of [month], [year], between, on the one hand, [name of Client] (hereinafter called the “Client”) and, on the other hand, [name of Consultant] (hereinafter called the “Consultant”).

[Note: If the Consultant consists of more than one entity all of which are liable under the contract, the above should be partially amended to read as follows: ... (hereinafter called the “Client”) and, on the other hand, a Joint Venture consisting of the following entities, each of which will be jointly and severally liable to the Client for all the Consultant’s obligations under this Contract, namely, [name of member] and [name of member] (hereinafter collectively called the “Consultant”).]

WHEREAS

- (a) the Client has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “Services”);
- (b) the Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;
- (c) by an Agreement dated [day, month, year] (hereinafter called the Loan Agreement) between the [name of Borrower] (hereinafter called the Borrower) and Japan International Cooperation Agency (hereinafter called “JICA”), JICA has agreed to make a loan to the Borrower for the purpose of financing [name of the Project] (hereinafter called the Project);

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
 - (a) Minutes of Contract Negotiation;
 - (b) The Special Conditions of Contract (SCC);
 - (c) The General Conditions of Contract (GCC);
 - (d) The following Appendices:
 - Appendix A: Description of Services
 - Appendix B: Reporting Requirements
 - Appendix C: Expert Schedule
 - Appendix D: Remuneration Cost Estimates

- Appendix E: Reimbursable Cost Estimates
- Appendix F: Summary of Cost Estimates
- Appendix G: Services, Facilities and Equipment to be provided by the Client
- Appendix H: Form of Advance Payments Security
- Appendix I: Acknowledgment of Compliance with Guidelines for the Employment of Consultants under Japanese ODA Loans

In the event of any ambiguity or conflict between the documents listed above, the order of precedence shall be the order in which the documents are listed in this Clause 1.

2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:
 - (a) the Consultant shall carry out the Services in accordance with the provisions of the Contract;
 - (b) the Client shall make payments to the Consultant in accordance with the provisions of the Contract;
 - (c) Subject to subparagraph (d) hereunder, and notwithstanding any other provisions of this Contract, payments under this Contract shall not exceed [*amount*] in foreign currency/currencies, and [*amount*] in local currency. Except as otherwise agreed between the Client and the Consultant:
 - (i) Foreign currency payments to the Consultant hereunder will be made in [*currency/currencies*];
 - (ii) Local currency payments to the Consultant hereunder will be made in [*currency*].
 - (d) The maximum amount specified in subparagraph (c) here above has been fixed on the understanding that the Client will make available free of charge to the Consultant the exemptions, assistance, services and facilities provided for under Clause 5 of the General Conditions of Contract and in Appendix G as required for the purposes of the Services. If any such exemptions, assistance, services and facilities are not supplied, the parties shall consult regarding what additional allowance (if any) should be made to the Consultant as a result thereof to cover necessary additional expenses not envisaged in the cost estimates in Appendices D and E.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of [*name of Client*]

[*Authorized Representative of the Client – name, title and signature*]

For and on behalf of [*name of Consultant or Name of a Joint Venture*]

[*Authorized Representative of the Consultant – name and signature*]

[*For a joint venture, either all members shall sign or only the member in charge, in which case the power of attorney to sign on behalf of all members shall be attached.*]

For and on behalf of each of the members of the Consultant [*insert the name of the Joint Venture*]

[*Name of the member in charge*]

[*Authorized Representative on behalf of a Joint Venture*]

[*Add signature blocks for each member if all are signing*]

II. General Conditions of Contract

The General Conditions of Contract governing this Contract are the “General Conditions of Contract for Time-Based Contract, Annex I-II, Section 6” of the Standard Request for Proposals (version 1.0) published by JICA in October 2012. Those General Conditions of Contract are available on the JICA’s web site shown below

http://www.jica.go.jp/english/our_work/types_of_assistance/oda_loans/oda_op_info/guide/tender/index.html

A copy of these General Conditions is not attached to this RFP/this Contract.

III. Special Conditions of Contract

Number of GCC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1 (a)	The Applicable Guidelines are those published in April 2012. <i>Pertinent laws and policies of JICA and GOP</i>
1.4	The Contract shall be executed in: English
1.6	<p>The addresses are:</p> <p style="text-align: center;">Undersecretary for Legal and Chairman, Bids and Award Committee</p> <p>Address: 15th Floor, Unit 153, The Columbia Tower, Brgy. Wack-Wack, Ortigas Avenue, Mandaluyong City, Philippines, 1555</p> <p>Client : Department of Transport and Communications Attention : ATTY. JOSE PERPETUO M. LOTILLA Facsimile : +63-2-654-7725 E-mail : bacsec@dotc.gov.ph_</p> <p>Consultant: NAME OF CONSULTANT ADDRESS</p> <p>Attention: NAME OF AUTHORIZED REPRESENTATIVE Position of Authorized Representative Name of Company</p> <p>Facsimile: <u>+81-422-40-2827</u> E-mail: m_ogawa@srcj.or.jp</p>
{1.8}	<p>The Lead Member is [<i>insert name of member</i>]</p> <p><i>Note: If the Consultant consists of a Joint Venture the name of the entity whose address is specified in Clause SCC 1.6 should be inserted here. If the Consultant consists only of one entity, delete this Clause SCC 1.8.</i></p>

<p>1.9</p>	<p>The Authorized Representatives are:</p> <p>For the Client: Undersecretary for Project Implementation, Assistant Secretary for Project Implementation Project Director of Project Management Office</p> <p>For the Consultant: _____</p>
<p>2.2</p>	<p>(No changes made. To be deleted)</p>
<p>2.4</p>	<p>The time period shall be 45 months (excluding defects liability period).</p>
<p>{3.4(e) (ii)}</p>	<p>The ceiling on Consultant’s liability shall be limited to:</p> <ul style="list-style-type: none"> a) Except in case of gross negligence or willful misconduct on the part of the Consultants or on the part of any person or firm acting on behalf of the Consultants in carrying out the Services, the Consultants, with respect to damage caused by the Consultants to the Employer's property, shall not be liable to the Employer: <ul style="list-style-type: none"> i) for any indirect or consequential loss or damage; and ii) for any direct loss or damage that exceeds (A) the total payments for professional fees and reimbursable expenditures made or expected to be made to the Consultants hereunder, or (B) the proceeds the Consultants may be entitled to receive from any insurance maintained by the Consultants to cover such liability , whichever of (A) or (B) is higher. b) This limitation of liability shall not affect the Consultants' liability, if any, for damage to Third Parties caused by the Consultants or any person or firm acting on behalf of the Consultants in carrying out the Services.
<p>3.5</p>	<p>The risks and the coverage shall be as follows:</p> <ul style="list-style-type: none"> (a) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Client’s country by the Consultant or its Experts or any Sub-consultants or their Experts, with a minimum coverage of <i>in accordance with the applicable law in the Client’s country</i> (b) professional liability insurance, with a minimum coverage of 300 million Japanese Yen;

	<p>(c) employer’s liability and workers’ compensation insurance in respect of the Experts of the Consultant and of any Sub-consultants, in accordance with the relevant provisions of the Applicable Law, as well as, with respect to such Experts, any such life, health, accident, travel or other insurance as may be appropriate; and</p> <p>(d) insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, and (ii) the Consultant’s property used in the performance of the Services.</p>
{3.8}	<p><i>Note: If the Client is entitled to use the documents prepared by the Consultant under this Contract for other projects, choose one of the following options. If the Client is not entitled to future use of these documents, delete this Clause SCC 3.8.</i></p> <p>The Client is entitled to use the documents prepared by the Consultant under this Contract for other projects, without prior written permission of the Consultant.</p>
{5.1(g)}	<p>The Client will provide the Consultants with the following:</p> <ol style="list-style-type: none"> (1) Make available to the Consultant existing reports and data related to the Project as maybe allowed under Philippine Laws. (2) Furnish all available data, maps and information required for the execution of the services as maybe allowed under Philippine Laws. (3) Act as counterpart personnel for the purpose of liaison with other Government agencies; and (4) Make necessary arrangement to assume the payment of custom duties, internal taxes and levies which might be imposed on the consultant by the Government of Philippines. (5) Facilitate the processing of the necessary immigration procedures for the foreign experts, such as applications for entry, stay exit and work permit.
6.1(b)	<p>The ceiling in foreign currency or currencies is: _____ [insert amount and currency for each currency]</p> <p>The ceiling in local currency is: _____ [insert amount and currency]</p> <p>Any local indirect taxes chargeable in respect of this Contract for the Services provided by the Consultant are included in the ceiling amount of this Contract.</p>

{6.2(c)}	<p><i>Note: In order to adjust the remuneration for foreign and/or local inflation, a price adjustment provision should be included here if the contract has duration of more than 18 months or if the foreign or local inflation is expected to exceed 5% per annum. The adjustment should be made every 12 months after the date of the contract for remuneration in foreign currency and – except if there is very high inflation in the Client’s country, in which case more frequent adjustments should be provided for – at the same intervals for remuneration in local currency.</i></p> <p><i>Remuneration in foreign currency should be adjusted by using the relevant index for salaries in the country of the respective foreign currency (which normally is the country of the Consultant) and remuneration in local currency by using the corresponding index for the Client’s country.</i></p> <p><i>A sample provision on adjustment is provided below for guidance:</i></p> <p>1. <u>Adjustment of remuneration</u> Payments for remuneration made in accordance with Clause GCC 6.2(a) in [foreign and local] currency(ies) shall be adjusted as follows:</p> <p>(a) Remuneration paid in foreign currency pursuant to the rates set forth in Appendix D shall be adjusted every 12 months (and, the first time, with effect for the remuneration earned in the 13th calendar month after the date of the Contract) by applying the following formula:</p> $R_f = R_{fo} \times \frac{I_f}{I_{fo}}$ <p><i>Note: Choose one of the formulae.</i></p> <p>where:</p> <ul style="list-style-type: none"> R_f is the adjusted remuneration; R_{fo} is the remuneration payable on the basis of the rates set forth in Appendix D for remuneration payable in foreign currency; I_f is the official index for salaries in the country of the foreign currency for the first month for which the adjustment is supposed to have effect; and I_{fo} is the official index for salaries in the country of the foreign currency for the month of the date of the Contract. <p>The Consultant shall state here the name, source institution, and any necessary identifying characteristics of the official index for salaries corresponding to I_f and I_{fo} in the adjustment formula for</p>
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remuneration paid in foreign currency:

[These proxy indices shall be proposed by the Consultant at Contract negotiation, subject to acceptance by the Client.]

- (b) Remuneration paid in local currency pursuant to the rates set forth in Appendix D shall be adjusted every [12] months (and, for the first time, with effect for the remuneration earned in the [13]th calendar month after the date of the Contract) by applying the following formula:

$$R_f = R_{fo} \times \frac{I_f}{I_{fo}}$$

Note: Choose one of the formulae.

where:

R_f is the adjusted remuneration;

R_{fo} is the remuneration payable on the basis of the rates set forth in Appendix D for remuneration payable in local currency;

I_f is the relevant index for salaries in the Client's country for the first month for which the adjustment is to have effect and;

I_{fo} is the official index for salaries in the Client's country for the month of the date of the Contract.

The Client shall state here the name, source institution, and any necessary identifying characteristics of the official index for salaries corresponding to I_f and I_{fo} in the adjustment formula for remuneration paid in local currency: *[These proxy indices shall be proposed by the Consultant at Contract negotiation, subject to acceptance by the Client.]*

2. Adjustment of reimbursable expenses

Payments for reimbursable expenses made in accordance with Clause GC 6.2(a) in [foreign and local] currency shall be adjusted as follows:

Reimbursable expenses pursuant to the rates set forth in Appendix E shall be adjusted every [12] months (and, for the first time, with effect for the reimbursable expenses in the [13]th calendar month after the date of the Contract) by applying the following formula for each of the currencies of payment under the Contract:

$$P = P_o \times \frac{I}{I_o}$$

Note: Choose one of the formulae.

	<p>where P is the adjusted reimbursable expenses, P_o is the reimbursable expenses payable on the basis of the rates set forth in Appendix E for reimbursable expenses, I is the relevant official index in the country of the currency for the first month for which the adjustment is to have effect and, I_o is the relevant official index in the country of the currency for the month of the date of the Contract.</p> <p>The Index I for each of the currencies of payment under the Contract shall be <i>[insert indices]</i>. <i>[These proxy indices shall be proposed by the Consultant at Contract negotiation, subject to acceptance by the Client.]</i></p>
<p>{6.3 (a) and (b)}</p>	<p><i>[This clause to be itemized and finalized at Contract negotiations]</i></p> <p><i>[The Client shall specify whether the Consultant (i) should be exempted from local tax, or (ii) should be reimbursed by the Client for any such tax they might have to pay (or that the Client would pay such tax on behalf of the Consultant)]</i></p> <p>The Client warrants that the Consultant, the Sub-consultants and the Experts shall be exempt from any local taxes, duties, fees, levies and other impositions imposed, under the applicable law in the Client's country, on the Consultant, the Sub-consultants and the Experts in respect of:</p> <ul style="list-style-type: none"> (a) any payments whatsoever made to the Consultant, Sub-consultants and the Experts (other than nationals or permanent residents of the Client's country), in connection with the carrying out of the Services; (b) any equipment, materials and supplies brought into the Client's country by the Consultant or Sub-consultants for the purpose of carrying out the Services and which, after having been brought into such territories, will be subsequently withdrawn by them; (c) any equipment imported for the purpose of carrying out the Services and paid for out of funds provided by the Client and which is treated as property of the Client; (d) any property brought into the Client's country by the Consultant, any Sub-consultants or the Experts (other than nationals or permanent residents of the Client's country), or the eligible dependents of such Experts for their personal use and which will subsequently be withdrawn by them upon their respective departure from the Client's country, provided that: <ul style="list-style-type: none"> (i) the Consultant, Sub-consultants and Experts shall

	<p>follow the usual customs procedures of the Client's country in importing property into the Client's country; and</p> <p>(ii) if the Consultant, Sub-consultants or Experts do not withdraw but dispose of any property in the Client's country upon which customs duties and taxes have been exempted, the Consultant, Sub-consultants or Experts, as the case may be, (a) shall bear such customs duties and taxes in conformity with the regulations of the Client's country, or (b) shall reimburse them to the Client if they were paid by the Client at the time the property in question was brought into the Client's country.</p> <p>(e) any goods and services procured locally by the Consultant or Sub-consultants for the purpose of carrying out the Services.</p> <p><i>Note: Items/options which are not applicable should be deleted.</i></p>
6.4	<p>The currency [currencies] of payment shall be the following:</p> <p>(i) [name of foreign currency] (ii) [name of foreign currency] (iii) [name of local currency]</p> <p><i>Note: The currency(ies) shall be the same as in the Financial Proposal.</i></p>
6.5(a)	<p>Payments shall be made according to the following schedule:</p> <p>a) Twenty percent (20%) of the Contract Price with 28 after receipt of the advance payment security and the invoice for the advance payment.</p> <p>b) Progress payment shall be at least 56 days after receipt of Consultant billing and has found deliverables within that period satisfactory by the Client.</p> <p>c) Final payment shall be 84 days after approval of the final Report by the Client.</p> <p>The advance payment securities shall be released when the total payment has reached 50% of the Contract amounts.</p>
6.5(e)	<p>The accounts are:</p> <p>- for foreign currency: [insert account]. - for local currency: [insert account].</p>

IV. Appendices

Appendix A – Description of Services

Note: This Appendix will include the final Terms of Reference worked out by the Client and the Consultant during the negotiations, dates for completion of various tasks, place of performance for different tasks, specific tasks to be approved by Client, etc.

Appendix B – Reporting Requirements

Note: 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.”

Appendix C – Expert Schedule

Note: Insert a table based on Form TECH-7 of the Consultant’s Technical Proposal and finalize at the Contract’s negotiations. Attach the CVs demonstrating the qualifications of Key Experts (Form TECH-6 of the Consultant’s Technical Proposal) updated and signed by the respective Key Experts.

Appendix D – Remuneration Cost Estimates

Note: Insert Form FIN-3 of the Consultant’s Financial Proposal and finalize at the contract negotiations.

Appendix E –Reimbursable Cost Estimates

Note: Insert Form FIN-5 of the Consultant’s Financial Proposal and finalize at the contract negotiations.

Appendix F – Summary of Cost Estimates

Note: Insert Form FIN-2 of the Consultant’s Financial Proposal and finalize at the contract negotiations.

Appendix G – Services, Facilities and Property to be Provided by the Client

Note: See Clause GCC 5.1, GCC 5.4(a) and GCC 5.5(a). List the services, facilities, property and counterpart personnel to be provided by the Client and the timing and manner in which they shall be provided.

Appendix H – Form of Advance Payment Security

Note: See Clause GCC 6.5(a) and Clause SCC 6.5(a). The Client should insert here an acceptable form of an advance payment security. An example is set forth below.

Appendix I – Acknowledgment of Compliance with Guidelines for the Employment of Consultants under Japanese ODA Loan

Note: Form TECH-9 in Section 3 is used for this Appendix.

Appendix H – Form of Advance Payment Security Bank Guarantee for Advance Payment

_____ [*Bank's Name and Address of Issuing Branch or Office*]

Beneficiary: _____ [*Name and Address of Client*]

Date: _____

ADVANCE PAYMENT GUARANTEE No.: _____

We have been informed that [*name of Consulting Firm or name of the Joint Venture, same as appears in the signed Contract*] (hereinafter called “the Consultants”) has entered into Contract No. [*reference number of the contract*] dated [*date*] with you, for the provision of [*brief description of Services*] (hereinafter called “the Contract”).

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of [*amount in figures*] ([*amount in words*]) is to be made against an advance payment guarantee.

At the request of the Consultants, we [*name of Bank*] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [*amount in figures*] ([*amount in words*])¹ upon receipt by us of your first demand in writing accompanied by a written statement stating that the Consultants are in breach of their obligation under the Contract because the Consultants have used the advance payment for purposes other than toward providing the Services under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Consultants on their account number _____ at [*name and address of Bank*].

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Consultants as indicated in copies of your certified statements to such effect which shall be presented to us by the Consultants. This guarantee shall expire, at the latest, upon our receipt of the certified payment certificate issued by you indicating that the

¹ The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Client.

Consultants have made full repayment of the amount of the advance payment, or on the ___ day of [month] [year]² whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458³.

[signature(s)]

Note: *All italicized text is to assist in preparing this form and shall be deleted from the final product.*

² Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the Client would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Client might consider adding the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Client’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”

³ As the case may be, ICC Publication No. 758 (or subsequent ICC Publications) may be used. In such cases, modify the Publication number

Section 7. Eligible Source Countries of Japanese ODA Loans

Eligible Nationality

- (1) The Eligible Nationality of the Supplier(s) shall be the following:
 - a. Japan in the case of the prime contractor; and
 - b. All countries and areas in the case of the sub-contractor(s)

- (2) With regard to sub-section (1) above, in case where the prime contractor is a joint venture, such joint venture will be eligible provided that the nationality of the lead partner is Japan, that the nationality of the other partners is Japan and/or the Republic of the Philippines and that the total share of work of Japanese partners in the joint venture is more than fifty percent (50%) of the contract amount.

- (3) With regard to sub-section (1) and (2) above,
 - a. For goods and services except consulting services, (i) the prime contractor or, in the case of a joint venture, the lead partner and other partners regarded as the Japanese partners shall be nationals of Japan or juridical persons incorporated and registered in Japan, and have their appropriate facilities for producing or providing the goods and services in Japan and actually conduct their business there; and (ii) in the case of a joint venture, the partners except Japanese partners shall be nationals of the Republic of the Philippines or radical persons incorporated and registered in Japan or the Republic of the Philippines, and have their appropriate facilities for producing or providing the goods and services in Japan or the Republic of the Philippines and actually conduct their business there.
 - b. When consulting firms are employed, the prime contractor or, in the case of joint venture, the lead partner and other partners regarded as the Japanese partners shall satisfy all of the following conditions:
 - i. A majority of the subscribed shares shall be held by Japanese nationals;
 - ii. A majority of the full time-directors shall be Japanese nationals; and
 - iii. Such firms shall be incorporated and registered in Japan
 - c. When consulting firms are employed, the partners except Japanese partners of a joint venture shall satisfy all of the following conditions:

- i. A majority of the subscribed shares shall be held by nationals of Japan or the Republic of the Philippines;
- ii. A Majority of the full-time directors shall be nationals of Japan or the Republic of the Philippines; and
- iii. Such firms shall be incorporated and registered in Japan or the Republic of the Philippines.

ODA LOGO

Japan International Cooperation Agency

URL:<http://www.jica.go.jp>

E-mail:gltps-lp@jica.go.jp