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**NEGOTIATED PROCUREMENT  
FOR THE  
FOR CONSULTANCY SERVICES FOR THE  
TAX INCENTIVES DATABASE BUILD-UP AND ANALYSIS (TIDBA) FOR  
TAX EXPENDITURE ESTIMATION AND POLICY ANALYSES PURPOSES**

ITB No. 2016-9-C  
December 2016

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NEGOTIATED PROCUREMENT – TWO FAILED COMPETITIVE PUBLIC  
BIDDINGS

REQUEST FOR QUOTATION

In view of the two (2) failed biddings for the negotiated Procurement of Consultancy Services for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes through its Bids and Awards Committee (BAC) invites Phil-GEPS registered suppliers, to apply for eligibility and to participate in the negotiation for the Procurement of Consultancy Services for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes in accordance with Section 53.1 of the Revised Implementing Rules and Regulations (R-IRR) of Republic Act No. 9184, otherwise known as the “Government Procurement Reform Act”.

The Approved Budget for the Contract is Seven Million Pesos (P7,000,000.00).

The schedule of bidding activities are as follows:

<b>ACTIVITIES</b>	<b>SCHEDULE</b>
Posting of Request for Quotation	December 3, 2016
Issuance and Availability of Request for Quotation	Starting December 5, 2016
Preliminary Conference	December 6, 2016, 10:00 a.m.
Issuance of Amendments/Clarifications	December 8, 2016
Submission of Eligibility, Technical Components and Financial Documents	December 12, 2016, 9:45 a.m.

The complete set of Request for Quotation may be purchased at the BAC Secretariat c/o General Services Division, 7<sup>th</sup> Floor EDPC Building, Roxas Blvd., P. Ocampo St., Malate, Manila upon payment of a non-refundable fee provided as follows not later than the submission of their quotations. Suppliers who have been declared “eligible” during the first two-failed biddings need not pay for the tender documents.

The suppliers shall drop their duly accomplished quotation proposals in sealed envelopes in the box located at the General Services Division, 7<sup>th</sup> Floor, EDPC Building, Roxas Blvd. cor. P. Ocampo St., Malate Manila. Interested suppliers may obtain further information from the BAC Secretariat at telephone number 526-84-75 during office hours.

DOF reserves the right to waive any formality in the responses to the eligibility requirements and to this invitation. DOF further reserves the right to reject any and all proposals, or declare a failure of quotation or not award the contract, and makes no assurance that the contract shall be entered into as a result of this invitation without thereby incurring any liability in accordance with Republic Act No. 9184 and its Revised Implementing Rules and Regulations.

**GIL S. BELTRAN**  
Undersecretary and  
and BAC Chairman

***Section I.***  
***Instructions to Suppliers***

## **A. General**

### **1. Scope**

The Department of Finance wishes to receive bids for the Procurement of Consultancy Services for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes.

### **2. Source of Funds**

The Funding Source is through the Approved Budget of the Department of Finance in the amount of Seven Million Pesos (P7,000,000.00).

### **3. Eligible Bidders**

#### **3.1. The following persons shall be eligible to participate in this procurement:**

- (a) Duly licensed Filipino citizens/sole proprietorships;
- (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
- (c) Corporations duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
- (d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; and
- (e) Persons/entities forming themselves into a JV, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%).

For purposes of determination of technically, legally and financially capable service provider for this particular negotiated procurement, the hereunder service provider shall be deemed qualified:

- (a) All bidders who participated in the two (2) earlier failed biddings provided that they have been declared eligible by the DOF - BAC.
- (b) New bidders provided that will comply with the same eligibility and technical requirements prescribed under the most recent failed bidding.

#### 4. Bidder's Responsibilities

The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Bidding Documents.

The Bidder is responsible for the following:

- (i) Having taken steps to carefully examine all of the Bidding Documents;
- (ii) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
- (iii) Having made an estimate of the facilities available and needed for the contract to be procured, if any; and
- (iv) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin(s) if there is any.
- (v) Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
- (vi) Ensuring that each of the documents submitted in satisfaction of the requirements for procurement is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (vii) Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
- (viii) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
- (ix) Complying with the disclosure provision under Section 47 of RA 9184 in relation to other provisions of RA 3019; and
- (x) It complies with existing labor laws and standards, in the case of procurement of services.
- (xi) Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

**B. Preparation of Bids**

**1. Eligibility, Technical and Financial Documents**

**A. Documents Comprising the Bid: Eligibility and Technical Components**

- a. Copy of Official Receipt as proof of purchase of the Request for Quotation (RFQ). The complete set of RFQ may be purchased at the SBAC Secretariat c/o General Services Division, 7<sup>th</sup> Floor, EDPG Building, Roxas Blvd. cor P. Ocampo, Sr. St. Malate, Manila upon payment of a non-refundable fee of Ten Thousand Pesos (P10,000.00)
- b. Registration certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration.
  - i. For Sole Proprietorship – Department of Trade and Industry (DTI) business name registration.
  - ii. For Corporations – Securities and Exchange Commission (SEC) Certificate of Registration or SEC Certificate of Filing of Amended Articles of incorporation.
  - iii. For Partnerships - SEC Registration Certificate or SEC Certificate of Filing of Amended Articles of Partnerships.
  - iv. For Cooperatives – Cooperative Development Authority.
- c. Mayor's permit for CY 2016 issued by the city or municipality where the principal place of business of the prospective participant is located.

In cases of recently expired Mayor's/Business permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period prescribed by the concerned local government unit, provided that the renewed permit shall be submitted as a post-qualification requirement in accordance with Section 34.2 of this IRR.;

- d. Audited Financial Statements (AFS) for years 2014 and 2015, stamped "received" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the preceding calendar year, which should not be earlier than two (2) years from submission of proposal;



e. Commitment from the bidder that it shall submit the following requirements within five (5) working days from notification of the DOF –BAC:

I. Statement of all its ongoing and completed government and private contracts for CY 2013 – 2016 up to the day before the deadline of submission of bids, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:

- (1) name of the contract;
- (2) date of the contract;
- (3) kinds of Goods;
- (4) amount of contract and value of outstanding contracts;
- (5) date of delivery; and
- (6) end user’s acceptance or official receipt(s) issued for the contract, if completed.

Bidders shall submit separate statements for (1) single largest completed contract; and (2) on-going and awarded but not yet started contracts.

II. Tax Clearance Certificate for 2016 per Executive Order No. 398 series of 2005. Conditional Tax Clearance is not acceptable;

i. The following Income Tax and Business Returns shall be required:

1. 2014 and 2015 Income Tax Returns and proofs of payment;
2. Proof of Value Added Tax Returns (Forms 2550M and 2550Q) filed for CY 2016:

May 2016 2550M  
June 2016 2550Q  
July 2016 2550M  
August 2016 2550M  
September 2016 2550Q  
October 2016 2550M

The income tax and business tax returns stated above filed through the Electronic Filing and Payment System (EFPS).

Proof of Payment is the EPFS Confirmation receipt.

- ii. Bureau of Internal Revenue Registration Certificate (Form 2303)
- iii. Certificate of PhilGEPS Registration
- iv. Proof of Completion of the single largest contract in relation to item (i) hereof, which shall be a copy of (a) Contract/s or Purchase Orders; or (b) corresponding Sales Invoice and (c) Official Receipt.

The bidder must have completed, within the years 2013 – 2016 a single contract that is similar to this Project and the value of which must at least be fifty (50%) of the ABC.

- v. If applicable, the Joint Venture Agreement (JVA) in case the joint venture is already in existence, or duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful. Each partner of the joint venture shall submit the legal eligibility documents. The submission of technical and financial eligibility documents by any of the joint venture partner constitutes compliance.
- v. Conformity with delivery schedule as stated in Section II of this Bidding Documents.
- vii. Conformity with technical specifications, as enumerated and specified in Sections III of the Bidding Documents;
- ix. Sworn statement in accordance with section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in section IV. Bid and Sample Forms;
- g. Financial Proposal Forms shall include the bid prices and the bill of quantities and the applicable Price Schedule.

## **2. Format and Signing of Bids**

- i. Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in *Section IV. Bidding Forms* on or before the deadline specified in C (1) hereof.
- ii. Each bidder shall submit one (1) original and two (2) copies of the first and second components of its bid.

The duplicates i.e. copies 1 and 2 must include the same documents as that of the original set of documents.

Any omission of document in the copies shall be a ground for the bidder's disqualification/ineligibility

- iii. The bid, except for unamended printed literature, shall be signed and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.
- iv. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.
- v. The financial proposal must be sealed in a small envelope to be part of the submission.

### **3. Sealing and Marking of Bids**

- i. Bidders shall enclose their original in one sealed envelope marked "ORIGINAL BID".
- ii. Each copy shall be similarly sealed duly marking the inner envelopes as "COPY NO. 1" and "COPY NO. 2", respectively. These envelopes containing the original and the copy shall then be enclosed in one single envelope.
- iii. The original and the copy of the Bid shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.
- iv. All envelopes shall be addressed to the DOF-SBAC and shall bear or indicate:
  - 1. the name of the contract to be bid in capital letters;
  - 2. the name and address of the Bidder in capital letters;
  - 3. the specific identification of this bidding process; and
  - 4. a warning "DO NOT OPEN BEFORE..." the date and time for the opening of bids.
- ii. If bids are not sealed and marked as required, the DOF-SBAC will assume no responsibility for the misplacement or premature opening of the bid.

## **C. Submission and Opening of Eligibility, Technical and Financial Requirements**

### **1. Deadline for Submission of Bids**

The address for submission of eligibility, technical and financial components of the bid is:

DOF Bids and Awards Committee  
c/o BAC Secretariat  
General Services Division  
7<sup>th</sup> Floor EDPC Building  
Roxas Blvd. cor. P. Ocampo St.,  
Malate, Manila

The deadline for submission of the requirements is on **December 12, 2016 at 9:45 AM.**

## **2. Late Submission**

Any bid submitted after the deadline for submission and receipt of bids as stated in C.1 hereof, shall be declared "Late" and shall not be accepted by the DOF - BAC.

## **3. Modification and Withdrawal of Bids**

- i. The Participant may modify its bid after it has been submitted; provided that the modification is received by the DOF - BAC prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "BID MODIFICATION" and stamped "received" by the DOF - BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Participant unopened.
- ii. A Participant may, through a Letter of Withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the Letter of Withdrawal is received by the DOF - SBAC prior to the deadline prescribed for submission and receipt of bids.
- iii. Bids requested to be withdrawn shall be returned unopened to the Participant. A Bidder may also express its intention not to participate in the negotiated procurement through a letter which should reach and be stamped by the DOF - BAC before the deadline for submission and receipt of bids. A Participant that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.
- iv. No quotation/proposal may be modified after the deadline for its submission. No quotation/proposal may be withdrawn in the interval between the deadline for its submission and the

expiration of the period of bid validity specified by the Bidder on the Financial Bid Form.

#### **4. Opening and Preliminary Examination of Bids**

- i. The DOF - BAC shall open the bid envelopes of Bidders in public to determine each Bidder's compliance with the documents prescribed in B 1 hereof. For this purpose, the DOF -BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the DOF - BAC shall rate the said first bid envelope as "passed".
- ii. During the opening of bids only the authorized representative shall be allowed to assist in the opening of bids. In case the authorized representative is not present, any employee or representative of the authorized representative may be allowed to "assist" in the opening of bids provided that a separate written authorization from the authorized representative shall be presented for the purpose. Provided further, that the authorized representative is duly authorized to issue such authority and the same is reflected in the Board Resolution and/or Secretary's Certificate.
- iii. Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding Letter of Withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
- iv. A Bidder determined as "failed" has three (3) calendar days upon written notice or, if present at the time of bid opening, upon verbal notification, within which to file a request or motion for reconsideration within the DOF - BAC: Provided, however, that the motion for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the DOF - BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his

intent to file a motion for reconsideration, the DOF - BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the motion for reconsideration or protest has been resolved.

- v. The DOF - BAC shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, findings of preliminary examination; and (b) attendance sheet. The IABAC members shall sign the abstract of bids as read.

## **D. Evaluation and Comparison of Bids**

### **1. Clarification of Bids**

To assist in the evaluation, comparison, and post-qualification of the bids, the DOF - BAC may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the DOF - BAC shall not be considered.

### **2. Detailed Evaluation and Comparison of Bids**

The DOF - BAC will undertake the detailed evaluation and comparison of bids which have passed the opening and preliminary examination of bids, in order to determine the Lowest Calculated Bid.

The lowest Calculated Bid shall be determined in two steps:

- a. The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
- b. The ranking of the total bid prices as so calculated from the lowest to the highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.

The DOF - BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary pass/fail criteria. The DOF - BAC shall consider the following in the evaluation of bids:

- 1. Completeness of the bid. Bids not addressing or providing all of the required items in the Schedule of Requirements shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but

specifying a “0” (zero) for the said item would mean that it is being offered for free to the DOF - SBAC; and

2. Arithmetical corrections. Consider computational errors and omissions to enable proper comparison of all eligible bids. It may also consider bid modifications, if applicable. Any adjustment shall be calculated in monetary terms to determine the calculated prices.

Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered.

The DOF -BAC's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form.

Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

### **3. Post-Qualification**

The DOF - BAC shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and conditions specified in A (3) and B (1).

The determination shall be based upon an examination of the evidence of the Bidder's qualifications submitted pursuant to B (1), as well as other information as the DOF - BAC deems necessary and appropriate, using a non-discretionary “pass/fail” criterion.

If the DOF - BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated and Responsive Bid, and recommend to the Head of the DOF - BAC the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.

A negative determination shall result in rejection of the Bidder's Bid, in which event the DOF - BAC shall proceed to the next

Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the Lowest Calculated Responsive Bid is determined for contract award.

Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the DOF - BAC, the Head of the DOF - BAC shall approve or disapprove the said recommendation.

#### **4. Reservation Clause**

Notwithstanding the eligibility or post-qualification of a bidder, the DOF - BAC concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the DOF - BAC shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

Based on the following grounds, the DOF - BAC reserves the right to reject any and all bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:

- If there is *prima facie* evidence of collusion between appropriate public officers or employees of the DOF - BAC, or between the DOF - BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
- If the DOF - BAC is found to have failed in following the prescribed bidding procedures; or
- For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GOP as follows:



- i. If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the DOF - BAC;
- ii. If the project is no longer necessary as determined by the head of the DOF - BAC; and
- iii. If the source of funds for the project has been withheld or reduced through no fault of the DOF - BAC.

In addition, the DOF - BAC may likewise declare a failure of bidding when:

- i. No bids are received;
- ii. All prospective bidders are declared ineligible;
- iii. All bids fail to comply with all the bid requirements or fail post-qualification; or
- iv. The bidder with the Lowest Calculated Responsive Bid (LCRB) refuses, without justifiable cause to accept the award of contract, and no award is made.

## **D. Award of Contract**

### **1. Contract Award**

The Procuring Entity shall award the contract to the Bidder whose bid has been determined to be the Lowest Calculated and Responsive Bid (LCRB).

Prior to the expiration of the period of bid validity, the Procuring Entity shall notify the successful Bidder in writing that its bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

- i. Submission of the valid JVA, if applicable, within ten (10) calendar days from receipt by the Bidder of the notice from the SBAC that the Bidder has the LCRB;

- ii. Posting of the performance security;
- iii. Signing of the contract;
- iv. Approval by higher authority, if required.

At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section II. Schedule of Requirements.

**2. Signing of the Contract**

The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period.

The following documents shall form part of the contract:

- i. Bidding Documents;
- ii. Winning bidder’s bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
- iii. Notice of Award of Contract; and
- iv. Other contract documents that may be required by existing laws and/or specified in the Instruction to Bidders.

**F. Performance Security**

To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.

The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier’s/manager’s check, issued by a Universal or Commercial Bank.	Five percent (2%)

(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that is shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security valid for 120 calendar days; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

Within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the Contract between the successful bidder and the Procuring Entity the performance security in accordance with the Conditions of the Contract, and in the Form.

Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for contract award. However if no Bidder passed post-qualification, the SBAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

**G. Notice to Proceed**

Within three (3) calendar days from the date of approval of the contract by the appropriate government approving authority.

The date of the Participant’s receipt of the Notice to Proceed will be regarded as the effective date of the contract, unless otherwise specified in the **Instruction to Bidders**.

**H. Delays in the Supplier’s Performance**

Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity.

If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.

A delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages unless an extension of time is agreed upon.

**I. Liquidated Damages**

If the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance. Once the maximum is reached, the Procuring Entity shall rescind the Contract, without prejudice to other courses of action and remedies open to it.

**J. Termination for Default**

The Procuring Entity may terminate this Contract for default when the Supplier fails to perform any other obligation under the Contract.

**LETTER OF INTENT AND APPLICATION FOR ELIGIBILITY**

(Date of Issuance)

Hon. Bayani H. Agabin  
Undersecretary  
Hon. Antonette C. Tionko  
Undersecretary  
Department of Finance  
Roxas Blvd., Malate, Manila

Attention : The Chairman  
Bids and Awards Committee

Dear Sir / Madame:

In response to the Invitation to Bid for the **PROCUREMENT OF A CONSULTANCY SERVICES FOR THE TAX INCENTIVES DATABASE BUILD-UP AND ANALYSIS (TIDBA) FOR TAX EXPENDITURE ESTIMATION AND POLICY ANALYSES PURPOSES** of the Department of Finance which appeared at the (name of newspaper or website or G-EPS) on (date of advertising / posting), we would like to express our intention to apply for eligibility to participate in the said bidding.

If found eligible and subsequently shortlisted, we commit to purchase the bid documents for the said project and to submit a bid.

In this regard, we would like to purchase the set of eligibility forms for the project.  
Very truly yours,

Name of Representative of the Bidder  
Position

**Name of the Bidder**

Received by the BAC:

Date: \_\_\_\_\_

## STATEMENT OF ONGOING PROJECTS

### List of Ongoing Government and Private Contracts, including those awarded but not yet started

Name of Consultant : \_\_\_\_\_

Business Address : \_\_\_\_\_

<b>Name and Location of Project</b>	<b>Description of the Project</b>	<b>Classification (Government / Private)</b>	<b>Date of Contract</b>	<b>Type of Consulting Services</b>	<b>Amount of Contract</b>	<b>Contract Duration</b>

## STATEMENT OF SIMILAR COMPLETED PROJECTS

### List of Completed Government and Private Contracts, within the

Name of Consultant : \_\_\_\_\_

Business Address : \_\_\_\_\_

<b>Name and Location of Project</b>	<b>Description of the Project</b>	<b>Classification (Government / Private)</b>	<b>Date of Contract</b>	<b>Type of Consulting Services</b>	<b>Amount of Contract</b>	<b>Contract Duration</b>

Attachments:

1. Certificate of satisfactory completion or satisfactory performance from the client and/or official receipt; and
2. Contract/Agreement.

Submitted by:

Name of Representative of Bidder  
Position

**Name of the Bidder**

Date: \_\_\_\_\_

**STATEMENT ON OWNERS / PRINCIPALS / PARTNERS AND KEY STAFF**

Date of Issuance

Hon. Bayani H. Agabin  
Undersecretary  
Hon. Antonette C. Tionko  
Undersecretary  
Department of Finance  
Roxas Blvd., Malate, Manila

Attention : The Chairman  
Bids and Awards Committee

Dear Sir / Madame:

In compliance with the requirements of the Name of Procuring Entity for the bidding of the (Name of Project), we certify that (Name of Bidder) has the following owners / principals / partners and key staff:

Name and Title	Degree	Years with Firm	Age
1.			
2.			
3.			
4.			
5.			
...			
.			
n			

Attached are their bio-data.

Very truly yours,

Name of Authorized Representative

Position

Name of the Bidder



## STATEMENT ON TECHNICAL COMPETENCE

Date of Issuance

Name of the Procuring Entity

Position of the Head of the Procuring Entity

Name of the Procuring Entity

Attention: The Chairman  
Bids and Awards Committee

Dear Sir / Madame:

In compliance with the requirements of the Department of Finance Bids And Awards Committee for the bidding of the **PROCUREMENT OF A CONSULTANCY SERVICES FOR THE TAX INCENTIVES DATABASE BUILD-UP AND ANALYSIS (TIDBA) FOR TAX EXPENDITURE ESTIMATION AND POLICY ANALYSES PURPOSES**, we certify that (Name of the Bidder) has the technical competence, relevant experience and qualified staff to successfully implement the project, if awarded the contract.

Very truly yours,

Name of Authorized Representative

Position

Name of the Bidder

**STATEMENT ON CITIZENSHIP & PROFESSIONAL REGISTRATION**

Date of Issuance

Name of the Procuring Entity

Position of the Head of the Procuring Entity

Name of the Procuring Entity

Attention: The Chairman  
Bids and Awards Committee

Dear Sir / Madame:

In compliance with the requirements of the Department of Finance BAC for the bidding of the **PROCUREMENT OF A CONSULTANCY SERVICES FOR THE TAX INCENTIVES DATABASE BUILD-UP AND ANALYSIS (TIDBA) FOR TAX EXPENDITURE ESTIMATION AND POLICY ANALYSES PURPOSES**, I hereby certify that:

I am a (Nationality) citizen wishing to participate in the bidding.

I have the technical and financial capabilities to satisfactorily render the required services.

I possess the required professional license issued by the Professional Regulation Commission or other appropriate regulatory body (name of other regulatory body).

Very truly yours,

Name of Authorized Representative

Position

Name of the Bidder

**FINANCIAL DOCUMENTS FOR ELIGIBILITY CHECK**

Name of Consultant : \_\_\_\_\_

Business Address : \_\_\_\_\_

Summary of the Bidder’s assets and liabilities on the basis of the attached income tax return and audited financial statement, stamped “RECEIVED” by the Bureau of Internal Revenue or BIR authorized collecting agent, for the immediately preceding year and a certified copy of Schedule of Fixed Assets particularly the list of the construction equipment:

		Year 20__
1	Total Assets	
2	Current Assets	
3	Total Liabilities	
4	Current Liabilities	
5	Net Worth (1-3)	
6	Net Working Capital (2-4)	

Attachment:

1. Income Tax Return and Audited Financial Statement

Submitted By:

Name of the Representative of Bidder

Position

Name of the Bidder

Date: \_\_\_\_\_

**NOTE:**

1. If Partnership or Joint Venture, each Partner or Member Firm of Joint Venture shall submit the above requirements.

## ***Section III. Technical Specifications***

## Terms of Reference

### **Consultancy for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes**

Approved by the PH-EITI MSG on \_\_\_\_\_

#### **I. Background**

##### **Tax Incentives (TI) and Tax Expenditures (TE)**

Tax incentives are financing instruments that mitigate tax liabilities of taxpayers through reduced tax rate, tax incentives/expenditures, deferrals, exemptions, special deductions, tax credits or allowances to promote or assist specific economic activities or groups of taxpayers. These are often legislated to reduce the cost of production or consumption of certain goods/services or to generate more economic activities through incentives. Investment promotion agencies (IPAs) have been granting tax incentives to stimulate physical investment in the country since the 1960s. Over the years, granting tax incentives, such as tax credits and tax deductions, to encourage investment has become an important tool in industrial policy. The practice is widespread, as most countries legislate such perks. A wide variety of such investment perks exist, such as income tax holidays, tax deductions and tax credits.

Tax expenditures, on the other hand, are a quantitative measure of the government's exposure to tax incentives and other similar tax concessions. They generally reflect tax revenues forgone by government. Tax expenditures often represent the equivalent of a major share of the discretionary expenditures of a government. Without the inclusion of tax expenditures in the budget process, the tradeoffs in allocations across functions, sectors, regions and other target groups are limited to expenditures financed by the available revenues after being reduced by tax expenditures arising from a range of tax incentives and preferences. The inclusion of tax expenditures in the budget in the budget process allows these policies to get the same level of strict budget scrutiny as normal budget expenditures. To make the budget process more complete, all expenditures should be accounted for and allocated to the functions, sectors, or regions benefiting from the tax expenditure. Accounting for tax expenditures also highlights the tradeoffs that need to be recognized in awarding or enhancing tax privileges. A key tradeoff is that the enhancement of a tax expenditure favoring a specified group or sector has to be offset by increased tax burdens on the rest of the economy to sustain existing direct expenditure supported programs. The tradeoffs required to be considered include lowering (raising) the benchmark tax rates and incentives/expenditures for most taxpayers in exchange for decreasing (increasing) the tax privileges for some taxpayers. Alternatively, tax expenditure support for a sector could be considered a better (worse) delivery mechanism than assistance through direct expenditure programs.

In recent years, efforts to bring to greater light the social costs and benefits of tax incentives for investment have prompted the Department of Finance of the Philippines to exert greater effort to conduct activities to analyze tax incentive data from and administrative policies of investment promotion agencies. The efforts have yielded the passage into legislation of the Tax Incentives Management (TIMTA) and the development of the Tax Expenditure Account of the Philippines and more advanced metrics and methods for analyzing tax expenditures and the tax incentives that give rise to them. The TIMTA aims to enhance the transparency of tax incentives by institutionalizing data-sharing among government agencies administering and monitoring them and by mandating the NEDA to analyze their costs and benefits.

## **II. Legal Basis**

The promulgation of Republic Act No. 10708 or the Tax Incentives Management and Transparency Act (TIMTA) on December 9, 2015 provided the legal basis for the creation of an incentives database for the government. In particular, Section 5 of the law states that *“The DOF shall maintain a single database for monitoring and analysis of tax incentives granted”*.

This is in line with the objective of the law to promote fiscal accountability and transparency in the grant and management of tax incentives by devising means to measure the fiscal exposure of the government and provide tools to monitor, review and analyze the economic impact of the grant of tax incentives.

## **III. Scope of Work**

The project aims to provide the DOF with sufficient capacity in supporting the further development of the Tax Expenditure (TE) accounts, their applications and uses of these accounts in the crafting of related legislation and administrative laws, and analyzing the overall impact of tax incentives/expenditure on the national budget, the macroeconomy, investments, various sectors of industry, government’s exposure to various tax incentives and the fiscal accounts of the government.

In particular, this project shall entail a quantitative analysis of tax expenditure data to be used as a tool for monitoring tax incentives and as a reference effective policy analysis and design. The following are the specific objectives of the project:

A. Measure the fiscal impact of tax incentives, to include:

1. Revenue loss from the grant of tax incentives;
2. Elasticity or the behavioral response to incentives;
3. Other indirect fiscal impacts (e.g. prices)

B. Measure the magnitude of resources that are required to replace the tax expenditures with explicit subsidies or transfers from the national budget while maintaining taxpayers’ welfare.

For the purpose of this TOR, the Tax Consultant shall refer to the Tax Incentive or Tax Expenditure Expert.

The Tax Consultant shall utilize the tax incentives/expenditure data from the BIR tax returns and BOC import entries as well as information from the annexes of the Implementing Rules and Regulations (IRR) of the TIMTA law (ANNEX ATTACHED), as baseline information. The tax consultant is expected to identify or provide other data sources which he/she deems useful in his/her tax incentive/expenditure study. Identified data sources must be readily obtainable so as not to delay project engagement, otherwise provide recommendations for alternative data source.

The Tax Consultant Team's deliverables shall be divided into two major components:

**A. Database Build-Up:**

The Tax Consultant team shall be composed of the Database Developer and the Business Intelligence Tool Modeler who shall be tasked to create and develop databases and warehouse that will meet the following objectives and provide its corresponding working/running output in the data warehouse system. Specifically, this includes the following tasks:

1. Build databases drawing from the existing TI/TE information/data from the BIR tax returns (BIR 1702 Forms), BOC import entries which will be provided to the DOF by the BIR and BOC; TIMTA Law Annexes and other data sources to be identified useful for the project, in accordance with the data requirements dictated by the TI/TE Expert/Consultants who shall perform the policy portion needed for the Project.

a. Build, install and configure the mechanism to extract the above-cited data from its original sources and be able to reformat them into a database that will be specifically used for TI/E policy analyses. The database should be in a logical format to be utilized and manipulated to simulate proposals pertaining to simple policy changes.

- Develop tax calculators, logics and data dictionaries in the databases/data warehouse as required by the TI/E Expert/Consultants.

b. Provide that the database will accommodate future addition of any external information covering tax exemptions, incentives and expenditures.

c. Provide set-up to allow these databases to be linked with other databases that can be identified in the future, for the purpose of enriching the tax incentives/expenditure database system useful for current and future policy studies/analyses.

2. The developed database must be integrated into a single TIMTA Data Warehouse system, which must be accessible for developing policy analyses.
3. Build a database or warehouse for the inventory of administrative and legislative laws on tax incentives or tax expenditures. The database must have to capacity to be updated, or accommodate new information/data or issuances related to tax expenditures, when necessary.

**B. Tax Incentives/Expenditure Policy Tool Analysis**

The Tax Consultant/s shall:

1. Compile an inventory of administrative and legislative laws that create or potentially create Tax incentives/expenditures. Assist in the identification of benchmarks and assess the impact of deviations from the benchmarks.
2. Ensure that complete information from the inventory of laws and issuances on tax incentives and expenditures are lodged in the database such that the database is validated and useful for possible simulations and policy analysis.
3. Compile detailed data on taxpayers availing of tax incentives, by firm and by sector and by type of tax. This includes task to compile and update previous data on Tax incentives/expenditures and ensure inclusion in the database and warehouse.
4. Develop tax calculators and logics required to estimate incentives availed and possible revenue impacts:
  - i. Identify the amount of tax incentives availed by registered business entities, by type of tax, by firm and by sector.
  - ii. Provide mechanism to estimate claims of annual tax incentives availed.
  - iii. Provide mechanism to give an estimate of how much tax incentives can be programmed for a certain year and projections for the following year.
5. Utilize existing or develop new methodologies for estimating tax incentive/expenditures.
6. Ensure continuous improvement in the quality of data used to estimate tax incentive/expenditures by obtaining the appropriate statistics required to facilitate TI/E estimation.
7. Obtain data from sources other than the taxpayer's returns, import entries and TE reports that will enable or facilitate TE estimation or verification. In this regard, the tax consultant shall identify or provide other data sources which he/she deems useful in his/her tax incentive/expenditure study. Identified data sources must be readily obtainable so as not to delay project engagement.



- a. Submit an Assessment Report on the need and usefulness of the currently available data and other additional information/data;
  - b. Submit recommendations on how the additional data can be integrated with the existing database;
  - c. Submit studies and propose potential policy directions which can be derived from the current data and additional information such as sensitivity analysis and behavioral analysis of IPAs and corresponding investments and its impact to the revenue generating capacity of the government.
8. Define the tax expenditure benchmark for **all** Tax incentives/expenditures (TI/E) and be aware of other TI/E benchmarks from other comparative countries. The consultant shall ensure that the tax expenditure benchmark is up to date and that (TI/E) formulas and estimation methodologies developed are consistent with the (TI/R) benchmark.

The benchmark is the basis for identifying tax policy deviations and estimating the revenue impact of such tax policy deviations from this benchmark. The tax benchmark may reflect decisions that take into account considerations of the ability of persons to pay the tax, and the economic, administrative and compliance costs of the tax.

9. Identify ways to enhance transparency of tax incentives/expenditures and always ensure of TI/E data accuracy.
10. Come up with studies and analyses of the micro data sources identified in this Project and develop tax incentive/expenditure models for fiscal purposes, making use of, but not limited to, the available tax incentives/expenditure data specific to this Project. The TI/E Expert/Consultants shall come up with analysis to simulate proposals pertaining to simple policy changes such as but not limited to the following:
- a. **Potential tax incentives redundancy.** The consultant shall create a model that will determine the present and estimated revenue impact of tax expenditures as against the country's GDP. The purpose of identifying tax incentives and tax expenditures is to measure the revenue impact to the government.
  - b. **Adjusting preferential tax rates as incentives.** The model will provide "scenario" analysis in terms of adjusting the preferential tax rate incentives on income, VAT and Excise, and the number of years for the grant, or non-grant, of Income Tax Holidays, etc, among others, to see revenue impact.
  - c. Other recommendations and analysis obtained from tax incentives/expenditure which can be useful for the DOF to help come up with other policies.

The model must provide aging process, if applicable, and the database system must be able to accommodate additional new information given the data are updated in a yearly basis.

11. The consultant shall conduct user-training and provide workshops on the developed system and analyses including the use of models and database access.

#### **IV. Budgetary Requirement**

Under the 2016 General Appropriations Act (GAA), the DOF was granted a budget of P10 million for the consultancy services and the purchase of technological infrastructure for the database build-up and analysis of the tax incentive/expenditure program.

The Tax Incentives Database Build Up Analysis (TIDBA) Consultancy is allotted P7M for this particular Project.

#### **V. General Qualifications of the Tax Consulting Firm**

The following are the qualifications of the local tax consultancy firm/company, which will be headed by the designated Tax Consultant with extensive experience in providing advisory services in government setting.

- a. Firm must be operational for at least five (5) years and holds office in the Philippines.
- b. Must be familiar with DOF, BIR and BOC procedures especially on tax-related processes and systems.
- c. The fiscal expert and modeler must have at least 10-15 years experience in developing database and microsimulation models for fiscal policy analyses for the government.
- d. The fiscal expert must have excellent knowledge of tax policies and tax schemes in the Philippines. Expert/s must have excellent knowledge of theories of taxation and tax incentives/expenditure.
- e. The Tax Incentive/Expenditure Expert must have a minimum of 5 years of experience working on and analyzing taxation, tax incentives and tax expenditure data.
- f. The IT Expert, under the tax consultancy firm, must have a minimum experience of 5 years knowledgeable and with experience on database language such as Structured Query Language (SQL), Visual Basic for Excel (for developing Excel programs and Macros) and other programming languages that may be deemed necessary by the Tax Consultant. He/she must be well aware of proper evaluation process and procedures of data warehouse and database management systems in government.

## **VI. Composition of the Tax Consultancy Services Personnel**

The team of the Consultancy shall comprise of the following:

1. Tax Consultant as the Lead
2. Fiscal or Tax Modeler or Econometrician, or Statistician;
3. Database Develop/Administrator
4. Business Intelligence tool modeler;
5. Project coordinator/technical writer

For the Tax Consultant and the Tax Modeler:

- The Consultant and the Modeler must be economists with minimum 10 years of experience working on and analyzing taxation, tax incentives and tax expenditure data, with familiarity as to the definition and measurement of tax expenditures, institutions providing them, their impact on tax revenues, potential redundancy, social costs and benefits to society.
- Must be knowledgeable in the creation of microsimulation models for tax/fiscal policy purposes.
- The modeler shall ensure accuracy of the model by providing a logical database and validation process.

For the Statistician:

- At least 5 years of experience in running statistics and econometric programs to support the requirements of the Tax Consultant in the statistical analysis of TI and TE data. Knowledge of Stata, EViews and experience in taxation is preferred.
- For the Database Developer/Administrator and Business Intelligence Tool Modeler
- The database developer and BI tool modeler should have a minimum 5 years of experience developing and managing databases and providing business solution models. The developer must possess knowledge of the following programs essential to developing databases and managing and processing data: Structured Query Language (SQL), Visual Basic for Excel (for developing Excel programs and macros) and other programming languages, as deemed necessary by the Tax Consultant. BI Tool Modeler must be an expert with the use of well-known and highly functional BI Tools.

- The responsibility of the Tax Incentives database developer is to develop, build, maintain and update the database and to monitor trends in Tax incentives/expenditures and to develop ideas and design an interface for studying Tax incentives/expenditures. Another responsibility is to make the data available to researchers wishing to analyze the data further.
- The responsibility of the business solution expert is to electronically translate the econometric or fiscal models that the Tax Consultant and Fiscal modeler shall develop. His tasks include linking different databases developed for policy analysis purposes and the report generation.

For Project Coordinator / Technical Writer

- Responsible for the technical documentation and project coordination of the Tax Incentives Database Build-up and Analysis (TIDBA).

## **VII. Duration of the Project**

The consultancy service for the TIDBA for this phase of the project is one year from the official engagement per date of contract.

Note that in the TIMTA IRR, the submission date of the tax incentives report from the locators and registered enterprises shall be on September 2016.

## **VIII. Reporting**

The Consultant will report to the DOF-DFG Director/Undersecretary to provide timely Project status.

## **IX. Confidentiality of Data**

a. The DOF system, its components, parts and all products, product samples and specifications, data, ideas, technology, and technical and non-technical materials, all or any of which may be derived from any of the foregoing (all of which, individually and collectively, referred to as “Proprietary Information”) are confidential and proprietary to the DOF.

b. The Consultant agrees to hold the Proprietary Information in strict confidence. The Consultant and its employees, furthermore, agree not to reproduce, transcribe, or disclose the Proprietary Information to third parties without prior written approval of the DOF.

c. To ensure the confidentiality of all information that will come to the knowledge of the Consultant/Firm and its employees detailed with the DOF, the Consultant and its employees assigned therein shall be considered agents of the DOF. The contract that will be executed heretofore shall categorically provide that the Consultant and its employees, as agents of the DOF, shall uphold strict confidentiality any information regarding the business, income or

estate of any taxpayer. All project staff of the Consultant shall be required to sign a non-disclosure agreement.

d. The penalty for violating this confidentiality agreement shall consist of monetary and proprietary damages, as well as, the penalties under Section 270 of the National Internal Revenue Code of 1997, as amended, when appropriate. The contractors shall also be disallowed for other and future engagements with the DOF and its attached agencies.

## X. Major Deliverables and Terms of Payment

The Consultancy Firm shall be paid according to the following schedule, subject to necessary taxes.

Activity Description/Deliverables	Weights (%) of the Contract	Duration	Requirements
1. Construction of the over-all project plan, time table and general framework of the Tax Incentives Analyses and Modeling	5%	1 month	<ul style="list-style-type: none"> <li>- Submission of initial project analysis, plan and framework</li> <li>- Data definitions</li> <li>- Model(s) Structure</li> </ul>
2. Development of a database under <b>III. A Database Build-up Scope</b>	20%	3 months	Populated and Working Database
3. Tax incentives/expenditure (TI/E) policy analyses and building of TI/E Models under <b>III. B Tax Incentives/Expenditure Policy Tool Analysis</b>	20%	6 months	<ul style="list-style-type: none"> <li>Inventory of laws/issuances related to tax expenditures</li> <li>- Complete tax expenditure data</li> <li>- Tax expenditure benchmarks</li> <li>- Tax calculators, logics and models</li> <li>- Reports</li> </ul>
	20%		<ul style="list-style-type: none"> <li>- Policy analyses and studies from the TI/E data and other relevant sources of information and recommendations</li> </ul>
4. Conduct workshops and end-user technical training on database and model process under Scope of Work (B), No. 11	20%	2 months	Studies/Recommendations Training Outputs and Documents
5. Project closing and Final Completion Report for User Acceptance Sign-Off	15%	2 weeks	Final Complete Document Report and Acceptance

and Turn-Over			Certificate
---------------	--	--	-------------

I hereby certify to comply and deliver all of the above requirements.

_____ <b>Name of Company</b>	_____ <b>Signature over Printed Name of the authorized representative</b>	_____ <b>Date</b>
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## ***Section IV. Bidding Forms***

**Eligibility Documents Submission Form**

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(Date of Issuance)

**Hon. Bayani H. Agabin**

Undersecretary

**Hon. Antonette C. Tionko**

Undersecretary

Department of Finance

Roxas Blvd., Malate, Manila

Ladies/Gentlemen:

In connection with your Request for Expression of Interest dated *[insert date]* for the Procurement of Consultancy Services for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes, *[Name of Consultant]* hereby expresses interest in participating in the eligibility and short listing for said Project and submits the attached eligibility documents in compliance with the Eligibility Documents therefor.

In line with this submission, we certify that:

- a) *[Name of Consultant]* is not blacklisted or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board, and that each of the documents submit; and
- b) Each of the documents submitted herewith is an authentic copy of the original, complete, and all statements and information provided therein are true and correct.

We acknowledge and accept the Procuring Entity's right to inspect and audit all records relating to our submission irrespective of whether we are declared eligible and short listed or not.

Yours sincerely,

Signature  
Name and Title of Authorized Signatory  
Name of Consultant  
Address



## Technical Proposal Forms

## TPF 1. Technical Proposal Submission Form

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*(Date of Issuance)*

**Hon. Bayani H. Agabin**

Undersecretary

**Hon. Antonette C. Tionko**

Undersecretary

Department of Finance

Roxas Blvd., Malate, Manila

Ladies/Gentlemen:

We, the undersigned, offer to provide the Management Consultancy Services for the Capacity Development and Support Project, *[Name of Consultant]* in accordance with your Bidding Documents dated *[insert date]* and our Bid. We are hereby submitting our Bid, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

If negotiations are held during the period of bid validity, *i.e.*, before *[insert date]*, we undertake to negotiate on the basis of the proposed staff. Our Bid is binding upon us and subject to the modifications resulting from contract negotiations.

In accordance with **GCC Clause Error! Reference source not found.** we acknowledge and accept the PROCURING ENTITY's right to inspect and audit all records relating to our Bid irrespective of whether we enter into a contract with the Procuring Entity as a result of this Bid or not.

We understand you are not bound to accept any Bid received for the selection of a consultant for the Project.

Yours sincerely,

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

## TPF 2. Consultant's References

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

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

Project Name:		Country:
Location within Country:		Professional Staff Provided by Your Firm/Entity(profiles):
Name of Client:		N <sup>o</sup> of Staff:
Address:		N <sup>o</sup> of Staff-Months; Duration of Project:
Start Date (Month/Year):	Completion Date (Month/Year):	Approx. Value of Services (in Current US\$):
Name of Associated Consultants, if any:		N <sup>o</sup> of Months of Professional Staff Provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:		
Narrative Description of Project:		
Description of Actual Services Provided by Your Staff:		

Consultant's Name: \_\_\_\_\_

**TPF 3. Comments and Suggestions of Consultant on the Terms of Reference and on Data, Services, and Facilities to be Provided by the Procuring Entity**

On the Terms of Reference:

- 1.
- 2.
- 3.
- 4.
- 5.

On the data, services, and facilities to be provided by the Procuring Entity:

- 1.
- 2.
- 3.
- 4.
- 5.

**TPF 4. Description of the Methodology and Work Plan for Performing the Project**

## TPF 5. Team Composition and Task Projects

<b>1. Technical/Managerial Staff</b>		
Name	Position	Task

<b>2. Support Staff</b>		
Name	Position	Task

**TPF 6. Format of Curriculum Vitae (CV) for Proposed Professional Staff**

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

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

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

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

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

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

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

\_\_\_\_\_

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

\_\_\_\_\_

**Key Qualifications:**

*[Give an outline of staff member's experience and training most pertinent to tasks on project. Describe degree of responsibility held by staff member on relevant previous projects and give dates and locations. Use about half a page.]*

\_\_\_\_\_

**Education:**

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

\_\_\_\_\_

**Employment Record:**

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

\_\_\_\_\_

**Languages:**

*[For each language, indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]*

---

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member and authorized representative of the firm]Day/Month/Year*

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

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



### TPF 7. Time Schedule for Professional Personnel

Name	Position	Reports Due/Activities	Months (in the Form of a Bar Chart)												Number of Months
			1	2	3	4	5	6	7	8	9	10	11	12	
															Subtotal (1)
															Subtotal (2)
															Subtotal (3)
															Subtotal (4)

Full-time: \_\_\_\_\_  
 Reports Due: \_\_\_\_\_  
 Activities Duration: \_\_\_\_\_  
 Location: \_\_\_\_\_

Part-time: \_\_\_\_\_

Signature: \_\_\_\_\_  
 (Authorized representative)

Full Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Address: \_\_\_\_\_

**TPF 8. Activity (Work) Schedule**

---

**A. Field Investigation and Study Items**

	<i>[1st, 2nd, etc. are months from the start of project.]</i>												
Activity (Work)													

**B. Completion and Submission of Reports**

Reports	Date
1. Inception Report	
2. Project Activity Plan	
3. Compliance Report on the Completion of Hiring of all Technical Experts	
4. 1 <sup>st</sup> Interim Report	
5. 2 <sup>nd</sup> Interim Report	
6. 3 <sup>rd</sup> Interim Report	
7. Final Report	

## ***Financial Proposal Forms***

## FPF 1. Financial Proposal Submission Form

(Date of Issuance)

**Hon. Bayani H. Agabin**

Undersecretary

**Hon. Antonette C. Tionko**

Undersecretary

Department of Finance

Roxas Blvd., Malate, Manila

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for Procurement of Procurement of Consultancy Services for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes in accordance with your Bidding Documents dated *[insert date]* and our Bid (Technical and Financial Proposals). Our attached Financial Proposal is for the sum of *[amount in words and figures]*. This amount is exclusive of the local taxes, which we have estimated at *[amount(s) in words and figures]*.

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

In accordance with **GCC Clause Error! Reference source not found.**, we acknowledge and accept the Procuring Entity's right to inspect and audit all records relating to our Bid irrespective of whether we enter into a contract with the Procuring Entity as a result of this Bid.

We confirm that we have read, understood and accept the contents of the Instructions to Bidders (ITB), the Bid Data Sheet (BDS), General Conditions of Contract (GCC), Special Conditions of Contract (SCC), Terms of Reference (TOR), the provisions relating to the eligibility of Consultant and the applicable guidelines for the procurement rules of the Funding Source, any and all Bid bulletins issued and other attachments and inclusions included in the Bidding Documents sent to us.

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

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

**FPF 2. Summary of Costs**

Costs	Currency(ies) <sup>1</sup>	Amount in Philippine Peso
Subtotal		
Local Taxes		
Total Amount of Financial Proposal		_____

Costs	Amount in Philippine Peso
1. Economic Team	
2. Legal and Policy Team	
3. Others (please specify)	
4. Admin	
5. Management Fee	
Subtotal	
Local Taxes	
Total Amount of Financial Proposal	_____

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<sup>1</sup>In cases of contracts involving foreign consultants, indicate the exchange rate used.

**FPF 3. Breakdown of Price per Activity**

Activity No.: _____	Activity No.: _____	Description: _____
Price Component	Currency(ies) <sup>2</sup>	Amount in Philippine Peso
Remuneration		
Reimbursables		
Miscellaneous Expenses		
Subtotal		_____

Activity No.: _____	Description: _____
Price Component	Amount in Philippine Peso
Remuneration	
Reimbursable	
Miscellaneous Expenses	
Subtotal	_____

<sup>2</sup>In cases of contracts involving foreign consultants, indicate the exchange rate used.

**FPF 4. Breakdown of Remuneration per Activity**

Activity		Name: _____		
No. _____				
Names	Position	Input <sup>3</sup>	Remuneration Currency(ies) Rate	Amount
Regular staff				
Local staff				
Consultants				
Grand Total				_____

<sup>3</sup>Staff months, days, or hours as appropriate.

### FPF 5.Reimbursables per Activity

Activity No: \_\_\_\_\_

Name: \_\_\_\_\_

No.	Description	Unit	Quantit	Unit Price In	Total Amount In
1.	International flights	Trip			
2.	Miscellaneous travel expenses	Trip			
3.	Subsistence allowance	Day			
4.	Local transportation costs <sup>4</sup>				
5.	Office rent/accommodation/ clerical assistance				
	Grand Total				_____

<sup>4</sup>Local transportation costs are not included if local transportation is being made available by the Entity. Similarly, in the project site, office rent/accommodations/clerical assistance costs are not to be included if being made available by the Entity.



### FPF 6. Miscellaneous Expenses

Activity No. \_\_\_\_\_

Activity Name: \_\_\_\_\_

No.	Description	Unit	Quantit	Unit Price	Total Amount
1.	Communication costs between _____ and _____ (telephone, telegram, telex)				
2.	Drafting, reproduction of reports				
3.	Equipment: vehicles, computers, etc.				
4.	Software				
4.	Grand Total				_____

## **Omnibus Sworn Statement**

REPUBLIC OF THE PHILIPPINES        )  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

### **AFFIDAVIT**

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1.       **Select one, delete the other:**

*If a sole proprietorship:* I am the sole proprietor of *[Name of Consultant]* with office address at *[address of Consultant]*;

*If a partnership, corporation, cooperative, or joint venture:* I am the duly authorized and designated representative of *[Name of Consultant]* with office address at *[address of Consultant]*;

2.       **Select one, delete the other:**

*If a sole proprietorship:* As the owner and sole proprietor of *[Name of Consultant]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for *[Name of the Project]* of the *[Name of the Procuring Entity]*;

*If a partnership, corporation, cooperative, or joint venture:* I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Bidder]* in the bidding as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

3.       *[Name of Consultant]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4.       Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5.       *[Name of Consultant]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6.       **Select one, delete the rest:**

*If a sole proprietorship:* I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a partnership or cooperative:* None of the officers and members of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a corporation or joint venture:* None of the officers, directors, and controlling stockholders of *[Name of Consultant]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. *[Name of Consultant]* complies with existing labor laws and standards; and

8. *[Name of Consultant]* is aware of and has undertaken the following responsibilities as a Bidder:

- a) Carefully examine all of the Bidding Documents;
- b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
- c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
- d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.

9. *[Name of Bidder]* did not give or pay directly or indirectly, any commission, amount, fee or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of \_\_\_, 20\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
*[Bidder's Representative/Authorized Signatory]*

*[JURAT]*

## Bid Form

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Date: \_\_\_\_\_  
Invitation to Bid No.: \_\_\_\_\_

To: Department of Finance, Roxas Blvd. Manila

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide the Procurement of Consultancy Services for the Tax Incentives Database Build-up and Analysis (TIDBA) for Tax Expenditure Estimation and Policy Analyses Purposes in conformity with the said Bidding Documents for the sum of *[total amount of Quotation/Proposal in words and figures]* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Quotation/Proposal is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Quotation/Proposal is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Quotation/Proposal for the Validity Period specified in **BDS** provision for **ITB** Clause and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Quotation/Proposal, and to contract execution if we are awarded the contract, are listed below:

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____

(if none, state "None")

Until a formal Contract is prepared and executed, this Quotation/Proposal, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any Quotation/Proposal you may receive.

We certify/confirm that we comply with the eligibility requirements as per **ITB** Clause 3 of the Bidding Documents.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
*[signature]*

\_\_\_\_\_  
*[in the capacity of]*

Duly authorized to sign Quotation/Proposal for and on behalf of  
\_\_\_\_\_

## ***Form of Contract Agreement***

THIS AGREEMENT, made this *[insert date]* day of *[insert month]*, *[insert year]* between *[name and address of PROCURING ENTITY]* (hereinafter called the "Entity") and *[name and address of Consultant]* (hereinafter called the "Consultant").

WHEREAS, the Entity is desirous that the Consultant execute *[name and identification number of contract]* (hereinafter called "the Works") and the Entity has accepted the bid for *[insert the amount in specified currency in numbers and words]* by the Consultant for the execution and completion of such Consulting Services and the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.

2. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:

- (a) General and Special Conditions of Contract;
- (b) Terms of Reference
- (c) Request for Expression of Interest;
- (d) Instructions to Bidders;
- (e) Bid Data Sheet;
- (f) Addenda and/or Supplemental/Bid Bulletins, if any;
- (g) Bid forms, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes;
- (h) Eligibility requirements, documents and/or statements;
- (i) Performance Security;
- (j) Credit line issued by a licensed bank, if any;
- (k) Notice of Award of Contract and the Bidder's conforme thereto;
- (l) Other contract documents that may be required by existing laws and/or the Entity.

3. In consideration of the payments to be made by the Entity to the Consultant as hereinafter mentioned, the Consultant hereby covenants with the Entity to execute and complete the Consulting Services and

remedy any defects therein in conformity with the provisions of this Consultant in all respects.

4. The Entity hereby covenants to pay the Consultant in consideration of the execution and completion of the Consulting Services, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

Binding Signature of PROCURING ENTITY

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Binding Signature of Contractor

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*[Addendum showing the corrections, if any, made during the bid evaluation should be attached with this agreement]*

## Form of Bid Security (Bank Guarantee)

WHEREAS, *[insert name of Participant]* (hereinafter called the “Participant”) has submitted his bid dated *[insert date]* for the *[insert name of contract]* (hereinafter called the “Bid”).

KNOW ALL MEN by these presents that We *[insert name of Bank]* of *[insert name of Country]* having our registered office at *[insert address]* (hereinafter called the “Bank” are bound unto *[insert name of PROCURING ENTITY]* (hereinafter called the “Entity”) in the sum of *[insert amount]*<sup>5</sup> for which payment well and truly to be made to the said Entity the Bank binds himself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

THE CONDITIONS of this obligation are:

1. If the Participant:
  - (a) withdraws his Quotation/Proposal during the period of its validity specified in the Form of Bid; or
  - (b) does not accept the correction of arithmetical errors of his Quotation/Proposal in accordance with the Instructions to Participant; or
  - (c) Submits Quotation/Proposal and eligibility requirements that contains false information or falsified documents, or conceals such information in the Quotation/Proposal in order to influence the outcome of eligibility screening or any other stage of the procurement activity; or
  - (d) Allows the use of one’s name, or using the name of another for purposes of the procurement activity; or
  - (e) Refuses to clarify or validate in writing its Quotation/Proposal during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification; or
  - (f) (Any documented unsolicited attempt) unduly influences the outcome of the procurement activity in his favor.

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<sup>5</sup> *The Participant should insert the amount of the guarantee in words and figures, denominated in the currency of the Entity’s country or an equivalent amount in a freely convertible currency. This figure should be the same as shown of the Instructions to Bidders.*



2. If the Participant having been notified of the acceptance of his Quotation/Proposal by the Employer during the period of its validity:
- (a) fails or refuses to execute the Contract Form in accordance with the Instructions to Participant, if required; or
  - (b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Participant.

We undertake to pay to the Entity up to the above amount upon receipt of his first written demand, without the Entity having to substantiate his demand, provided that in his demand the Entity will note that the amount claimed by him is due to him owing to the occurrence of one or both of the two (2) conditions, specifying the occurred condition or conditions.

The Guarantee will remain in force up to 120 days after the deadline for submission of Quotation/Proposal as such deadline is stated in the Instructions to Bidders or as it may be extended by the Entity, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this Guarantee should reach the Bank not later than the above date.

DATE SIGNATURE OF THE BANK \_\_\_\_\_

WITNESS \_\_\_\_\_ SEAL \_\_\_\_\_

(Signature, Name and Address)

