



Republic of the Philippines
DEPARTMENT OF FINANCE
Roxas Boulevard Corner Pablo Ocampo, Sr. Street
Manila 1004

July 16, 2021

Ms. MARIA KARLA L. ESPINOSA
Consultant

Subject: NOTICE TO PROCEED

Dear Ms. Espinosa:

This Notice to Proceed is hereby issued in connection with the implementation of the Engagement of a Technical Consultant for a Small-scale Mining Report for the Eight (8th) PH-EITI Report (FY 2020) (Highly Technical Consultant) in the Department of Finance.

You are hereby directed to commence the delivery of your service according to the terms and conditions stipulated in the Contract effective July 16, 2021 to November 15, 2021.

Thank you.

Very truly yours,


BAYANI H. AGABIN
Undersecretary


MARK DENNIS Y.C. JOVEN
Undersecretary

CONFORME:


MARIA KARLA L. ESPINOSA

Date: July 16, 2021

**CONTRACT AGREEMENT FOR THE ENGAGEMENT OF SERVICES OF A
TECHNICAL CONSULTANT FOR A SMALL-SCALE MINING REPORT
FOR THE EIGHT (8TH) PHILIPPINE EXTRACTIVE INDUSTRIES
TRANSPARENCY INITIATIVE (FY 2020)**

KNOW ALL MEN BY THESE PRESENTS:

AUG 00 2021

This CONTRACT entered into this _____ day of _____ 2021 in the City of Manila, Philippines, by and between:

The **DEPARTMENT OF FINANCE**, a government agency of the Republic of the Philippines with principal office at the 6th Floor, DOF Building, Roxas Boulevard, Manila, herein represented by **Undersecretary BAYANI H. AGABIN and Undersecretary MARK DENNIS Y.C. JOVEN**, hereinafter referred to as the "**DEPARTMENT**";

-and-

Ms. MARIA KARLA L. ESPINOSA, of legal age, Filipino and a resident of _____ hereinafter referred to as the "**CONSULTANT**".

The DEPARTMENT and the CONSULTANT shall be collectively referred herein as the PARTIES."

WITNESSETH That:

WHEREAS, the Extractive Industries Transparency Initiative (EITI) is an international multi-stakeholder initiative that promotes a global standard for the open, accountable, and good governance of oil, gas, and mineral resources. Each member country works to implement the EITI Standard, which requires a multi-stakeholder group (MSG) to oversee the EITI process and publish timely, relevant, and comprehensive data and information on the extractives either in an annual country report, or, whenever feasible, through systematic disclosure in publicly accessible platforms or portals. Required EITI disclosures include beneficial ownership, exploration, production, export, revenue, employment, and social and environmental data, among other useful information. The EITI Standard encourages MSGs to explore innovative approaches to extending EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and encourage high standards of transparency and accountability in public life, government operations, and in business;

WHEREAS, the Philippines committed to implement the EITI through Executive Order No. 79 (EO 79), series of 2012, and operationalized this commitment through Executive Order No. 147, series of 2013 (EO 147). EO 147 formally created the Philippine EITI, its Multi-stakeholder Group (MSG), and the National Secretariat. Early stakeholder consultations helped the MSG formulate the following implementation goals that are linked to EITI principles and reflective of national priorities for the extractive industries: a) Show the direct and indirect contribution of extractives to national development; b) Improve public understanding of the management of natural resources and public availability of data; c) Strengthen government systems for natural resource management; d) Create opportunities for dialogue and constructive engagement in natural resource management in order to build trust and reduce conflict among stakeholders; and e) Pursue and strengthen the extractive sector's contribution to sustainable development;



WHEREAS, on 16 April 2021, the PH-EITI MSG agreed to adopt a flexible approach in producing the Eight PH-EITI report (8th Report). The flexible report shall cover a variety of data and information from FY 2020, and contain the following or chapters:

- a. Chapter One – Contextual Information
- b. Chapter Two – Reconciliation
- c. Chapter Three – Small-scale Mining

WHEREAS, for and on behalf of the Philippine government and the PH-EITI MSG, the DEPARTMENT seeks a competent individual, free from any conflict of interest, to serve as consultant for the 8th Report and render technical research, analysis, and writing services to achieve the following objectives:

1. Contribute to the production of the 8th Report by producing a report that:
 - a. Assesses the impact of existing and proposed legal and regulatory framework for small-scale mining (SSM) on SSM production and revenue transparency; and
 - b. Assesses the applicability of PH-EITI's SSM reporting tool to other SSM areas.
2. Produce a comprehensive, consistent, coherent, and cohesive report by working in coordination with other 8th Report consultants.

WHEREAS, as provided under Section 53.7 of the 2016 Revised Implementing Rules and Regulations (2016 Revised-IRR) of Republic Act (RA) No. 9184, negotiated procurement is allowed in the case of individual consultants hired to do work that is: (i) highly technical or proprietary; or (ii) primarily confidential or policy determining, where trust and confidence are the primary consideration for the hiring of the consultant, provided that the term of the individual consultant shall, at the most, be on a six month basis renewable at the option of the appointing Head of the Procuring Entity (HoPE), but in no case shall exceed the term of the latter;

WHEREAS, the engagement of the services of Ms. Maria Karla L. Espinosa is necessary where her technical expertise can be fully tapped;

WHEREAS, under the DOF Bids and Awards Committee (BAC) Resolution No. 063-2021, it was resolved to recommend the engagement of the consulting services of Ms. Maria Karla L. Espinosa through negotiated procurement because the work to be performed is highly technical in nature;

WHEREAS, the DEPARTMENT shall engage the services of the CONSULTANT for the provision of the Services for the period of July 16, 2021 to November 15, 2021;

WHEREAS, the CONSULTANT is willing to provide the services and technical assistance to the DEPARTMENT;

WHEREAS, the DEPARTMENT has issued Obligation Request and Status No. 011011012021-07-001721 dated July 16, 2021 certifying that adequate funds have been duly appropriated for this procurement in accordance with existing accounting and auditing rules and regulations;

NOW THEREFORE, for and in consideration of the foregoing premises, the parties hereto have agreed as follows:

1. **SCOPE OF SERVICES**



The CONSULTANT shall have the following duties and functions:

- a. Prepare and submit an inception report containing a proposed and detailed outline of the narrative or write-up, and a description of the approach and technical research methodology to be employed;
- b. Review previous PH-EITI reports on SSM and other related literature;
- c. Coordinate with the consultants of the other chapters/components of the 8th Report on the terms and procedures for integrating all report components to ensure that data and information contained in the 8th Report are consistent, clearly sourced or attributed, and well-consolidated;
- d. Submit a draft report and present the key findings to the MSG;
- e. Write the final copy of the SSM study, incorporating MSG comments and inputs;
- f. Submit both raw and processed data and information to PH-EITI; and
- g. Perform other tasks related to those outlined of the Terms of Reference (TOR) that are necessary for the completion of the contextual information chapter.

2. CONSULTANCY FEE

For and in consideration of the Services rendered by the CONSULTANT the DEPARTMENT hereby agrees to pay the former a total amount of THREE HUNDRED SIXTY ONE THOUSAND SEVEN HUNDRED TWENTY THREE PESOS AND 20/100 (₱361,723.20) to be paid upon accomplishment of each of the deliverables with the corresponding percentage of completion as indicated below, subject to withholding tax and any and all taxes payable to the government.

Milestone	Objective	Output	Payment (% of Contract Amount)	Amount (In ₱)
Following the submission of an inception report	To establish work plan and set expectations of deliverables	Inception report with work plan indicating the scope, approach, methodology, and proposed outline of the report	20%	72,344.64
Following the implementation of research and data gathering plan	To gather data and information for the report	A report on data gathered and initial findings	30%	108,516.96
Following the submission of the draft diagnostic report on SSM, and presentation of key findings to the MSG	To produce a draft diagnostic report on SSM, and gather MSG comments and inputs	A draft diagnostic report on SSM and record of proceedings of MSG meeting where the draft	30%	108,516.96



		report was presented		
Following the submission of final copy of the diagnostic report on SSM, with executive summary	To wrap up the project and identify other areas for consistent improvement	A final diagnostic report on SSM, with executive summary	20%	72,344.64
TOTAL			100%	₱361,723.20

3. CONFLICT OF INTEREST

The CONSULTANT commits to provide technical, objective and impartial services to the DEPARTMENT and at all times uphold its paramount interests without consideration for future work assignments that may place the CONSULTANT in a position of not being able to carry out the assignments in the best interest of the DEPARTMENT.

4. CONFIDENTIALITY CLAUSE/NON-DISCLOSURE

Except with the prior written consent of the DEPARTMENT, the CONSULTANT shall not at any time communicate to any person or entity any confidential information acquired in the course of the performance of the Services, nor shall the CONSULTANT make public the recommendations formulated in the course of, or as a result of, the Services. For purposes of this clause, "Confidential Information" means any information or knowledge acquired by the CONSULTANT arising out of, or in connection with, the performance of the Services under this CONTRACT that is not otherwise available to the public.

5. NO EMPLOYER – EMPLOYEE RELATIONSHIP

It is expressly understood and agreed that the CONSULTANT assigned to the DEPARTMENT is not an employee of the DEPARTMENT. It is further understood and agreed that any personal injury, death or damage sustained by the CONSULTANT during the performance of her duties or while within premises of the DEPARTMENT attributable to the acts, omissions, or fault of the DEPARTMENT shall be the liability of the official, employee or agent concerned.

6. CONSULTANT'S LIABILITY

The CONSULTANT shall indemnify the DEPARTMENT for any and all damages that the DEPARTMENT may incur due to the fault, negligence, error or omission of the CONSULTANT, without prejudice to other legal remedies available to the DEPARTMENT.

7. EFFECTIVITY DATE AND DURATION OF CONTRACT

This CONTRACT shall be in force for the period July 16, 2021 to November 15, 2021.

8. AMENDMENT AND MODIFICATION



No addendum or amendment to this CONTRACT shall be valid and binding between the **PARTIES**, unless it is in writing and signed by the **PARTIES** or their authorized representatives.

9. **VENUE**

In case of any litigation arising from this CONTRACT, the **PARTIES** agree that the competent courts of Manila shall be the exclusive venue, to the exclusion of all other courts or tribunals.

10. **TERMINATION OF CONTRACT**

Either the DEPARTMENT or the CONSULTANT may terminate this CONTRACT no less than thirty (30) days upon service of prior written notice to the other party.

11. **SEPARABILITY**

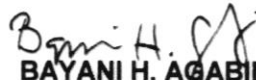
If any one or more of the provisions contained in this CONTRACT or any documents executed in connections herewith shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.

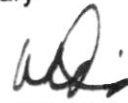
IN WITNESS WHEREOF, the parties have hereto set their hands this _____ day of _____ ~~2021~~ **AUG 06 2021** at Manila, Philippines.

CONSULTANT

By: 
MARIA KARLA L. ESPINOSA
Consultant

DEPARTMENT OF FINANCE

By: 
BAYANI H. AGABIN
Undersecretary


MARK DENNIS Y.C. JOVEN
Undersecretary

SIGNED IN THE PRESENCE OF

ACKNOWLEDGMENT

Republic of the Philippines)
City of Manila) s.s
CITY OF MAKATI

AUG 06 2021

BEFORE ME this _____ day of _____ at the Department of Finance, Roxas Boulevard, Manila personally appeared Undersecretary Bayani H. Agabin with TIN 172-571-956 and his government issued ID _____ issued on _____ at _____, Undersecretary Mark Dennis Y.C. Jovenwith TIN 167-305-432 and his government issued ID _____ issued on _____ at _____ in their capacity as the authorized signatories of the DEPARTMENT OF FINANCE and Ms. Maria Karla L. Espinosa with TIN 223-494-160-020 and her government issued ID IBP Lifetime Member No. 07985 issued on _____ at _____, both known to me to be the same persons who executed the foregoing contract, consisting of six (6) pages including this page, and who acknowledged to me that the same is their free and voluntary act and deed, and the free and voluntary act and deed of the government entity which they represent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at the place and on the day first above written.

ATTY. JOSHUA P. LAPUZ
Notary Public for and in Makati City
Appointed until 12/31/2021
NOTARY PUBLIC
PTR No. 8531012, Jan. 4, 2011
Roll No. 45790, IBP Lifetime N. 04897
MCLE No VI-001865 / Jan. 14, 2019
G/F Fedman Suites, 199 Salcedo Street,
Legaspi Village, Makati City

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Signature