



Republic of the Philippines
DEPARTMENT OF FINANCE
Roxas Blvd. corner P. Ocampo St., 1004 Manila



July 9, 2025

Ms. LINNET MADELANE C. CHAN
Consultant

Subject: NOTICE TO PROCEED

Dear Ms. Chan:

In view of the award of the Contract for the engagement of Services of Technical Consultant for the Reconciliation and Data Quality Assurance of the FY 2023 and 2024 PH-EITI Country Report ("the Contract"), you are hereby given Notice to Proceed to render said consultancy services for this Department.

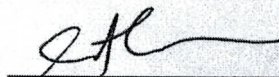
This Contract shall be effective from July 16, 2025 to December 31, 2025.

Thank you.

Very truly yours,


BAYANI H. AGABIN
Undersecretary

CONFORME:


LINNET MADELANE C. CHAN

Date: July 11, 2025

**CONTRACT AGREEMENT FOR THE ENGAGEMENT OF SERVICES OF
TECHNICAL CONSULTANT FOR THE RECONCILIATION AND DATA QUALITY
ASSURANCE OF THE FY 2023 AND 2024 PH-EITI COUNTRY REPORT IN THE
DEPARTMENT OF FINANCE**

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT entered into this **NOV 11 2025** day of _____ 2025 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**, hereinafter referred to as the "**DEPARTMENT**";

-and-

Ms. LINNET MADELANE C. CHAN, 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 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 business;

WHEREAS, the DEPARTMENT needs to engage the services of Technical Consultant;

WHEREAS as provided under Section 35.7 of the Implementing Rules and Regulations of the Republic Act (RA) No. 12009, 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 considerations for the consultant, Provided, however, That the term of the individual consultants shall, at the most, be on a yearly basis, renewable at the option of the 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. Linnet Madelane C. Chan is necessary where her technical expertise can be fully tapped;

WHEREAS, under the DEPARTMENT's Bids and Awards Committee (BAC) Resolution No. 018-2025 dated 27 June 2025, it was resolved to recommend the engagement of the consulting services of Ms. Linnet Madelane C. Chan 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, 2025 to December 31, 2025;

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. 011011012025-07-001423 dated 08 July 2025 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:

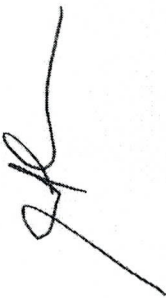
Stage 1: Inception report and preliminary analysis

The purpose of this stage is to confirm that the scope of the EITI reporting process has been clearly defined by the MSG, including the schedule for publishing the PH-EITI Report. The scope of EITI reporting must be in line with the 2023 EITI Standard and with the MSG's objectives for and agreements regarding the EITI process. The findings from the first stage should be documented in an inception report (see Annexes 1 and 2). The consultant shall perform the following tasks during this stage:

- A. Review the scope agreed upon by the MSG using Annex 1, with a focus on the following:
 - A.1. Comprehensiveness of the payments and revenues to be covered in the EITI Report as agreed upon by the MSG and in accordance with Requirement 4;
 - A.2. Comprehensiveness of the companies and government entities that are required to report as determined by the MSG and in accordance with Requirement 4.1;
 - A.3. The audit and assurance procedures in companies and government entities participating in the EITI reporting process. This includes examining the relevant laws, rules and regulations, any reforms that are planned or underway, and whether these procedures are in line with international standards. The Consultant shall make a summary report of the findings; otherwise, the MSG should make the results of the review of audit and assurance procedures publicly available elsewhere;
 - A.4. The reporting templates, including the PH-EITI Online Reporting in the Extractives (ORE) tool, are based on the agreed benefit streams to be reported and the entities that will be reporting. The consultant may suggest developments on the reporting templates

to maintain updates on the international standard for consideration and approval by the MSG; and

- A.5. Assist and support the MSG on key governance questions they want to address related to current workplans, national priorities, and assessment of EITI requirements to meet both EITI Standard and the MSG's objectives.
- B. **Prepare a detailed outline of the reconciliation report**, which the MSG shall approve. When the outline is presented to the MSG, the Consultant should indicate which parts of the outline deviate from the outline used in previous reports or are new items not found in previous reports. It should also submit for the MSG's approval a work plan indicating its approach and methodology in producing the reconciliation report;
- C. On the basis of the agreed materiality threshold, reporting entities, as applicable, **produce an inception report** that includes:
- C.1. A statement of materiality and mainstreaming applicability (Annex 1) confirming the MSG's decisions on the payments and revenues to be covered in the EITI Report, including:
- C.1.1. Definition of materiality and thresholds, as applicable, rationale for the same, and the resulting revenue streams to be included in accordance with Requirement 4.1(b);
 - C.1.2. Sale of the state's share of production or other revenues collected in-kind in accordance with Requirement 4.2;
 - C.1.3. Coverage of infrastructure provisions and barter arrangements in accordance with Requirement 4.3;
 - C.1.4. Coverage of social and environmental expenditures in accordance with Requirement 6.1;
 - C.1.5. Coverage of transportation revenues in accordance with Requirement 4.4
 - C.1.6. Disclosure and reconciliation of payments to and from state-owned enterprises (SOEs) in accordance with Requirement 4.5;
 - C.1.7. Materiality and inclusion of sub-national payments in accordance with Requirement 4.6;
 - C.1.8. Materiality and inclusion of sub-national transfers in accordance with Requirement 5.2;
 - C.1.9. Level and type of disaggregation of the EITI Report in accordance with Requirement 4.7;
 - C.1.10. Coverage of Project Cost disaggregated by project in accordance with Requirement 4.10;
 - C.1.11. In instances when any of the revenue streams required by the EITI Standard are not applicable in the Philippine context, the Consultant must state so in the report.

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- C.2. A statement of materiality and mainstreaming applicability (Annex 1) confirming the MSG's decisions on the companies and government entities that are required to report, including:
- C.2.1. The companies, including SOEs, that make material payments to the state and will be required to report in accordance with Requirement 4.1(c);
 - C.2.2. The government entities, including any SOEs and sub-national government entities, that receive material payments and will be required to report in accordance with Requirement 4.1(c-d), 4.5 and 4.6; and
 - C.2.3. Any barriers to full government disclosure of total revenues received from each of the benefit streams agreed in the scope of the EITI Report, including revenues that fall below any agreed materiality thresholds (Requirement 4.1(d)).
- C.3. A review of and commentary on the reporting template, including the PH-EITI ORE tool and publicly available data. Map, provide the links, and assess data already made publicly available by government agencies and companies, including the format and periodicity of disclosure, level of disaggregation, and explore options for expanding disclosure. The review and commentary should provide recommendations for improvement, especially towards ensuring that the reporting templates are completed and generate the quantity and quality of data required by the 2023 EITI Standard, including the level of disaggregation;
- C.4. An **examination of the audit and assurance procedures** in companies and government entities participating in the EITI reporting process. Agree with the MSG on the data quality assurance mechanism to ensure the disclosed data meets acceptable quality standards and confirm what information the participating entities are required to provide to the Consultant to assure the credibility of the data in accordance with Requirement 4.9.

The Consultant should exercise judgment and apply appropriate international professional standards in developing a procedure that provides a sufficient basis for a comprehensive and reliable EITI Report. The Consultant should employ his or her professional judgment to determine the extent to which reliance can be placed on the existing controls and audit frameworks of the companies and governments. Provide guidance to the MSG on ensuring the reliability of non-revenue information disclosures in accordance to requirements 2, 3, 5, and 6. Where deemed necessary by the Consultant and the MSG, assurances may include:

- Requesting sign-off from a senior company or government official from each reporting entity, attesting that the data submission is complete and accurate;
- Requesting a confirmation letter from the companies' external auditor that confirms that the information they have submitted is comprehensive and consistent with their audited financial statements. The MSG may decide to phase in any such procedure so that the confirmation letter may be integrated into the usual work

program of the company's auditor. Where some companies are not required by law to have an external auditor and therefore cannot provide such assurance, this should be clearly identified, and any reforms that are planned or underway should be noted;

- Where relevant and practicable, request that government reporting entities obtain a certification of the accuracy of the government's disclosures from their external auditor or equivalent.

The inception report should document the options considered and the rationale for the assurances to be provided.

- D. The Consultant shall assist in giving briefings and training to reporting government agencies, extractive companies, and CSOs in connection with the reconciliation process.
- E. Prepare a detailed outline of the process or procedure on how assessment for the risk-based approach is conducted. The consultant is encouraged to use the data quality strategy table developed by the EITI as a guide to assess the level of risk and verification procedures (see Annex 3). A consultation with the MSG must be conducted to perform this process.

Stage 2: Data collection and analysis


The purpose of this phase is to analyse the comprehensiveness of EITI disclosures. Information required by the EITI Standard may not always be in a sufficiently disaggregated format, and data collection may reveal gaps in the comprehensiveness of both revenue and non-revenue data.

In this stage, the Consultant collects data in line with the scope approved by the MSG. The MSG and national secretariat should ensure that the consultant has contact details for the reporting entities and should assist in ensuring full participation by these entities. The consultant is expected to undertake the following tasks during this stage:

- A. Identify and compile existing disclosures by government and company reporting entities (including systematic disclosures), aiming to avoid duplication in EITI reporting where possible.
- B. Collect completed forms and supporting documentation: Gather completed reporting forms and associated documentation from the participating reporting entities, along with any additional information agreed upon by the MSG.
- C. Identify and clarify initial gaps: Investigate any potential gaps or issues that may hinder comprehensive EITI disclosures, offering potential solutions and recommendations for an appropriate reporting methodology. Where necessary, contact the reporting entities directly to clarify any initial information gaps or discrepancies in the collected data.

Stage 3: Initial reconciliation and investigation of discrepancies


The purpose of this stage is to perform an initial reconciliation of the data, especially the revenue data, in order to identify gaps or discrepancies to be further investigated. The Consultant is expected to undertake the following tasks during this stage:

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- A. Create, for use in the reconciliation process, a complete dataset in the long format of all the payment and revenue data gathered from the ORE tool, the reporting entities, and other sources; and provide the MSG and secretariat access to the same;
 - B. Reconcile the data, identifying any discrepancies (including offsetting discrepancies) and any other gaps in the information gathered (e.g. assurances) in accordance with the agreed scope;
 - C. Recommend, upon request by the MSG, an acceptable margin of error in determining which discrepancies should be further investigated. Where this has been agreed, the Consultant should identify any discrepancies above the agreed margin of error established at x% of total revenues;
 - D. Contact the reporting entities to clarify the causes of any significant discrepancies or other gaps in the reported data, and to collect additional data from the reporting entities concerned, if necessary; and
 - E. Provide the MSG and secretariat access to the granular results of the initial reconciliation and investigation of discrepancies.

Stage 4: Draft report

The purpose of this stage is to produce a draft Reconciliation Report that reconciles financial data and explains any discrepancies above the margin of error determined by the MSG, where applicable.

- A. Prepare an initial reconciliation report based on the reported (unadjusted) data for consideration by the MSG in accordance with the agreed scope. The said report shall be submitted in print and electronic copies to the MSG and must:
 - i. Include an executive summary of the work performed by the Consultant, particularly the reconciliation results and findings;
 - ii. Describe and explain the methodology used for the reconciliation of the data and demonstrate compliance with the applicable international professional standards;
 - iii. Include a description of each revenue stream and corresponding or related materiality definitions and thresholds (Requirement 4.1);
 - iv. Include a description and assessment of the comprehensiveness, quality, and reliability of the financial data presented, including the process of data collection and the validity and accuracy of the data. The limitations of the assessment should also be stated;
 - v. Indicate the coverage of the reconciliation exercise based on the government's disclosure of total revenues as per Requirement 4.1(d);
 - vi. Include an assessment of whether all the companies and government agencies within the agreed scope of the EITI reporting process provided the requested information. Any gaps or weaknesses in reporting must be disclosed in the report, including the names of any entities that failed to comply with the agreed procedures and an assessment of whether this is likely to have a material impact on the comprehensiveness of the report. In cases where companies do not sign the necessary waivers or refuse to participate in the reporting process, the reconciliation

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- report should include unilateral reporting by government agencies;
 - vii. Document whether the participating companies and government agencies had their financial statements for the year/s covered by the PH-EITI Report audited. Any gaps or weaknesses must be disclosed. Where audited financial statements are publicly available, the Consultant should provide information on how to access them;
 - viii. Include contextual and other non-revenue information necessary for the reconciliation process, such as but not limited to:
 - * A discussion on the reporting cycles of the reporting entities and availability dates of their reports or data; and
 - * A discussion on the flow of revenue streams and how transfers are facilitated between and among the different levels or offices of government.
 - ix. Provide an in-depth analysis of the data generated by the reconciliation exercise, including as regards contribution to the economy and the compliance or consistency of the numbers with existing laws and regulations;
 - x. Include an assessment of how the findings and recommendations of the Independent Administrator in previous PH-EITI Reports have been addressed by the MSG and/or concerned entities; and
 - xi. The report should be well-written and comprehensible, and adhere to the standards of professional technical writing.
- B. Work in coordination with the secretariat and the consultant tasked to write the contextual information chapter of the Report to make sure that all presented data and findings are consistent and comprehensive and address the key governance questions set by the MSG for the reporting period;
- C. Make recommendations to strengthen and streamline the reconciliation process in the future, including any recommended reforms or actions to overcome barriers to disclosure and to bring audit practices in line with international standards, as well as recommendations to strengthen these Terms of Reference in accordance with the EITI Standard.

Stage 5 – Final report

The purpose of this stage is to ensure that any comments by the MSG on the draft Reconciliation Report have been considered and incorporated into the final Report. The Consultant shall undertake the following tasks during this stage:

- A. Ensure that the final Reconciliation Report addresses or incorporates the comments and concerns of the MSG on the draft report;
- B. Produce electronic data files that can be published together with the final report. For this purpose, the Consultant should encode the data from the companies' financial statements from the SEC and other data not yet in electronic and open format into a dataset that can be analyzed using statistical software. A codebook should accompany the data set;
- C. Submit the final Reconciliation Report to the MSG 10-14 days before the findings are presented to the MSG;
- D. Ensure that the final Report demonstrates high standards of professional technical writing and reporting;

- E. Following approval of the final report by the MSG, submit electronic summary data derived from the final report using the standardized format prescribed by the International Secretariat
- F. Include in the report the results and recommendations of the risk-based assessment conducted;
- G. Contribute to a report analysis workshop that may be conducted with the MSG members and key stakeholders after the publication of the Report; and
- H. Turn over to the secretariat all documents and data gathered in connection with the production of the Report.

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 NINE HUNDRED NINE THOUSAND FOURTEEN PESOS AND 40/100 (P909,014.40) for five and a half (5 ½) months 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 PhP)
1. Submission of an inception report	To establish a work plan and set expectations of deliverables, and confirm the scope and processes of reconciliation agreed by the MSG	<p>Inception report with:</p> <ol style="list-style-type: none"> Detailed outline of the report Work plan indicating the approach and methodology for producing the report Statement of materiality and mainstreaming applicability Review of and commentary on the reporting template Examination of the audit and assurance procedures Detailed outline on the process or procedure for how the assessment for the risk-based approach is conducted <p>Submission date: Within fifteen (15) days from the receipt of the Notice to Proceed (NTP)</p>	(20%)	181,802.88
2. Submission of the results of the initial reconciliation process and investigation of discrepancies	To perform initial reconciliation and investigation of discrepancies	Report on initial reconciliation results with the complete dataset of all data gathered for the reconciliation process and the granular results of the initial reconciliation and investigation of discrepancies	(30%)	272,704.32

Milestone	Objective	Output	Payment (% of Contract Amount)	Amount (In PhP)
		<i>Submission date: Within sixty (60) days from the acceptance of the Inception Report</i>		
3. Presentation of a draft report to the MSG	To present a draft report to the MSG for analysis and comments	Draft report and a record of proceedings of the MSG meeting where the draft report was presented <i>Submission date: Within sixty (60) days from the acceptance of the Initial Reconciliation Results</i>	(20%)	181,802.88
4. Submission and acceptance by the MSG of the final reconciliation report	To wrap up the project and ensure that MSG comments and inputs are incorporated into the report	Final reconciliation report incorporating or addressing all comments and issues raised by the MSG <i>Submission date: Within thirty (30) days from the acceptance of the Draft Report and Initial Reconciliation Results</i>	(30%)	272,704.32
TOTAL			100%	909,014.40

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, 2025 to December 31, 2025.

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.

12. **DATA PRIVACY COMPLIANCE**

The PARTIES shall comply with the provisions of Republic Act (RA) No. 10173, otherwise known as the "Data Privacy Act of 2012", its Implementing Rules and Regulations (IRR), issuances of the National Privacy Commission (NPC), and other applicable laws on processing of personal information. These shall include compliance with all relevant data protection policies of the DEPARTMENT and other measures reasonably necessary to prevent any use or disclosure of personal data other than as allowed under this CONTRACT.

The PARTIES shall implement security measures aimed at maintaining the availability, integrity, and confidentiality of personal data including the

protection of personal data against any accidental or unlawful destruction, alteration, and disclosure, as well as against any other unlawful processing.

13. CONSENT TO THE PROCESSING OF PERSONAL INFORMATION

As part of the data privacy compliance, the CONSULTANT hereby grants his consent to the DEPARTMENT's processing of her personal information collected under this CONTRACT, which may include the disclosure of such information to third parties, to comply with requirements of law in relation to the implementation of this CONTRACT.

IN WITNESS WHEREOF, the parties have hereto set their hands this _____ day of JUL 11 2025 2025 at Manila, Philippines.

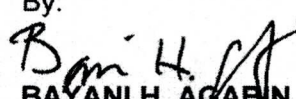
CONSULTANT

By:


LINNET MADELANE C. CHAN
Consultant

DEPARTMENT OF FINANCE

By:


BAYANI H. AGABIN
Undersecretary

SIGNED IN THE PRESENCE OF

ACKNOWLEDGMENT

Republic of the Philippines)
City of Manila)s.s

BEFORE ME this JUL 11 2025 day of _____ at the Department of Finance, Roxas Boulevard, Manila personally appeared Undersecretary Bayani H. Agabin with TIN _____ and his government issued ID _____ issued on _____ at _____ in his capacity as the authorized signatory of the DEPARTMENT OF FINANCE and Ms. Linnet Madelane C. Chan with TIN _____ and her government issued ID _____ issued on _____ at _____, both known to me to be the same persons who executed the foregoing contract, consisting of eleven (11) 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.

Doc No. 109
Page No. 22
Book No. 1
Series of 2025

ATTY. MANUEL ABUYO RODRIGUEZ II
Notary Public for City of Manila-Until 12-31-2026
Notarial Commission No. 2025-146
2nd Floor Makati Hotel, Adriatico St., Ermita Mia.
NOTARY PUBLIC
I.B.P. No. 469257-Sept. 26-2024 for the year 2025
P.T.R. No. 2041440-Jan 2, 2025-Manila
MCLE Compliance No. VIII-0029662-Valid until 4-14-28
Roll of Attorney No. 68732