

TERMS OF REFERENCE

- I. **PROJECT PROPONENT:** Competitiveness Bureau (CB)
- II. **PROJECT TITLE:** Platform-Based System of the Domestic Bidders Preference Certification
- III. **DURATION OF PROJECT:** Two months
- IV. **PROPOSED BUDGET:** P 500,000.00
- V. **PROJECT DESCRIPTION/RATIONALE:**

The Competitiveness Bureau (CB) is mandated to issue guidelines for the certification of domestic bidders claiming preference in government procurement by virtue of Department Order No. 16-76. From this, the guidelines for issuing the Certificate of Preference were established by virtue of Department Administrative Order (DAO) 19-01, as amended by DAO 19-10.

The Certificate of Preference for Domestic Bidders is stipulated in the Republic Act 9184 or the Government Procurement Reform Act. Section 43 states that "*A Domestic Bidder can only claim preference if it secures a certification from DTI that the goods sought to be certified are verified to be grown, produced, or manufactured in the Philippines.*"

The application of the Certificate of Preference involves four steps: (1) Submission of complete documentary requirements, (2) Payment, (3) Secretariat to Evaluate, and (4) Issuance of the Certificate or Denial of application.

Since the start when CB uses standard paper application, there were issues found on the paper-based system. These issues are:

- 1) Lack of storage space - Paperwork can take up significant amount of space, and this requirement will only get bigger as the number of application grows.
- 2) Prone to damage and lost - There is a real chance that applications together with the documentary requirements could be damaged by fire or could be lost due to negligence.
- 3) Data security breach – There is a risk that sensitive and confidential information would be accessed by unauthorized individuals.
- 4) Inefficient document transport – While it is possible to email, fax, courier or deliver application files in person, this is slow and inefficient. This is particularly true if you need to send numerous pages or folders. In addition to this is the unreliable internet connection.
- 5) Supply cost – Not only do applications need lots of paper but it will also require more printers and stationary to print the applications.

- 6) Double handling of documents – Double handling of application documents is a waste of time, it doubles the risk of incorrect processing and can lead to delay of the transaction.
- 7) Payment access unavailable to applicants in other regions especially in far areas from Metro Manila.

Transition to an online application system will eliminate these issues. It will provide an online storage that will help organize the application and the required documents attached to it. In addition, it will make the application more efficient by providing an electronic platform where the client can submit their application and where the CB staff can be notified immediately.

The system also allows clients to pay and check the status of their application online. With this, the double handling of documents will be eliminated as all transactions are automatically recorded. For easier payment, part of the online system is an automated billing system or it could be connected to DTI's online payment platform. As for the management, it can generate reports that can easily be modified to respond to altered circumstances or conditions.

Furthermore, as the DoBid applications are increasing due to the enactment of the Bayanihan 2, an automated procedure is therefore necessary for easier tracking and applications.

VI. OBJECTIVES

The automation of DoBid application for Certificate of Preference aims to:

1. Establish an easy and fast way of application procedure;
2. Help lessen discrepancies in manual application procedure;
3. Provide an avenue where:
 - a. Applicants can easily pay and regularly track the status of their application;
 - b. Government procuring entities can verify validity and authenticity of Certificates of Preference.

VII. SCOPE OF WORK AND DELIVERABLES

The information system shall have the following general characteristics:

1. Has a facility where applicant can fill up application form and submit required documents online;
2. Has a facility to manage/edit the application for certification;
3. Has a tracker where applicants can monitor the status of their application;
4. Has a feature where all transactions in every application shall be recorded and can be viewed by the DoBid Secretariat;
5. Has a feature to generate certificate of preference with an electronic signature;

6. Can prepare payment assessment accordingly and has an online payment facility;
7. Can generate a report to be easily modified to respond to altered circumstances or conditions;
8. Can send notification thru email or text message to the applicant if the application is denied, approved, or should need revisions;
9. Provides easy accessibility to the public, CB staff and the external stakeholders;
10. Has a query facility that can perform ad-hoc queries and generate website analytics, and;
11. Is flexible to future changes in the system of the certification policy.

Other obligations that should be performed by the Solutions Provider (SP) are:

Duration

The vendor shall complete the project customization and implementation within two (2) months after the issuance of Notice to Proceed.

Coverage

The Project shall cover the development, installation, configuration, testing, training, implementation and maintenance of the Platform-based system during the warranty period.

The SP shall also provide project planning and project management for the installation of all proposed software, and hardware in coordination with and supervision from the DTI-Information Systems Management Service (ISMS). Likewise, a complete documentation on the installation, configuration, testing, backup and recovery shall be submitted to CB and ISMS.

Non-Disclosure

Information about the DTI and its operations in this document is considered proprietary and confidential and must be treated as such by the recipients of this TOR. In the same manner, the responses to this document, which shall be specified as confidential, shall not be disclosed to other Parties.

Warranty

The Platform-based system should have full warranty coverage of at least **one (1) year** after project completion and upon acceptance by the CB. CB shall also have the option to request tweaks in design, rename and/or add sections free-of-charge within twelve months of the modules' operations, if deemed necessary.

Technical Expertise

The winning bidder would have to provide at least one (1) technical expert who would provide technical expertise during trainings, roadshows, or discussions during the post-implementation phase of the project. Audience of the trainings and promotions would include DTI Regional offices, public, and Bids and Awards Committee (BAC) representatives. Information materials regarding how to use the platform should also be produced.

DELIVERY SCHEDULE

Project Mobilization

- a. Contract Signing

Planning

- a. Detailed information gathering
- b. Determining the resources needed

System Analysis and Requirements

- a. Gathering of functional requirements
- b. Gathering of non-functional requirements
- c. Review and prioritizing of requirements

System Design

- a. Creation of mock up design
- b. Creation of architectural design and detail design
- c. Creation of database schema
- d. Creation of system security and controls

Development

- a. Coding of system
- b. Upload, test, optimize

Implementation and deployment

- a. Implement the platform cloud server
- b. Content population and data migration
- c. Soft Launching of DoBid system in the server
- d. Revision of Interface when required
- e. Create and Conduct final testing

Training

- a. Preparation of administrator and user manuals
- b. Conduct training for administrators and users
- c. Provision of technical expertise during post-implementation

Turnover and Documentation

- a. Submission of technical documents (i.e. installation, configuration, testing, backup and recovery, etc.) and requirements

Project Completion

Sign off (Full implementation and deployment)

VIII. SELECTION PROCEDURE

The Consulting Firm shall be selected using the Quality-Cost Based Selection/Evaluation procedure as prescribed under Section 24.5.3 of the Revised IRR of RA No. 9184, and using the following weights:

CRITERIA	WEIGHT (%)
Technical Proposal	60%
- Applicable Experience of Consulting Firm	
- Quality of Team Lead and Members (at least 1 Team Lead and 2 Members)	
- Samples of completed similar projects	
- Methodology	
Financial Proposal	40%
TOTAL	100%

1. Technical Proposal Content

Technical Proposal should be prepared considering Objective, Scope, Approach & Methodology, Activity Schedule & Deliverables as well as other information given in this document. The Technical Proposal must include:

- a) Brief description about the Consulting Firm;
- b) Consulting Firm experience: In addition to overall experience of, details of specific consultancy projects undertaken will be provided including Assignment/Job name, description of services provided, appx. value of assignment, location, duration of assignment, name of client, starting & completion dates, names of associates (other than employees), if any;
- c) Detailed Resume of to be assigned team lead and members clearly indicating the details of educational attainment, training, professional work experience, and certifications (if any);
- d) URL, brief description and screen shots of functionalities of completed and similar project. Presentation of completed project is required. Online database driven website as well as web design and complexity capability will be given importance;
- d) Methodology (capability of the service provider's proposed solution to meet CB's requirements and interface with the existing application systems and IT infrastructure of DTI and other DTI partner agencies); and
- e) Work Plan and Schedule

2. Financial Proposal

The bidders will present the total financial cost (inclusive of all applicable taxes) for the project development and implementation (which should not exceed the Approved Budget Cost), as well as the expected annual post-implementation cost to be incurred by the DTI in maintaining the system for 3 years after the warranty period expires. Total Cost of Ownership (TCO) must be provided and broken down into:

- a) Services and Implementation Cost (Please indicate total cost and number of days)
- b) Software License/s (Development/Migration tool) and other related third-party software applications

- c) Customization Cost (Please indicate total cost and number of days)
d) Annual Maintenance Cost and other costs (Basis and Percentage), if any

All costs are to be quoted as inclusive of value-added tax (VAT) and all applicable taxes.

IX. PAYMENT SCHEME

SCHEDULE	PROJECT MILESTONE	TASKS / ACTIVITIES	DELIVERABLE/S	Payment Due
				(% of total Contract Cost)
Month 1	Project Mobilization	Contract signing	Signed Contract; Detailed Work Plan	20%
	Planning	Detailed information gathering (workflow, processes, business rules; Determining the resources needed	CB approved Project Plan	
	System Analysis and Requirements	Gathering of functional requirements; Gathering of non-functional requirements; Review and prioritizing of requirements	Overview of system requirements	20%
	System Design	Creation of mock up design; Creation of architectural design and detail design; Creation of database schema; Creation of system security and controls	Documentations; detail design, database schema, system security and controls design and mock up design	
	Development	Coding of system; upload to cloud server, test, optimize	Alpha version of the system	
Month 2	Implementation and Deployment	Preparation of production environment; uploading of system to the production server; content population and data migration; soft launching of CB automated system; revision of interface when required; create and conduct final testing	Beta version of the system,	20%
	Training	Preparation of administrator and user manuals; conduct training for administrator	Administrator and user manuals, administrator and users training conducted	
	Turnover and documentation	Submission of technical documents (I.e. installation, configuration, testing, backup and recovery, etc.) and requirements	Installation and backup manuals and other technical documentation	
	Website Launching	Preparation of communication plan; promotional activities;	Communication Plan; Promotional and Ceremonial Activities	

		Ceremonial activity		
	Project Completion	Sign off (Full system implementation and deployment)	Project Completion Report; Project Sign-off Document	40%
	Capacity Building among public and DTI Regional Counterparts	Conduct of trainings and launching among other DoBid stakeholders	Documentation, webinars, other instructional materials	
TOTAL				100%
NOTE: There shall be a retention fee of 10% for every progress payment. Said amounts shall be released after the lapse of the warranty period, specified under Section VIII. 5. of this TOR, provided that the delivered CB DoBid Application System is free from defects and all the conditions imposed under this TOR and the Contract have been fully met.				

X. OTHER PROVISIONS

1. This TOR shall form part of the final contract of services. Any contradictory provision in the final contract will be deemed void and non-enforceable.
2. The DTI shall be entitled to pre-termination of contract with no penalty fees if the total SPs fails to deliver any of the required components within a reasonable period of time, or when service is deemed consistently poor by project stakeholders. Both parties shall agree on a criteria list as to when the contract may be pre-terminated.
3. Pursuant to a directive from the DTI Legal Service, no penalty fees will be charged to DTI for late payments, as proper accounting procedures have to be duly observed in the preparation of check payments.
4. The DTI shall be entitled to impose contract penalty fees or payment rebates for any delay in implementation that is not attributable to constraints and limitations on the end of DTI. Penalty cost shall be one-tenth of one percent of the remaining balance due per day of delay.
5. It is understood that DTI reserves the right to reject any or all proposals, waive any defect/s or informality/ies therein, or to accept the proposal which is most advantageous to DTI.
6. It is understood by all qualified total SPs that all quotations must incorporate the terms and conditions indicated in this TOR document.
7. Response documents will be the property of DTI and will no longer be returned to the prospective SPs.