



**SERVICE CONTRACT NOTICE
(REQUEST FOR EXPRESSION OF INTEREST)**

Provision of Technical Assistance and Support to the Micro-finance Sub-Component of the Italian Agrarian Reform Community Development Support Program (IARCDSP) – Mindanao, the Philippines

1. Publication reference

< Publication reference of the corresponding prior information notice >

2. Procedure

Restricted

3. Programme title

Italian Agrarian Reform Community Development Support Program (IARCDSP)

4. Financing

The IARCDSP is a bilateral cooperation between the Government of the Italian Republic (GOI) and the Government of the Philippines (GOP), as stipulated in the Memorandum of Understanding (MoU) signed on March 23, 2011, with its attending Financing Agreement (FA) and Annexes.

5. Contracting Authority

The Government of the Philippines through the Department of Agrarian Reform (DAR).

Department of Agrarian Reform
DAR-BAC Secretariat, c/o Procurement Division
Ground Floor, DAR Central Office
Elliptical Road, Diliman, Quezon City,
1100 Philippines
Contact Nos. (+63) (02) 4538300 or 4555849
Email: carpo.procurement.adserv@dar.gov.ph
<http://www.dar.gov.ph>

CONTRACT SPECIFICATION

6. Nature of contract

Global Price

7. Contract description

The engagement shall support the implementation of its micro-finance scheme during an estimated period of 36 man-months with the following duties: a. facilitate the improvement of credit access for target beneficiaries; b. assist in the expansion of credit worthy farmers; c. introduce and pilot Shari'ah compliant financial projects and products in the Muslim areas; d. improve policies encouraging financial inclusion of the poor; e. introduce additional financial services available to the farmer beneficiaries (e.g. micro-agri loan, micro-credit, micro-saving, micro-insurance, micro-guarantee, women financial inclusion); f. foster self-employment as a means for socio-economic progress and not simply as a means for survival from poverty; and, g. implement a sustainable micro-finance mechanism.

The target beneficiaries are the 53,000 rural households in 35 agrarian reform communities (ARCs) located in four (4) provinces in Mindanao: Sarangani and Sultan Kudarat in Region XII, and the provinces of Maguindanao and Lanao del Sur in Autonomous Region of Muslim Mindanao (ARMM).

8. Number and titles of lots

One lot only

9. Maximum budget

Eighty Five Million Philippine Peso (PhP 85,000,000.00)

10. Scope for additional services

Not applicable

CONDITIONS OF PARTICIPATION

11. Eligibility

Participation in tendering is open on legal persons (participating either individually or in a grouping – consortium - of tenderers) which are established in Italy.

12. Candidature

All eligible legal persons (as per item 11 above) or groupings of such persons (consortia) may apply.

A consortium may be a permanent, legally-established grouping or a grouping which has been constituted informally for a specific tender procedure. All members of a consortium (i.e., the leader and all other members) are jointly and severally liable to the Contracting Authority.

The participation of an ineligible natural or legal person (as per item 11) will result in the automatic exclusion of that person. In particular, if that ineligible person belongs to a consortium, the whole consortium will be excluded.

13. Number of applications

No more than one application can be submitted by a legal person whatever the form of participation (as an individual legal entity or as leader or member of a consortium submitting an application). In the event that a legal person submits more than one application, all applications in which that person has participated will be excluded.

14. Shortlist alliances prohibited

Any tenders received from tenderers comprising firms other than those mentioned in the short-listed application forms will be excluded from this restricted tender procedure unless prior approval from the Contracting Authority has been obtained (see Practical Guide – PRAG - 2.4.3.). Short-listed candidates may not form alliances or subcontract to each other for the contract in question.

15. Grounds for exclusion

As part of the application form, candidates must submit a signed declaration, included in the standard application form, to the effect that they are not in any of the exclusion situations listed in Section 2.3.3 of the PRAG. Candidates must also submit a self-declaration in compliance with Presidential Decree n. 445/2000 concerning the Antimafia certificate as per legislative decree n. 159/2011.

16. Sub-contracting

Subcontract is allowed up to an amount of 30% of the total contract amount. Upon submitting their bids, bidders must declare which services they intend to subcontract. Contractors must deposit subcontracts with the contracting authority at least 20 days before commencing the execution of the subcontracts. Subcontractors must be eligible for the services they are assigned.

17. Number of candidates to be short-listed

On the basis of the applications received, between 3 and 8 candidates will be invited

to submit detailed tenders for this contract.

PROVISIONAL TIMETABLE

18. Provisional date of invitation to tender

July 3rd, 2018

19. Provisional commencement date of the contract

November 26th, 2018

20. Initial period of implementation of tasks

36 months

SELECTION AND AWARD CRITERIA

21. 1. Selection criteria

The following selection criteria will be applied to candidates. In the case of applications submitted by a consortium, these selection criteria will be applied to the consortium as a whole unless specified otherwise. The selection criteria will not be applied to natural persons and single-member companies when they are sub-contractors.

For exclusion criteria we refer to the provision of Annex 2 of the MOU signed between the Government of the Italian Republic and the Government of the Republic of Philippines

- 1) **Economic and financial capacity of candidate** (based on item 3 of the application form). In case of candidate being a public body, equivalent information should be provided. The reference period which will be taken into account will be the last three years for which accounts have been closed.

The total turnover of the candidates/bidders in the last three years should be virtually equivalent to the maximum budget of the contract; enterprises that have been established for less than three years should have an annual turnover equal to one third of the total amount of the contract.

Criteria 1.1 – ratio turnover/contract budget should equal 1

Criteria 1.2 – ratio current asset/liabilities three years average at least 0.5

- 2) **Professional capacity of candidate** (based on items 4 and 5 of the application form). The reference period which will be taken into account will be the last three years from submission deadline.

Criteria 2.1 - 3 long term staff currently work for the candidates in field related to this contract

Criteria 2.2 - Candidate has as main field of specialization micro-finance or cooperative financing

- 3) **Technical capacity of candidate** (based on items 5 and 6 of the application form). The reference period which will be taken into account will be the last three years from submission deadline.

The candidate has provided similar services at least under one contract in the last three years of activity. On-going contract is considered valid to this purpose.

Criteria 3.1 – total number of similar contracts

Criteria 3.2 – total consolidated budget managed for similar contracts

Previous experience which caused breach of contract and termination by a Contracting Authority shall not be used as reference.

An economic operator may, where appropriate and for a particular contract, rely on the capacities of other entities, regardless of the legal nature of the links which it has with

them. It must in that case prove to the Contracting Authority that it will have at its disposal the resources necessary for performance of the contract, for example by producing a commitment on the part of those entities to place those resources at its disposal. Such entities, for instance the parent company of the economic operator, must respect the same rules of eligibility - notably that of nationality – and must fulfil the same relevant selection criteria as the economic operator. With regard to technical and professional criteria, an economic operator may only rely on the capacities of other entities where the latter will perform the works or services for which these capacities are required. With regard to economic and financial criteria, the entities upon whose capacity the tenderer relies, become jointly and severally liable for the performance of the contract.

If more than 8 eligible candidates meet the above selection criteria, the relative strengths and weaknesses of the applications of these candidates must be reexamined to identify the eight best candidates. The only factors which will be taken into consideration during this re-examination in priority order are:

- 1) Criteria 3.1 highest number of similar contracts
- 2) Criteria 1.1 highest ratio of turn over

22. Award criteria

Best price-quality ratio (20%-80%).

APPLICATION

23. Deadline for receipt of applications

June 25th at 5:00PM Philippine time

Any application received by the Contracting Authority after this deadline will not be considered.

24. Application format and details to be provided

Applications must be submitted using the standard application form, the format and instructions of which must be strictly observed. The application form is available from the following Internet address:

<http://ec.europa.eu/europeaid/prag/annexes.do?chapterTitleCode=B>

The application must be accompanied by a declaration of honour on exclusion and selection criteria using the template available from the following Internet address:

<http://ec.europa.eu/europeaid/prag/annexes.do?chapterTitleCode=A>

Any additional documentation (brochure, letter, etc.) sent with an application will not be taken into consideration.

25. How applications may be submitted

Applications must be submitted in English exclusively to the Contracting Authority in a sealed envelope:

- EITHER by recorded delivery (official postal service) to :

Mr. Dennis Joseph A. Cruz
OIC- Chief, Procurement Division
Head, BAC Secretariat
G/F DAR Main Building, DAR Compound
Elliptical Road, Diliman, Quezon City
Philippines

In this case, the delivery record makes proof of compliance with the time-limit for receipt.

- OR hand delivered during working days Monday to Friday from 8:00AM to 5:00PM (including courier services), directly to the Contracting Authority in return for a signed and dated receipt to:

Mr. Dennis Joseph A. Cruz
OIC – Chief, Procurement Division
Head, BAC Secretariat
G/F DAR Main Building, DAR Compound
Elliptical Road, Diliman, Quezon City
Philippines

In this case, the acknowledgment of receipt makes proof of compliance with the time-limit for receipt.

The Contract title and the Publication reference (see item 1 above) must be clearly marked on the envelope containing the application and must always be mentioned in all subsequent correspondence with the Contracting Authority.

Applications submitted by any other means will not be considered.

By submitting an application candidates accept to receive notification of the outcome of the procedure by electronic means. Such notification shall be deemed to have been received on the date upon which the contracting authority sends it to the electronic address referred to in the application.

26. Alteration or withdrawal of applications

Candidates may alter or withdraw their applications by written notification prior to the deadline for submission of applications. No application may be altered after this deadline.

Any such notification of alteration or withdrawal shall be prepared and submitted in accordance with Item 25. The outer envelope (and the relevant inner envelope if used) must be marked 'Alteration' or 'Withdrawal' as appropriate.

27. Operational language

All written communications for this tender procedure and contract must be in English.

28. Date of publication of prior information notice

04/August/2017

29. Legal basis¹

As provided in the agreed Amendments to the MoU enforced in November 2015, not less than 5% of the soft loan total amount shall be used for the purchase of services and goods from Italy. Hence, only Italian International Consulting Firms are eligible for the contract.

30. Additional information

Performance guarantee amounting to the 10% of the contract value and submitted in one of the allowed form as per tender dossier.

¹ Please state any specificity that might have an impact on rules on participation (such as geographic or thematic or long/short term).