



PHILIPPINE NATIONAL OIL COMPANY

PNOC Building VI, Energy Center
Rizal Drive, BGC, Taguig City
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INVITATION FOR NEGOTIATED PROCUREMENT TWO FAILED BIDDINGS

Engagement of Transaction Advisory Services for PNOC's Strategic Petroleum Reserve Program

Reference No. 2022-07-176

1. In view of the of the two (2) failed biddings, the Philippine National Oil Company (PNOC) invites suppliers to participate in the negotiation for the **Engagement of Transaction Advisory Services for PNOC's Strategic Petroleum Reserve Program**;
2. The PNOC intends to apply the multi-year budget in sum of **One Hundred Million Pesos (PhP 100,000,000.00)** as the Approved Budget for the Contract (ABC) to payments under the contract for the aforesaid provision with the Terms of Reference hereof;
3. The PNOC now invites interested consultants to submit and negotiate initial offer for the abovementioned project on **11 August 2022 at 10:00 A.M.** at the *PNOC Bldg. 6, Energy Center, Rizal Drive, Bonifacio Global City, Taguig City* or via *videoconference*;
4. Negotiation is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to R.A. 5183.
5. Following completion of the negotiations, the best and final offer based on the technical and financial requirements, including the pre-requisite documentary requirements enumerated in Annex A hereof must be duly received by the BAC Secretariat at the address below on or before the deadline of submission, **23 August 2022 (10:00 A.M.)**. Late submissions shall not be accepted.
6. The PNOC reserves the right to accept or reject any proposal, to annul the negotiation process, and to reject all proposals at any time prior to contract award in accordance with Section 41 of RA 9184 and its IRR, without thereby incurring any liability to the affected negotiation participant or participants.

7. You may refer to the BAC Secretariat at the contact details below for further information or clarification.

Thank you.

The Secretariat

Bids and Awards Committee

Philippine National Oil Company

G/F PNOC Bldg. 6, Energy Center, Rizal Drive,

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 E.03.22
MS. EVANGELINE B. ALBAYTAR
Chairperson
Bids and Awards Committee



Checklist of Documentary Requirements

I. ELIGIBILITY DOCUMENTS	
<input type="checkbox"/>	(a) Eligibility Documents Submission Form (Annex 1)
Class "A" Documents	
<u>Legal Documents</u>	
<input type="checkbox"/>	(b) Valid PhilGEPS Registration Certificate (Platinum Membership) (all pages) in accordance with Section 8.5.2 of the IRR
<u>Technical Documents</u>	
<input type="checkbox"/>	(c) Statement of Completed Contracts (Annex 2)
<input type="checkbox"/>	(d) Certificate of Good Standing, Acceptance Report, Certificate of Satisfactory Service Rendered, or Any Proof of Satisfactory Completion of Completed Contracts
<input type="checkbox"/>	(e) Statement of Ongoing and Awarded but Not Yet Started Contracts (Annex 3)
II. TECHNICAL PROPOSAL	
<input type="checkbox"/>	TPF 1. Technical Proposal Submission Form (Annex 4)
<input type="checkbox"/>	TPF 2. Consultant's Reference (Annex 5)
<input type="checkbox"/>	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 (Annex 6)
<input type="checkbox"/>	TPF 4. Description of the Methodology and Work Plan for Performing the Project (Annex 7)
<input type="checkbox"/>	TPF 5. Team Composition and Task (Annex 8)
<input type="checkbox"/>	TPF 6. Format of Curriculum Vitae for Proposed Professional Staff (Annex 9)
<input type="checkbox"/>	TPF 7. Time Schedule for Professional Personnel (Annex 10)
<input type="checkbox"/>	TPF 8. Activity (Work) Schedule (Annex 11)
<input type="checkbox"/>	Bid Security (Bid Securing Declaration) (Annex 12)
<input type="checkbox"/>	Omnibus Sworn Statement (Annex 13)
III. FINANCIAL PROPOSAL FORMS	
<input type="checkbox"/>	FPF 1. Financial Proposal Submission Form (Annex 14)
<input type="checkbox"/>	FPF 2. Summary of Costs (Annex 15)
<input type="checkbox"/>	FPF 3. Breakdown of Price per Activity (Annex 16)
<input type="checkbox"/>	FPF 4. Breakdown of Remuneration per Activity (Annex 17)
<input type="checkbox"/>	FPF 5. Reimbursable per Activity (Annex 18)
<input type="checkbox"/>	FPF 6. Miscellaneous Expenses (Annex 19)

TERMS OF REFERENCE

ENGAGEMENT OF A TRANSACTION ADVISOR (TA) FOR THE DEVELOPMENT OF A NATIONAL STRATEGIC PETROLEUM RESERVE BY PNOC

1. BACKGROUND/RATIONALE

Petroleum Products play a crucial role in every major part of modern society: from the energy that powers the grid and different modes of transportation, to the production of goods that humans use in our day-to-day activities, and this demand continues to rise. The Department of Energy (DOE) estimates that between 2018 and 2040, the demand for petroleum products will rise at an average of 5.2 percent per year¹.

Being a nation that is almost completely reliant on imports to supply its crude oil and petroleum products requirements (in 2019, the country has imported 99 and 65.5 percent of its crude oil and petroleum products requirements, respectively)², pump prices in the Philippines are heavily affected by price adjustments caused by complications between different parties in the global stage, in addition to problems within its own borders, and natural and man-made disasters or unforeseen crises (among other reasons).

A case in point is when the United States imposed sanctions on Iran, the trade tensions between China and the US, and crude oil production cuts from members of the Organization of Petroleum Exporting Countries (OPEC) and non-members like Russia, together with the depreciation of the Philippine Peso and other factors, which caused a net per-liter-increase of PHP 11.40, PHP 12.15, and PHP 10.70 for gasoline, diesel, and kerosene, respectively, from January to October of 2018^{3&4}. Another recent example of complications between global players that had an effect on local prices is the situation the market experienced in 2019 when a combination of market decisions and geopolitical issues caused an increase in prices.

Over the last decades, the world experienced relentless surge in oil prices due to geopolitical conflicts involving oil-producing countries along with the ever-increasing demand brought about by continued economic growths and industrialization. However, due to the unprecedented health crisis brought about by the corona virus disease 2019 (COVID-19), the world market witnessed plunge in oil prices in light of the slump in oil demand due to imposition of lockdowns in affected countries. For most countries, i.e.

¹ *Philippine Energy Plan 2018-2040: Energy Supply and Demand Outlook, Department of Energy*

² *Oil Industry Management Bureau's (OIMB's) Year-End Comprehensive Report (FY2019), Department of Energy (2020)*

³ *Oil and Gas Trends 2018-19, Biscardini, et al. of Strategy& (https://www.strategyand.pwc.com/trend/2018-oil-gas)*

⁴ *Oil Monitor as of October 11, 2018, Department of Energy*

including the Philippines, the pandemic is much more than a health crisis but an unprecedented socio-economic crisis in light of the travel and economic activity restrictions imposed to contain the spread of COVID-19.

To mitigate our vulnerability and its impact on the country's economy and quality of life, the Department of Energy (DOE) has revived the concept of the development of a Strategic Petroleum Reserve (SPR) for the country as one of the possible undertaking towards oil supply security and price stability. The SPR or more commonly known as a strategic oil stockpile is an emergency fuel storage of oil and/or petroleum products maintained by either the Government or private companies or both entities, e.g. 90-day worth of a country's petroleum imports for member-countries of the International Energy Agency (IEA), that are released during periods of local or international oil supply disruptions. The main purpose of SPR is to temporarily replace the physical volumes of imported oil and/or refined petroleum products that could be lost in the short-term during an emergency. The role of governments is to protect the economic and physical well-being of its citizens, and oil disruptions have had large, negative impacts on modern economies.

The DOE has recognized PNOC as the proper government agency legally mandated to carry out the activities on behalf of the government as envisioned in an SPR program. PD334 mandates PNOC "to provide and maintain an adequate and stable supply of oil and petroleum products for the domestic requirement and for that purpose to engage in, control, supervise and regulate the transportation, *storage, importation, exportation, refining, supply, sale and distribution of crude oil*, refined petroleum and petroleum-based products, whether imported or produced by local refineries."

In November 2019, the DOE, thru Memorandum Order No. MO2019-11-0001, mandated PNOC to conduct a feasibility study of establishing an SPR for the country, and thereafter an implementation plan based on the result of this study. This was further bolstered with the issuance, in October 2021, of the Department Circular No. DC2021-09-0028, which provides the policy and implementing guidelines for the establishment of the Philippine Strategic Petroleum Reserve Program.

2. OBJECTIVES AND EXPECTED RESULTS

2.1. Overall Objective of the Study

The overall objective of the Study is to determine the viability of establishing a national SPR and develop a detailed plan to implement the program. It also aims to identify and secure the necessary approval and prepare all required documents for the implementation of the program and undertake, as necessary, all pre-development activities in preparation for the roll-out.

Towards this end, PNOC will engage the services of a Transaction Advisor to: prepare the Detailed Feasibility Study (DFS) for its envisioned development of a National Strategic Petroleum Reserve (SPR); assist PNOC in securing necessary

project and budget approvals from concerned government agencies (e.g. NEDA, DOF, DBM and others); prepare the preliminary Front-End Engineering Design (FEED); prepare the Terms of Reference (TOR) for the Engineering, Procurement and Construction (EPC) Stage; and assist PNOC in the actual bidding process, evaluation until award of contract to the winning EPC contractor.

By the end of the contract period under this TOR, the Transaction Advisor is expected to produce a comprehensive feasibility study on the development of the country's strategic petroleum reserve. The DFS is expected to cover the technical, legal, social, environmental, financial, and economic viability study as well as the risk assessment of developing and implementing the Project. The TA shall recommend the best business model and implementation scheme coupled with a comprehensive implementation plan, project timeline, and estimates on the total project cost. Integrated in the DFS shall be preliminary conceptual engineering design/s of the stockpiling method/technology recommended for the SPR development.

If developing a national strategic petroleum reserve is determined viable for the Philippines, the study must assess potential sites considering all the currently existing storage facilities (both private- or government-owned) that can be used for SPR development as well as determine the best stockpile ownership options, methods and technologies to be adopted, composition and volume as well as estimate the total project cost required for SPR development.

Moreover, the study shall also determine if the construction of additional refineries and other infrastructure for the country is necessary, as the country's daily refining capacity is long outpaced by its daily domestic oil requirements.

Considering that building the stockpile inventory alone entails huge capitalization, not to mention the additional cost in constructing and leasing storage facilities, the DFS must present a comprehensive list of available funding sources that PNOC can have access to as well as the appropriate financing options that can be implemented to ensure project sustainability.

Essentially, a legislation must be put in place to provide enabling support and mechanism and to govern the implementation of the SPR, if the development of which is found viable.

Potential challenges and problems that may be faced in the implementation of the Project shall be identified and analyzed and the DFS shall provide recommendations on how to mitigate its impacts if not totally prevented.

If the financial viability of developing a national strategic petroleum reserve will be found a challenge, the TA shall identify, evaluate and recommend potential alternatives of similar nature to the implementation of an SPR program, that will be responsive to PNOC's vision and mandate of ensuring energy and fuel supply security and price stability even during times of crises and emergencies. The TA

should also recommend the proper timing and phasing of developing the SPR Program.

Cognizant that any SPR Program will entail in-depth feasibility study, time and financial resources, gradual build-up of volume and presence in strategic locations that would have to be diligently studied, the TA shall also be required to come up with a study on establishing an interim oil stockpiling program including a detailed implementation plan that can be undertaken in the near term as a transition phase leading to the establishment of a full blown SPR. The objective of this short-term undertaking is to provide a response mechanism that the government may immediately employ in times of oil-related emergencies.

Other major deliverables expected from the TA, among others, are the preparation of front-end engineering design (FEED or basic design) for selected assessed sites in the DFS and preparation of TOR and bid documents for the procurement of supply and services for the Interim Stockpiling Program and engagement of the Engineering, Procurement, Construction, and Commissioning (EPC) contractor for the construction of storage and other related facilities for the SPR Program.

In addition, the TA is expected to provide all the necessary assistance and support in securing approvals for project implementation and budget allocation or fund sourcing.

3. SCOPE OF WORKS

The scope of works of the Transaction Advisor shall include, but not necessarily be limited to the following:

A. Preparation of the Technical Feasibility Study of the SPR Program

3.1. Market Study

- 3.1.1. Conduct a thorough market research and demand estimation/analysis covering, among others, the need for the project and the appetite of both the government and private sector for undertaking such project.
- 3.1.2. Analyze the current and projected petroleum demand and import requirements of the country (for all sectors) and determine industry players and other entities that may potentially serve as off takers from the SPR's petroleum stocks and the logistical requirements in the stocks drawdown in a business-as-usual scenario.
- 3.1.3. Establish the minimum supply requirement/volume to be solicited from the project (i.e., the project's commercial component) considering the estimated potential demand.

- 3.1.4. Account the country's existing petroleum storage facilities (government or privately owned)
 - a. Assess the capacity of all existing storage facilities in the country (both private- and government owned) and
 - b. Coordinate with storage facility owners and determine the capacity potentially available for use in strategic stockpiling;
 - c. Prepare detailed estimation of the cost of leasing storage facilities and other relevant terms of contract, from both the government and private sector for the SPR program;
 - d. Prepare draft lease agreement/s between PNOC and the potential storage facility lessors with terms that are aligned with the purpose at which the SPR is being developed;
 - e. Determine the additional capacity of storage required to be built by the government for the SPR program.
- 3.1.5. The analysis shall also include an identification and assessment of other requirements, e.g., bill legislation, drawdown/replenishment mechanisms, policy support, funding, related facilities such as refineries, which will have impact on the overall viability of the project.
- 3.1.6. Analyze current and future supply and pricing of petroleum products and identify producer-countries that may possibly be considered as source of imported oil for the Philippines in consideration of price, quality, accessibility, logistical requirements, others. Study various modes and financing options for reserves acquisition such as Government to Government Scheme, direct financing, loans, etc.
- 3.1.7. Review the experience of other countries in the construction, operations and maintenance of a national strategic petroleum reserve and recommend arrangements that are appropriate for the Project.
- 3.1.8. Provide design parameters based on internationally accepted standards (e.g., scale, alignment, required facilities) of the project including phasing of implementation as may be required in technical study.

3.2. Technical Study

- 3.2.1. Determine the composition, size and estimated cost of the petroleum stockpile necessary for the country;
 - a. Gather, update, and analyze all relevant data on the country's oil supply and demand to establish the most appropriate composition and size of the national strategic oil inventory;
 - b. Assess and review existing policies and standards regarding SPR requirements in terms of capacity/volume/size;
 - c. Determine and recommend the required composition and size of the SPR; and

- d. Prepare detailed estimation of the cost of petroleum inventory that will be imported for the SPR.
- 3.2.2. Review, evaluate and recommend the most viable technology or methods for strategic petroleum stockpiling. Various technologies that may be considered for evaluation are: underground caverns; storage in depleted oil and gas reservoirs; underground tanks; above ground tanks; in-ground tanks; others.
- 3.2.3. Evaluate and determine the stockpiling approach/is and stockpiling ownership option/s most appropriate to implement in the country:
 - a. Review different ownership schemes/approaches being employed in other countries who successfully developed their own SPRs;
 - b. Review and evaluate stockpiling concepts/approaches (such as, but not limited to the options enumerated below), and determine which among these options are most applicable for the country.
 - government industry stockpiling;
 - industry stockpiling;
 - tickets;
 - inviting tank operators;
 - joint stockpiling with exporters;
 - regional stockpiling;
 - multilateral arrangement framework; and
 - others
 - c. Determine possible international cooperation or partner countries to develop a stockpile with if the recommended option in 3.2.4.b falls under regional stockpiling and/or multilateral arrangement framework.
 - d. Determine what percentage of the oil inventory shall be owned and maintained for each of the recommended option in 3.2.4.b.
- 3.2.4. Determine if the country has a need for the construction of additional oil refineries, as its daily refining capacity has been long outpaced by its daily domestic oil requirements. If the construction is said to be necessary, the refinery setup (e.g., conventional, or modular), capacity, and other factors such as location and operation shall be considered where, depending on its allowable expenses for the program, the country can maximize the share of crude oil over refined petroleum products in its daily net imports for stockpiling due to the advantages that crude oil can offer in stockpiling compared to its counterpart.
- 3.2.5. Determine if the country has a need for the construction of other strategic infrastructure, and identify and analyze the optimal location, structure, and operation of such.
- 3.2.6. Determine and recommend best suitable sites for the development of oil stockpile facilities.

- 3.2.7. If an SPR is deemed not feasible:
 - a. Identify and evaluate potential alternatives of similar scale to the implementation of an SPR program that will be responsive to PNOC's vision and Mandate.
 - b. Suggest considerations that PNOC and DOE may wish to contemplate to enhance the viability of implementing an SPR program.
- 3.2.8. Determine proper timing and phasing of development and construction of the facilities and the indicative project cost. Determine the viability of establishing a short-term or interim stockpile which the government may release during times of extraordinary price surges.

B. Preparation of Study on the Implementation of a Short-term or Interim Petroleum Products Stockpiling Program

Based on the results of the market and technical feasibility study, prepare a development/implementation plan for a short-term or interim petroleum products stockpiling program as a transitory stage in the development of the full blown SPR program. This is aimed to establish an immediate response mechanism for the government for times of extraordinary surges in oil prices that is prevalent in the present time and for other emergency cases to cushion its potential economic impact especially to the public sector.

- 3.3. Preparation of Interim Stockpiling Study and Development/Implementation Plan
 - 3.3.1. Determine the appropriate composition and volume of petroleum products to be procured and stockpiled for the transition phase based on the result of the market study.
 - a. Study potential demand for the interim phase of stockpiling and recommend appropriate volume and composition/type (e.g. neat versus blended diesel, gasoline, additives, etc.) of fuel to store and maintain.
 - b. To ensure sustainability of maintaining the interim stockpile and its periodic replenishment, identify potential market and determine the requirement of each identified target off-takers. For the transition phase, the target market shall include, among others, the following: agriculture and fisheries; military forces; state-owned power generation facilities including Small Power Utility Group (SPUG); and government agencies and instrumentalities including those providing emergency response.
 - 3.3.2. Determine stockpiling approach which should be employed in the interim phase such as leasing of existing storage capacities of both the government and private sector while storage facilities for the SPR program are underway.

- a. Based on the result of Section 3.1.4, determine most suitable sites of storage facilities to lease and identify qualified storage services providers in these areas
 - b. Determine cost of leasing and other related maintenance expenses
 - c. Coordinate with qualified storage service providers and provide assistance to PNOC in securing advantageous terms
 - d. Draft and/or evaluate lease contracts
- 3.3.3. Identify potential sources of supply for the program
- a. Identify and recommend potential suppliers of fuel to be stockpiled under the interim program (local or international suppliers)
 - b. Assist PNOC in coordinating with/connecting to potential suppliers for possible procurement arrangement and pricing.
- 3.3.4. Identify methods/means of disposal/distribution which shall be employed in different scenarios including but not limited to emergencies, such as utilization of Mobile Distribution Vehicle/s or MDVs, whether by land or by sea, specifically designed to transport and dispense finished petroleum products at areas identified for Targeted Fuel Relief Program.
- 3.3.5. Financial and Economic Analysis
- a. Prepare the base case project cost estimates disaggregated into capital expenditures (CAPEX), operations and maintenance (O&M)
 - b. Develop cost recovery options in consideration of the target fuel off-takers identified in Section 3.3.1 (b) to ensure that the project is sustainable
 - c. Identify and recommend all possible sources of funding and financing options for the project.
 - d. Conduct a financial analysis - determination of financial internal rate of return (FIRR) and net present value (NPV) for both project and equity perspectives. The financial analysis model should be designed to provide for project structuring options including the imposition of appropriate project financing constraints. The financial analysis model should have capabilities to allow the conduct of sensitivity analysis for the purpose of quantifying the financial impacts of different structuring options.
 - e. Conduct an economic analysis - identification and estimation of the economic costs and benefits of the project; and calculation of the economic internal rate of return (EIRR), including sensitivity analysis as required for obtaining ICC approval
- 3.3.6. Lay down detailed procedures for the procurement of supply, storage services, logistics and distribution services based on applicable laws and regulations

- a. Procurement of Supply
 - Determine transaction schemes applicable for the procurement of supply, and recommend which scheme is most viable to meet the requirements of the interim program
 - Identify and recommend on the type of contract best suited for supply purchases, e.g. long-term, short-term or futures contracts/price hedging, among others
 - Recommend on the pricing of fuel in consideration of target selling price to potential beneficiaries
 - Estimate total budget requirement associated for the procurement of supply
 - Draft necessary fuel supply purchase agreement

 - b. Procurement of services and/or necessary equipment/vehicle
 - Determine all necessary logistical support for the program from the procurement of supply, transfer and stockpiling in storage facilities and distribution to target markets
 - Determine transaction schemes applicable for the procurement of the necessary services and/or equipment/vehicle, and recommend which scheme is most viable to meet the requirements of the program
 - Recommend on the sourcing and pricing of services and/or equipment/vehicle to avail in consideration of target selling price of fuel to potential beneficiaries
 - Estimate total budget requirement associated for the procurement of necessary services and/or equipment/vehicle
 - Draft necessary services agreement/contract

 - c. Inventory Management
 - Based on the result of 3.3.1 (c), assist PNOC in coordinating and negotiating with identified target offtakers and draft the necessary supply sale contracts between PNOC and said offtakers
 - Determine and recommend scheduling/timing of procurement/replenishment of supplies and its disposal drawdown/product distribution
 - Design necessary inventory monitoring system
- 3.3.7. Permitting/Legal/Institutional/Budgeting Requirements
- a. Determine all permits required in developing and implementing the envisioned interim stockpiling program
 - b. Lay down the procedural requirements and assist PNOC in securing said permits
 - c. Lay down all procedural requirements for fund/budget approvals in consideration of budget approval process in the government

- 3.3.8. Determine specific policy support and legislative requirements that may be required to successfully implement the program
- 3.3.9. Preparation of the detailed development plan/implementation plan for the interim petroleum products stockpiling based on the results of Section 3.3.1 to 3.3.8

The study on the development/implementation plan for the interim petroleum products stockpiling shall be submitted together with the Draft Technical Feasibility Study.

C. Development of the Full/Detailed Feasibility Study

After determining the viability of the SPR project and optimum technical solution, the same shall be presented to the PNOC for approval. Once approved, the Transaction Advisor shall proceed with the preparation of the detailed feasibility study.

3.4. Financial and Economic Study

- 3.4.1. Prepare the base case project cost estimates disaggregated into capital expenditures (CAPEX), operations and maintenance (O&M), land acquisition costs, taxes, and the required contingencies, etc.; prepare the project's financing and procurement plans.
 - a. Prepare detailed estimation of the capital investment for the Project including the necessary contingencies and related rationale within acceptable accuracy limits (Cost estimate for the facilities shall have accuracy of +/- 20 %), expressed in value of money at the time of preparation of the Detailed Feasibility Report.
 - b. Prepare detailed estimation of the Operation and Maintenance expenses related to implementing the SPR program taking into consideration the following: cost for the lease of commercial and government-owned storage facilities; importation expenses of oil stocks to build the SPR; and all other O&M expenses that may be incurred in maintaining the SPR.
- 3.4.2. Develop cost recovery options (and alternative revenue generation and/or viability gap funding [VGF]) to ensure that the project is sustainable.
- 3.4.3. Carry out value for money (VFM) analysis.
- 3.4.4. Conduct an economic analysis - identification and estimation of the economic costs and benefits of the project; and calculation of the economic internal rate of return (EIRR), including sensitivity analysis as required for obtaining ICC approval.

- 3.4.5. Conduct an independent market assessment of potential local and foreign investors' interest in the project.
 - 3.4.6. Identify and recommend all possible sources of funding and financing options for the project.
 - 3.4.7. Conduct a financial analysis -determination of financial internal rate of return (FIRR) and appropriately discounted net present value (NPV) for both project and equity perspectives. The financial analysis model should be designed to provide for project structuring options including the imposition of appropriate project financing constraints including, but not limited to, debt service coverage ratio (DSCR) caps which optimize scenarios for the disbursement of available projected cash flows to potential project creditors. The financial analysis model should have capabilities to allow the conduct of sensitivity analysis for the purpose of quantifying the financial impacts of different structuring options.
 - 3.4.8. Develop a full financial model and financing plan including timelines for implementation and funds flow requirements (*with summary of major assumptions and dashboard, in excel format, complete with formula and links*). The financial model should include, but not limited to, demand forecasts, tariff modelling, shadow bid model and bid pricing analysis model, etc., financial model for implementation, based on the project capital structure, project implementation schedule and funding structure, etc.
 - 3.4.9. Conduct a comparative analysis of the project's tariff with the cost of fuel from existing/current sources.
 - 3.4.10. Prepare a financial model showing the projected tariff (and tariff structure) and its impact to off-takers.
 - 3.4.11. Formulate an appropriate parametric tariff adjustment formula considering the impact of said adjustment to all stakeholders, as necessary.
 - 3.4.12. Evaluate and recommend the optimum business model that PNOG may adopt that will make the SPR commercially viable.
 - 3.4.13. Compare and assess whether economic benefits outweigh the economic costs for the country to justify the development of its own national SPR.
- 3.5. Legal and Regulatory Study
- 3.5.1. Conduct comprehensive evaluation of the legal and regulatory framework and other environmental laws governing the development, construction

and operation of a national Strategic Petroleum Reserve. Below are some of the current laws and policies that may be considered in the study:

- a. PNOC Charter
 - b. Philippine Oil Deregulation Law;
 - c. Pertinent Department of Energy Circulars;
 - d. Pertinent Executive Orders;
 - e. Philippine Environmental Policy Act;
 - f. Philippine Environmental Code;
 - g. Environmental Impact Statement System;
 - h. National Integrated Protected Areas System Act;
 - i. *The Indigenous People's Rights Act*;
 - j. Agreements signed by the country, and other countries and/or groups of the same (e.g., ASEAN, UN); and
 - k. Others
- 3.5.2. Formulate the appropriate institutional arrangement (including regulatory arrangements/requirements, as may be necessary) for the project taking into consideration the roles and responsibilities of the PNOC (including DOE) and other stakeholders.
- 3.5.3. Assess on how to integrate the strategic petroleum reserve program as part of the national oil contingency plan, in the absence of a legislative bill on the implementation of the SPR.
- 3.5.4. Review and determine legal approaches to enable participation in an inter-country development of a strategic petroleum reserve.
- 3.5.5. Review/validate all legal requirements relating to project implementation (compliance with related laws) and tariff setting (legal review to identify legal processes and impediments/requirements, including review of the relevant jurisprudence, regulatory framework, and previous rulings including COA issuances that might have an impact on the project; and suggest appropriate legal strategies/alternatives to be undertaken in the implementation of the proposed project).
- 3.5.6. Develop and provide detail to the legal architecture and design of the transaction, identifying e.g., the (i) type of project implementation scheme (e.g., joint venture, PPP, etc.); (ii) investment plan, how, where and when investments will be made; and (iii) type of public sector support required (whether through ODA or otherwise), including terms and conditions.
- 3.5.7. Assist in resolving legal issues associated with the management of the social, economic, and environmental impacts of the project in a manner consistent with international best practices, including among others issues on resettlement, and environmental consequences of the project. All legal opinions and advises given during the engagement shall be rendered in a formal communication to PNOC.

- 3.5.8. Gather and review all existing drafts of SPR-related bills and develop a new bill for the program that can be proposed for the purpose of governing the development, implementation and operation of the envisioned SPR, in consideration of the following:
- a. Role of the private oil companies and their responsibilities under the SPR, and mechanism of access and compensation;
 - b. Penal provisions for those who fail to comply or engage in market abuse or anticompetitive practices;
 - c. Sanctions;
 - d. Budget/Appropriations;
 - e. Mechanism/Protocols for Emergency/Crisis scenario;
 - f. Mechanism/Protocols for Business-as-Usual scenario;
 - g. Taxation/Exemptions/Incentives;
 - h. Other provisions.

3.6. Environment Sustainability, Gender and Social Safeguards

- 3.6.1. Review of the project's potential environmental impact with reference to local requirements and those of multi-lateral lending agencies. This review shall identify potential negative impacts, discuss the extent to which they can be mitigated, and develop plans for full environmental impact assessment in anticipation of the Project moving forward to the implementation stage.
- 3.6.2. Prepare Environmental Impact Study and Secure Environmental Compliance Certificate (ECC). The scope of the Environmental Impact Assessment shall not be limited to determining the following: Environmental Baseline, Ambient Air Quality, Climatic Data, Noise, Water Quality, Land Use, Terrestrial Ecology, Aquatic Ecology, Socio-economic environment and Health Aspects, Visual Impact, Stakeholders Consultation, Resettlement and Compensation Plans, Mitigation Measures, Mitigation for Air pollution, Mitigation for Waste Water, Mitigation to control Noise, Solid Waste Management, Flora and fauna, Environmental Management Plan (EMP), Environmental Monitoring Plan etc.
- 3.6.3. Assess social acceptability, impact, and awareness on the project (including gender- and IP-related concerns) and recommend environmental and social safeguard requirements (i.e. environmental impact mitigation measures, climate change resiliency and disaster risk mitigation measures, social impact mitigation measures, gender-responsive facilities) consistent with relevant laws and guidelines.
- 3.6.4. Formulate Health, Safety, Security and Environmental Protocols to be implemented in the operation of the SPR.

3.7. Risk Assessment

- 3.7.1. Conduct project risk analysis to determine, assess, allocate and manage risks (such as, but not limited to project construction, commercial [market risk], financial, political, economic, force majeure and legal risks) during all project stages. The risk analysis should cover valuation, allocation, and mitigation measures.
- 3.7.2. The Transaction Advisor should recommend mitigation mechanisms that may be adopted by the party identified to bear each of the identified risks. In doing so, assessment and applicability of various risk mitigation mechanisms should be carried out, including review of the extent to which the risks of the project can be underwritten by commercial insurance cover and extent to the likely cost of such cover.

3.8. Design, Technical Requirements and Minimum Performance Specifications and Standards (MPSS)

- 3.8.1. Conduct site assessment and selection:
 - a. Conduct technical surveys of identified potential sites necessary for the site suitability analysis and preparation of conceptual engineering design, including but not limited to: geotechnical; hydrographic; bathymetric; topographic; and marine surveys/studies;
 - b. Conduct site suitability analysis and recommend the most suitable site/s for strategic oil stockpiling in consideration of various standards and guidelines used by the industry for the siting of oil storage facilities and SPR
- 3.8.2. Prepare preliminary engineering designs:
 - a. Provide design parameters based on internationally accepted standards (e.g., scale, alignment, required facilities) of the project including phasing of implementation as may be required;
 - b. Prepare preliminary engineering design for the oil storage facility/ies to be constructed in consideration of the characteristics of the identified site/s; storage technologies/methods recommended to be employed for the SPR; and relevant technical standards as well as environmental and social safeguard requirements;
 - c. Prepare preliminary engineering design/s for the other facilities deemed necessary for the program.
- 3.8.3. Document compliance with environmental and social safeguard requirements by providing, as separate outputs/reports, the necessary plans (i.e., right-of-way acquisition and resettlement, gender, environmental impact, and mitigation).

- 3.8.4. Prepare the MPSS for the construction, supply, installation and operation and maintenance taking into consideration global best practices and finalize the technical specifications for the proposed project.

3.9. Project Development

- 3.9.1. Prepare the detailed project rationale, including job generation projections
- 3.9.2. Prepare the detailed project implementation plan of activities and schedule which will define and set the timelines of the major phases of project work to fulfill the desired objectives and achieve the expected deliverables from the time of award to its completion. The project implementation schedule should include the deliverables, major activities for each deliverable, key milestones, among others.
- 3.9.3. Prepare a design and monitoring framework (DMF) for the proposed project, which will include, among others, the monitoring requirements for the PNOC in terms of contract implementation and management, and expected project outcomes.
- 3.9.4. Devise Information, Education and Communication Campaign (IECC) strategy and timeline of IECC implementation.
- 3.9.5. Provide assistance and support to PNOC in the implementation of the project IECC plan

Further, aside from the specified scope of works mentioned above, the Consulting Firm may propose additional works to enhance the study, provided it shall bear no additional cost to PNOC. The scope of any additional proposed works by the Consulting Firm shall be established within the first three (3) months of the study, subject to the approval of PNOC.

D. Assistance to PNOC on Securing Project Approvals

- 3.10. Assist PNOC in the presentation of the results of the Technical Feasibility Study and DFS as well as the Development/Implementation Plan of the project/s to PNOC Management Committee, PNOC Board Committees, PNOC Board, and to other government agencies such as but not limited to the Department of Energy, NEDA, Governance Commission for Government Owned and Controlled Corporations and/or DOF for the purpose of seeking support and approval for the implementation of the program.
- 3.11. Assist PNOC in securing approval for project implementation from the National Economic and Development Authority (NEDA) Board.
 - 3.11.1. Complete all the documentary requirements to be submitted to the ICC and NEDA Board, and assist PNOC in addressing all ICC concerns until the

approval is accorded by ICC/NEDA Board, including a pre-ICC presentation briefing/meeting with PNOC and other concerned parties. These documents shall include the following:

- a. Six (6) electronic and hard copies, in MS word format, of the Project Feasibility Study;
 - b. ICC Project Evaluation Forms;
 - c. Two (2) sets of electronic copies, in MS excel format, of the economic and financial analyses in traceable formula format;
 - d. Environmental Impact Statement (EIS)/Environmental Compliance Certificate (ECC)/Certificate of Non-Coverage in electronic and hard copies (MS word file);
 - e. Location map (with electronic copy);
 - f. Right of way acquisition and resettlement action plan; and
 - g. Other documents that may be required by the ICC.
- 3.12. Assist PNOC in the application to DOE for the issuance of a Certificate declaring the project as Energy Project of National Significance (CEPNS) or whatever is applicable at the time of application.
- 3.12.1. Complete all the documentary requirements to be submitted to DOE and assist PNOC address all DOE concerns until the issuance of the CEPNS or whatever is applicable at the time of application.

E. Preparation of Front-End Engineering Design/s

- 3.13. Upon determination of the feasibility of the project, development of additional storage and other related facilities, identification of suitable project sites and/or upon approval of other alternative project/s of similar scale, prepare the Front-End Engineering Design/s of the required facility/ies, which must include, among others the following components:

3.13.1. Process

- a. Design Basis Report
- b. Heat and Material Balance
- c. Process Flow Diagram
- d. Piping and Instrumentation Diagram (with Controls)
- e. Equipment Data Sheets (Process)
- f. Instrument Data Sheets
- g. Utility Consumption Summary
- h. Material Selection Diagram
- i. Hydraulic Calculations
- j. Pressure Relief Calculations
- k. Pressure Relief Valve Sizing
- l. Hazard and Operability Study

3.13.2. Mechanical

- a. Equipment Data Sheet (Complete)
- b. Equipment Supplier Review (Technical and Cost Review)
- c. Equipment List
- d. Hazard and Operability Study

3.13.3. Instrumentation and Process Control

- a. Instrument Data Sheet/Instrument Selection and Sizing (Complete)
- b. Control Architecture
- c. Instrument Supplier Review (Technical and Cost Review)
- d. Piping and Instrumentation Diagram (with Process)
- e. Hazard and Operability Study

3.13.4. Piping

- a. Detailed material selection
- b. Pipe routing/lay outing
- c. Pipe Stress calculation and analysis
- d. Plot Plan Preparation
- e. Underground piping layout
- f. Line/Piping List
- g. Piping Bill of Quantities
- h. Hazard and Operability Study

3.13.5. Civil

- a. Structural Design Buildings
- b. Structural Design Piping Supports
- c. Structural Design Equipment Supports
- d. Underground piling design
- e. Bill of quantities (Civil)

3.13.6. Electrical

- a. Electrical Design Architecture
- b. Single Line Diagram

3.13.7. Fire Fighting

- a. Design Basis Report
- b. Heat and Material Balance
- c. Process Flow Diagram
- d. Piping and Instrumentation Diagram (with Controls)
- e. Equipment Data Sheets (Process)
- f. Instrument Data Sheets
- g. Utility Consumption Summary
- h. Material Selection Diagram
- i. Hydraulic Calculations
- j. Hazard and Operability Study

3.13.8. Cost Estimation

- a. CAPEX calculation

b. OPEX calculation

F. Preparation of the TOR and assistance to PNOC on the Bidding and/or Procurement Process

- 3.14. Prepare the Terms of Reference for the Procurement of Supply and Services for the Interim Oil Stockpiling and for the Engagement of the EPC Contractor for the SPR Program
- 3.15. Assist PNOC in all stages of the bidding/procurement process. All decisions relative to the bidding/procurement shall be subject to the approval of PNOC:
 - 3.15.1. Recommend an appropriate bid strategy including the development of the blueprint of the bid process and appropriate governance for the project. Bid process design and the choice between a single-stage process vis-a-vis a two-stage process will be evaluated. The TA shall provide advice and justification on the best-value bidding parameter, including, but not limited to least cost, least viability gap funding for the government, etc.
 - 3.15.2. Prepare all necessary bidding/tender documents, including the Invitation to Prequalify and Bid (ITPB), draft concession agreement, Information Memorandum, MPSS, bid bulletins, qualification and evaluation criteria, and Bid Forms such as Bid Letter, Statement of Bid, Technical Bid Proposal, Financial Bid Proposal, etc.
 - 3.15.3. Assist PNOC in the procurement from the preparation of documents under 3.15.2, and other activities such as a) preparation or collation of documents and data to be made available in the data room for prospective bidders; b) issuance of all bidding-related notices/requests and supplemental notices; c) conduct of the pre-bid conference/s; d) conduct of bidding; e) responding to queries upon proper consultation with the PNOC; f) pre-qualification of bidders and evaluation of bids; g) contract finalization and award; and h) preparation of minutes of all meetings.

The TA's deliverables for the Interim Stockpiling Program shall end upon the successful award of contracts for the procurement of supply and related services. For the SPR Program the final deliverable is the final engagement report upon successful award of the EPC contract.

4. TIMELINES AND DELIVERABLES

4.1. Commencement Date and Period of Implementation

The commencement date of the engagement period shall be on the date of issuance of Notice to Proceed. All required deliverables under the engagement contract as enumerated below shall be completed within a period of three (3) years

from the commencement date. The contract may be extended in case where completion of all deliverables cannot be achieved within the projected completion timeline due to delays not accountable to the TA, provided that it shall bear no additional cost to PNOC.

Refer to **Annex A1 and A2** for the indicative implementation timeline.

4.2. Table of Deliverables

A detailed inception report that details the TA's understanding of the task and the methodology to be employed to complete the task, together with a Work and Financial Plan shall be prepared and submitted by the winning bidder to PNOC for review within two (2) weeks from the commencement date. The Inception Report and Work and Financial Plan shall include, among others, the detailed work program for the scope of the study, as well as the detailed schedule for all work, including field work related to applicable tasks. The Inception Report shall also include the fulfillment of the study conditions listed in this TOR as well as approach and methodologies to be utilized in the development of the study.

The deliverables for the engagement, as enumerated in the table below, shall be submitted by the TA in both hard and electronic copies to PNOC, together with materials that were used to produce the deliverables (e.g., data sets).

Table 1: Deliverables

Deliverable	Timeline
1. Inception Report and Work and Financial Plan	End of Week 2
2. Monthly Progress Reports	End of every month
3. Draft Technical Feasibility Study (Market and Technical Studies)	End of Month 4
4. Draft Study on the Implementation Plan of a Short-Term or Interim Petroleum Products Stockpiling Program	End of Month 4
5. Final Technical Feasibility Study for the SPR Program and Final Study on the Implementation a Short-Term or Interim Petroleum Products Stockpiling Program	Two (2) weeks after approval by PNOC Board of Draft Technical Feasibility Study and Draft Study on the Implementation a Short-Term or Interim Petroleum Products Stockpiling Program
6. Draft Detailed Feasibility Study (DFS): a. Updated Market and Technical Study b. Financial and Economic Study c. Legal and Regulatory Study d. Environment Sustainability, Gender and Social Safeguards e. Risk Assessment	Four (4) months after Approval of the Technical Feasibility Study (Market and Technical Studies) by the PNOC Board

f. Design, Technical Requirements and Minimum Performance Specifications and Standards (MPSS) g. Project Development (including detailed implementation plan)	
7. Draft Documentary Requirements for Project Approval by NEDA	Four (4) months after Approval of the Technical Feasibility Study (Market and Technical Studies) by the PNOB Board
8. Draft Documentary Requirements for the Application to DOE for the Issuance of CEPNS or whatever is applicable at the time of application	Four (4) months after Approval of the Technical Feasibility Study (Market and Technical Studies) by the PNOB Board
9. Final DFS	Two (2) weeks after approval by PNOB Board of Draft DFS
10. Draft SPR bill	Two (2) weeks after approval by PNOB Board of Draft DFS
11. Final Documentary Requirements for Project Approval by NEDA	Two (2) weeks after approval by PNOB Board of Draft Documentary Requirements for Project Approval by NEDA
12. Final Documentary Requirements for the Application to DOE for the Issuance of CEPNS or whatever is applicable at the time of application	Two (2) weeks after approval by PNOB Board of Draft Documentary Requirements for the Application to DOE for the Issuance of CEPNS
13. FEED	One (1) year after approval of project by NEDA
14. TOR and Tender Documents for the hiring of EPC Contractor	30 days after Approval of FEED by PNOB Board
15. Final Engagement Report	One (1) week after receipt of Notice of Award has been issued to the winning EPC-Contractor

In addition, the Transaction Advisor shall submit the special reports as indicated in the table below.

Special Reports	Timing of Submission
1. Design and Monitoring Framework	With deliverable No. 6

2. Financial and Economic Model/s	With deliverable No. 6
3. Land Acquisition and Resettlement Action Plan	With Deliverable No. 6
4. Gender Assessment and Analysis of Needs	With Deliverable No. 6
5. Environmental Impact Study including an Environmental Management Plan	With deliverable No. 6
6. Indigenous Peoples' Development Plan, if any	With deliverable No. 6
7. Detailed Project Implementation Plan	With deliverable No. 6
8. Accomplished ICC-Project Evaluation Forms	With deliverable No. 11
9. Accomplished CEPNS Application Forms or whatever is applicable at the time of application	With deliverable No. 12
10. Draft agreements	With deliverable No. 5,14
11. Bid Process Report/s	Upon finalization of bid evaluation report/s

5. EXPERTISE REQUIREMENTS

5.1. Firm Qualification

PNOOC requires that the bidding firm should have experience in providing consultancy or advisory services for projects involving oil storage and stockpiling facility or other energy-related infrastructure development, operation and management, either locally and/or overseas.

Consultancy or advisory projects of bidder that are similar to the subject item for procurement would be given additional weight.

5.2. Experts Qualification

The TA for this engagement shall be composed of experts who must have, at the minimum, the following qualifications.

Table 2: List of Experts and Minimum Qualifications

Position	Qualifications/Experiences	Key Responsibilities
1. Project Manager/ Team Leader	<ul style="list-style-type: none"> • Has at least 10 years of demonstrated experience in any or combination of the following: provision of consultancy/ transaction advisory services, development of infrastructure projects or other work engagements, in the downstream oil industry; • Has been engaged in at least 3 completed projects as a Project Manager in conduct of feasibility study or any project development work in energy or energy related projects within the last 15 years 	<ul style="list-style-type: none"> • Provide overall coordination of the timely and satisfactory delivery of transaction advisory services in the development of the detailed feasibility study, preparation of bid documents and draft contract, and provision of advisory services, including the validation/finalization of a bill to govern the SPR implementation • Create a project schedule to ensure the accomplishment of the project objectives within the established time frame and ABC as mentioned in the TOR; • Assign tasks to be accomplished for each project member and determine the suitable methodology for the project; • Assist in the bidding process, including marketing, pre-bid meetings, identification of potential bidders, bidding query responses, bidder qualification and evaluation criteria development.

		<ul style="list-style-type: none"> • Facilitate completion of all the documentary requirements to be submitted to the ICC and the DOE; assist PNOC in addressing all ICC and DOE concerns until the necessary approvals are accorded; and ensure that all necessary approvals and permissions from NEDA are obtained before commencing the tender process. • Ensure timely submission of all deliverables under the engagement (Team leader shall coordinate all inputs and submit all reports, facilitate meetings and stakeholder consultations, as required; and liaise with PNOC). • Prepare highlights of all meetings, particularly agreements, between PNOC and the Transaction Advisor. • Overall supervision in the preparation of FEED and review of the same • Assist PNOC in the engagement of an EPC contractor • Provide regular updates of the project status to the PNOC. • Provide all the required assistance and advisory support for the Project
<p>2. Legal Consultant</p>	<ul style="list-style-type: none"> • Degree in Law • Has at least 10 years of demonstrated experience in any or combination of the following: sector and institutional assessment, policy analysis (including regulation aspects), drafting agreements and other related documents, legal framework, business models, project implementation structure and procurement issues, in the Philippine energy sector 	<ul style="list-style-type: none"> • Assess current laws and policies to ascertain the validity and viability of the proposed institutional and business structure for the project, including recommendations to improve the governance of the same. • Formulate an appropriate institutional arrangement (including regulatory arrangements/requirements, as may be necessary) for the project taking into consideration the roles and responsibilities of the PNOC, DOE, and other stakeholders. • Develop a policy and legal analysis to take into account the requirements of the selected implementation modality • Assess Government's role in the proposed project, whether that role corresponds with the Government's legal obligations, and maintains sufficient power to protect the Government's interests

	<ul style="list-style-type: none"> • Has been engaged in at least 3 completed energy-related projects as a Legal Expert within the last 15 years 	<ul style="list-style-type: none"> • Identify licensing, permitting and other legal risks that need to be addressed and allocated for the implementation of the project • Review and assess legal issues associated with the management of the social, economic and environmental impacts of the project in a manner consistent with international best practices, including among other issues on resettlement, and environmental consequences of the project. • Recommend appropriate bid strategy; and render legal assistance in the preparation of all necessary bid/tender documents and draft contracts/agreements. • Assist PNOG in the: a) preparation or collation of documents and data to be made available in the data room for prospective bidders; b) issuance of all bidding-related notices/requests, c) conduct of the pre-bid conference/s; d) responding to queries, e) evaluation of bids, and f) concession agreement finalization and award. • Provide legal advice and recommendations for the issues that may arise during the detailed feasibility study. • Review and finalize the bill that will be submitted to the Congress for the purpose of governing the implementation and operation of the national SPR • Provide support to ascertain on-time submission of required deliverables
<p>3. Procurement Specialist</p>	<ul style="list-style-type: none"> • Bachelor's Degree in Business Administration, Engineering or related field • Has at least 10 years of demonstrated experience in procurement of fuel supplies and/or oil industry related services 	<ul style="list-style-type: none"> • Assist in determining all necessary logistical support for the program from the procurement of supply, transfer to storage facilities and distribution to target markets • Assess and determine transaction schemes applicable for the procurement of supply, storage services, logistics and distribution services and recommend which scheme is most suitable to meet the requirements of the project

	<ul style="list-style-type: none"> • Has been engaged in at least 3 completed procurement projects preferably thru public bidding or following government procurement process within the last 15 years 	<ul style="list-style-type: none"> • Identify and laydown detailed procedures for the procurement of supply, storage services, logistics and distribution services for the project based on applicable laws and regulation • Review and recommend on the type/s of contract best suited for the procurement of supply, e.g. long-term, short-term or futures contracts/price hedging, among others as well as for all related services • Recommend on the pricing of supply and necessary services in consideration of the business component of the project • Estimate total budget requirement associated for the procurement of supply and related services • Identify and recommend potential source and suppliers of oil/fuel supply to be stockpiled (local or international suppliers) and qualified service providers • Draft necessary documents such as, but not limited to, Terms of Reference for the procurement of all products and services under the program • Develop inventory monitoring system and laydown guidelines/procedures for inventory management • Assist PNOC in coordinating with/ connecting to potential suppliers of both fuel/oil and related services. • Provide support to ascertain on-time submission of required deliverables.
<p>4. Geotechnical Engineer/ Geologist</p>	<ul style="list-style-type: none"> • Licensed Civil Engineer/Licensed Geologist • Has at least 10 years of demonstrated experience in any or combination of the following: analysis of different soil structure, foundations including the 	<ul style="list-style-type: none"> • Conduct geological survey, geotechnical field reconnaissance, investigations, mapping, and assessment of project-related facilities based on the surface geologic survey, and investigation of possible geological problems or constraints affecting the project as input into engineering design, construction methodology, and equipment to be adopted.

	<p>impact of seismic data in the design of facilities, subsurface investigation and construction site management</p> <ul style="list-style-type: none"> • Has been engaged in at least 3 completed energy-related projects as a Geotechnical Engineer/Geologist within the last 15 years 	<ul style="list-style-type: none"> • Conduct seismic refraction survey and analysis considering all past earthquakes occurred in the proposed project and prepare mitigating measures/strategies to address the impact of the magnitude of such earthquake of the proposed project • Prepare geologic and seismic mapping indicating all faults and fracture in the proposed project. • Ensure availability of equipment needed for subsurface investigation • Create a report containing all the data and results, and evaluation of the subsurface material. • Provide support to ascertain on-time submission of required deliverables.
<p>5. Project Finance Specialist</p>	<ul style="list-style-type: none"> • Degree in Finance or Related Courses • Has at least 10 years of demonstrated experience in any or combination of the following: financial modelling/structuring of large infrastructure projects, value for money analysis, project costing and revenue forecast, development of financing plans, tendering arrangements, global insurance and guarantee products • Has been engaged in at least 3 completed energy-related projects as a Finance Specialist within the last 15 years 	<ul style="list-style-type: none"> • Develop a full financial model and financing plan including timelines for implementation and funds flow requirements. The working model shall be submitted whenever requested. The Project Finance Specialist, for the duration of the Transaction Advisor's contract, shall schedule periodic presentations; and shall make himself/herself available to receive comments or queries and provide responses thereto, and entertain consultations, whenever necessary. • Conduct project risk analysis (valuation, allocation and mitigation of risks) to determine, assess, allocate and manage risks (such as, but not limited to project, commercial, financial, political, economic, force majeure and legal risks) during all project stages. • Assess extent to which project risks can be underwritten by commercial insurance and corresponding cost. • Prepare a contingent liability model for PNOG that quantifies the contingent liabilities, how the same shall be managed and the funding requirements based on the risk analysis. • Support during the market intelligence gathering from lenders relating to financing terms and incorporating final debt pricing into the financial model.

		<ul style="list-style-type: none"> • Assess various stockpiling ownership options and recommend a suitable option/s for the project including required contractual agreements and institutional structures • Ascertain the potential acceptability of the recommended business structure by the private investors and potential lenders; and recommend a suitable bankable financing plan for the recommended structure, including appropriate debt equity ratios, loans tenures and rates for project viability • Identify appropriate funding sources. • Carry out value for money analysis • Develop all required due diligence financial documents for potential lenders • Test all key assumptions against financial model outputs • Assess project financial management capacity • Assist in developing bid documents, evaluation of the bids/proposals • Provide support to ascertain on-time submission of required deliverables
<p>6. Economic Specialist</p>	<ul style="list-style-type: none"> • Degree in Economics or Finance or Related Courses • Has at least 10 years of demonstrated experience in any or combination of the following: economic assessment, sector assessments, demand-supply for public services, opportunity cost implications, etc. • Has been engaged in at least 3 completed energy-related projects as 	<ul style="list-style-type: none"> • Undertake project economic analysis to provide an economic cost-benefit analysis and project rationale on the proposed project: <ul style="list-style-type: none"> - Conduct sector assessments, demand-supply (market analysis) for crude and petroleum products, opportunity cost implications, projected project benefits and impacts. - Conduct willingness-to-pay survey to determine whether the end-user tariffs are socially acceptable - Determine of project rationale and economic impact in comparison with alternative options - Determine realistic economic rates of return for the project under various scenarios

	<p>an Economic Specialist within the last 15 years</p>	<ul style="list-style-type: none"> - In consultation with the Social Development and Gender Specialists, ensure that the project provides desired and equitable benefits to end-users. • Provide support to ascertain on-time submission of required deliverables.
<p>7. Environmental Specialist</p>	<ul style="list-style-type: none"> • Degree in Environmental Planning/Science/ Engineering or related field • Has at least 10 years of demonstrated experience in environmental impact assessment and mitigation measures • Has been engaged in at least 3 completed energy-related projects as an Environmental Specialist within the last 15 years 	<ul style="list-style-type: none"> • Carry out a comprehensive environmental assessment and ensure substantive and form-wise consistency with the Government's environmental requirements, i.e., ECC. • Assess critical environmental factors related to traffic congestion, noise and air pollution, handling storage and disposal of hazardous products, solid waste, water and flooding, carbon emission, geo-hazard conditions, land use and settlement developments impacts and resiliency to climate change conditions such as storm surges and floods. • Identify key 'at risk' areas and threats to the facilities; identify technical, administrative, institutional, infrastructure, and environmental mitigating measures and recommendations for integration into the over-all project design, financial and implementation proposal. • In coordination with the Social Development and Gender Specialists, conduct public consultations. • Recommend appropriate mitigating measures and designs to improve the project's environmental sustainability. Ensure that the environmental management plan and mitigation measures are integrated in the project's design, cost, and operation. • Identify all government environmental clearances, required permits, and approvals. • Evaluate PNOC's capacity to implement mitigation measures, and where necessary recommend capacity improvement training programs and measures.

		<ul style="list-style-type: none"> • Ensure inclusion of the environmental management plan in the bidding documents, along with the requirements to comply with mitigation measures therein. • Provide support to the project to ascertain on-time submission of required deliverables on the environmental aspects.
<p>8. Social Development and Gender Specialist</p>	<ul style="list-style-type: none"> • Degree in Behavioral Science or related field • Has at least 10 years of demonstrated experience in assessment of social impacts and mitigation measures, including on Indigenous People (IP), in accordance with the specific requirements in the Philippines, and in gender analysis • Has been engaged in at least 3 completed energy-related projects as a Social Development and Gender Specialist within the last 15 Years 	<ul style="list-style-type: none"> • Develop a framework for poverty and social analysis of the project in accordance with country requirements. • Prepare poverty reduction and social strategy frameworks (e.g., resettlement plans) with recommendations for involuntary resettlement, and gender safeguards in accordance with the requirements in the Philippines, as applicable. • Assess PNOC's capacity and commitment to undertake social impact due diligence, impact monitoring, and mitigation measures implementation (e.g., resettlement implementation, monitoring and evaluation). • Conduct a willingness-to-pay survey to determine whether the proposed tariffs are socially acceptable. • Ensure inclusion of the social/safeguard requirements in the bidding documents, along with the requirements to comply therein. • Collect sex-disaggregated data of clients/users of the project. • Conduct gender assessment and analysis of needs of women and men clients as well as gender differential impact of the project • Review gender risks and develop mitigation measures. • Draft a gender mainstreaming framework for the project, based on Philippine gender laws. • Provide support to ascertain on-time submission of required deliverables.
<p>9. Land Acquisition and Resettlement Specialist</p>	<ul style="list-style-type: none"> • Degree in law or related field 	<ul style="list-style-type: none"> • Ensure preparation of land acquisition plan and the resettlement action plan that are adequate and compliant with the Philippines requirements.

	<ul style="list-style-type: none"> • Has at least 10 years of demonstrated experience in the preparation of land acquisition and resettlement action plan on development projects • Has been engaged in at least 3 completed energy-related projects as a Land Acquisition and Resettlement Specialist within the last 15 years 	<ul style="list-style-type: none"> • Ascertain the legal status and site availability of the additional lands that may be acquired for the project. • Establish the appraised value of the lands and recommend the best location in terms of its strategic placement, ease of acquisition, security, etc. • Conduct household survey and make the necessary tagging for use in the development of the compensation plan. • Provide support to ascertain on-time submission of required deliverables. • Lead the mapping of social and resettlement impacts from implementing the project and develop strategies to mitigate such impacts. • Ensure project compliance with the Philippines involuntary resettlement regulatory framework.
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The bidder shall define the organization of the Project in terms of specific positions and tasks including the above-mentioned profiles, together with certification from the individual experts declaring their availability during the period of the engagement. This information will be provided as a description (indicating the names, profiles and position in the proposed Project organization) supported by a schematic sheet with a clear indication of the functions and dependencies.

The experts' resumes have to be submitted along with the offer of the bidders which will form part of the bases in evaluating the offers.

The firm/bidder may nominate one person/expert for a maximum 2 positions as long as they meet the minimum expertise requirements of both positions. This will apply to all expert positions other than Project Manager.

The curriculum vitae should detail the educational background, work experiences (highlighting the experiences set in the TOR) and other qualifications of each of the Project team members. The prospective bidder-firms may be required to present proof to support their credentials as well as those of each of their members/experts, such as list of previous feasibility studies conducted and certificate of employment from previous employers. Any misrepresentation made, orally or in writing, in any of the credentials and its supporting

documents submitted, whether pertaining to the firm or to any of its members, shall be a ground for disqualification of the prospective bidder-firm.

6. CRITERIA FOR THE SELECTION

The interested bidders shall be evaluated in accordance with the Implementing Rules and Regulation of RA 9184. Specifically, the evaluation and selection of bidders shall follow Section 33.2.1 (b) the quality-cost based evaluation procedure. In this regard, interested bidders shall submit both the technical and the financial proposals, which shall serve as the bases of selection. The technical and financial proposals shall be evaluated based on the weight of 80% and 20% allocation, respectively.

The bidder shall have a rating of at least 50% overall rating and at least 50% rating of the allocated weights for each of the major sub-criterion (i.e. Sections 6.1.1, 6.1.2 and 6.1.3) to pass evaluation.

6.1. Technical Proposal Evaluation (80%)

The bidders shall provide their technical experience, approach and methodology on all technical and cost parameters detailing professional inputs and time requirements and resumes of all proposed technical manpower.

The proposal shall be evaluated based on the following criteria and point system:

6.1.1. Technical Proposal (30%)

The technical proposal shall have and will be evaluated based on the following key components:

- *Technical approach and methodology.* Understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output.

The bidder shall highlight under this component the problems being addressed and their importance, and explain the technical approach it would adopt to address them. Bidders should also explain the methodologies being proposed to adopt and highlight the compatibility of those methodologies with the proposed approach.

- *Work Plan.* Proposed main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the PNOC), and delivery dates of the reports.

The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as

final output, should be included in this component. The work plan should be consistent with the prescribed format.

- *Organization and Staffing.* Proposed structure and composition of the team.

Bidders should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support personnel.

6.1.2. Firm Qualification (20%)

The company qualification will be evaluated based on the following aspects:

- Comprehensive knowledge and experience on the provision of transaction advisory and/or consultancy services for projects involving oil storage and stockpiling facility or other energy-related infrastructure development, operation and management, locally and/or overseas;
- Please refer to Section 5.1 for the qualification of the firm.

6.1.3. Technical Team (30%)

The technical team will be evaluated based on the following aspects:

- Experience and qualification of the technical experts and the composition of the team as a whole according to the profile requirements as enumerated in Section 5.2 of this TOR.

6.2. Financial Proposal Evaluation (20%)

PNOC shall require a detailed financial proposal with indicative program and milestones, and target estimates for defined outputs. The bidder shall also detail all costs items for remuneration, technical surveys and out-of-pocket expenses.

Attached as *Annex B* is the scoring system for the Evaluation of the Technical and Financial Bids.

7. APPROVED BUDGET FOR THE CONTRACT (ABC)

PNOC has an approved corporate budget in the amount of **one hundred million pesos (PHP 100,000,000.00)**⁵ for the acquisition of consultancy services for the envisioned development of a Strategic Petroleum Reserve by PNOC.

⁵ PNOC Board-Approved Multi-Year Authority

8. SOURCE OF FUNDS

Funds for the study will be sourced from the Corporate Operating Budget.

9. INSTITUTIONAL SET-UP/RESPONSIBILITIES

9.1. PNOC

- 9.1.1. Shall be the Executing Agency and will serve as representative of the Government in the Contract Agreement with the TA;
- 9.1.2. Shall be the beneficiary and end-user of the consultancy services;
- 9.1.3. Shall be responsible for contract implementation and management, including ensuring the quality of outputs. Further, PNOC shall be responsible for the monitoring and evaluation of the progress of the study and approval of reports to ensure delivery of outputs as specified in Sections 3 of this TOR;
- 9.1.4. Shall be responsible for the payment based on various milestone achieved and upon issuance of Acceptance Report, based on Section 10 of the TOR;
- 9.1.5. May provide necessary counterpart staff to facilitate the coordination with other agencies as may be needed; and
- 9.1.6. May provide office space, if necessary, to the TA during the conduct of the study.

9.2. Transaction Advisor

- 9.2.1. Shall be responsible for the preparation of the project DFS, FEED, TOR and tender documents for the hiring of the EPC contractor, documentary requirements for the NEDA Board and CEPNS application or whatever is applicable at the time of application, for approval by PNOC (including a Short-term or Interim Petroleum Products Stockpiling Program's development/ implementation plan, documentary requirements for the application for DOE and NEDA's approval of the interim program, and the TOR and bid documents for the procurement of supply and related services for the same).
- 9.2.2. Shall provide the necessary office and survey equipment including computers, printers, paper, and other logistical requirements that are needed during the preparation and presentation of the deliverables under this TOR;
- 9.2.3. Shall shoulder any travel and lodging costs required in the preparation of the DFS and other deliverables; and
- 9.2.4. Shall be responsible for the accuracy and adequacy of data to be used in the preparation of the DFS, FEED, TOR and other deliverables.

10. PAYMENT SCHEME/SCHEDULE

The Transaction Advisor will be paid based on various milestones achieved. The payment shall be released upon approval of PNOC of the outputs delivered by the Transaction Advisor, after ensuring that these outputs conform to the requirements set for the purpose.

The table below describes the payment scheme for this engagement:

Milestone⁶	Percentage of Payment
1. <i>Acceptance of Inception Report, and Work and Financial Plan</i>	10%
2. <i>Acceptance of the Technical Feasibility Study (Market and Technical Studies) and Study on the Implementation of a Short-term or Interim Petroleum Products Stockpiling Program</i>	15%
3. <i>Approval by NEDA of the Interim Oil Stockpiling Program</i>	5%
4. <i>Acceptance of Final TOR & tender documents for the Procurement of Supply and Related Services for the Interim Oil Stockpiling Program</i>	5%
5. <i>Award of Fuel Supply Contract and Services Contracts for the Interim Oil Stockpiling Program</i>	5%
6. <i>Acceptance of the Full/Detailed Feasibility Study for the SPR Program</i>	15%
7. <i>Acceptance by PNOC of the documentary requirements for NEDA approval and CEPNS Application (or whatever is applicable at the time of application)</i>	5%
8. <i>Approval by NEDA Board of the SPR Program</i>	5%
9. <i>Acceptance of FEED</i>	15%
10. <i>Acceptance of Final TOR & tender documents for the hiring of EPC Contractor for the SPR Program</i>	5%
11. <i>Award of EPC Contract</i>	5%
12. <i>Acceptance of Final Engagement Report</i>	10%

All of these payments shall be subjected to the usual government accounting and auditing requirements. Hence, the Transaction Advisor is expected to be familiar with the Government Accounting and Auditing Manual (GAAM).

⁶ Shall include submission of corresponding Special Reports per identified milestones as provided in Section 4.2 Table of Deliverables

Activities	Month 1			Month 2			Month 3			Month 4			Month 5			Month 6			Month 7			Month 8			Month 9			Month 10								
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
Development/ Implementation Plan including Presentation to and approval by Investment Appraisal Committee ⁷																																				
5. Develop Full/Detailed Feasibility Study of DFS																																				
a. Updated Market and Technical Studies																																				
b. Project Development (including detailed implementation plan)																																				

⁷ Please refer to Annex A.2 for the indicative activities and timeline in line with the proposed Interim Stockpiling, commencing from the presentation of the IAC-approved implementation plan to the PNOC Board for its approval (which shall be parallel activities while the DFS is being fully developed). Upon the approval of the Development/Implementation Plan by the PNOC Board, the TA shall assist PNOC in securing project approvals of the same from DOE and NEDA. Upon DOE and NEDA Approval, the TA shall also assist PNOC in the procurement of supply and related services for the Interim Stockpiling Program until contract award.

Activities	Month 1			Month 2			Month 3			Month 4			Month 5			Month 6			Month 7			Month 8			Month 9			Month 10						
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4						
c. Design, Technical Requirements and Minimum Performance Specifications and Standards (MPPSS)																																		
d. Legal and Regulatory Study																																		
e. Environment Sustainability, Gender and Social Safeguards																																		
f. Financial and Economic Study																																		
g. Risk Assessment																																		
4. Preparation of the Documentary Requirements for the NEDA and CEPNS Application																																		

Activities	Month 1			Month 2			Month 3			Month 4			Month 5			Month 6			Month 7			Month 8			Month 9			Month 10											
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3				
5. Review by PNOC of the DFS and Documentary Requirements for NEDA and CEPNS application (including RiskCom & Board Approval)																																							

Activities	Month 11			Month 12			Month 13			Month 14			Month 15			Month 16			Month 17			Month 18			Month 19			Month 20											
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3				
6. Review by PNOC (i.e. IAC) of DFS, Documentary Requirements for NEDA and CEPNS application (including RiskCom & Board Approval)																																							

Activities	Month 11			Month 12			Month 13			Month 14			Month 15			Month 16			Month 17			Month 18			Month 19			Month 20								
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
7. Application to DOE for the Issuance of CEPNS																																				
8. Application for NEDA Approval of the Project																																				
9. Preparation of FEED																																				

Activities	Month 21			Month 22			Month 23			Month 24			Month 25			Month 26			Month 27			Month 28			Month 29			Month 30								
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
9. Preparation of FEED																																				
10. Review by PNOC of FEED (including presentation to and approval by RiskCom and Board)																																				
11. Preparation of TOR and tender documents for the hiring of EPC Contractor																																				

Activities	Month 21		Month 22		Month 23		Month 24		Month 25		Month 26		Month 27		Month 28		Month 29		Month 30	
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
12. Review of tender docs by PNOc including Presentation to and Approval by RiskCom and Board																				
13. Bidding for the EPC Contractor (including Bid Evaluation)																				

Activities	Month 31				Month 32				Month 33				Month 34				Month 35				Month 36			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
13. Bidding for the EPC Contractor (including Bid Evaluation)																								
14. Presentation to and approval by RiskCom and PNOc Board of Bid Evaluation																								

Activities	Month 31			Month 32			Month 33			Month 34			Month 35			Month 36					
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
Results (including Award of EPC)																					
15. Award of EPC Contract																					
16. Submission of Final Engagement Report																					
17. EPC (2 to 4 years)																					

Annex A.2

Activities	Month 6			Month 7			Month 8			Month 9			Month 10			Month 11			Month 12			Month 13			Month 14			Month 15		
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4		
1. Preparation of Documentary Requirements for DOE and NEDA project approval application (including review and approval by PNOC Management)																														
2. Presentation to PNOC Board of Development/Implementation Plan together with documentary requirements for DOE and NEDA application,for approval (including																														

Activities	Month 6			Month 7			Month 8			Month 9			Month 10			Month 11			Month 12			Month 13			Month 14			Month 15						
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4						
Presentation and Review by Risk Com)																																		
3. Application for DOE and NEDA Approval																																		
4. Preparation of TOR and Bidding Documents for the Procurement of Supply and Related Services																																		
5. Review of tender docs by PNOC including Presentation to and Approval by RiskCom and Board																																		
6. Bidding/ Procurement Process (including Bid Evaluation)																																		

Activities	Month 16			Month 17			Month 18			Month 19			Month 20			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
5. Bidding/ Procurement Process (including Bid Evaluation)																
6. Presentation to and approval by RiskCom and PNOC Board of Bid Evaluation Results (including Award of EPC)																
7. Award of Fuel Supply Contract/Services Contracts																

Criteria and Scoring System for the EVALUATION OF TECHNICAL AND FINANCIAL BIDS

1. Technical Bid Evaluation – 80%

1.1. Technical Proposal – 30%

Criteria	Weight	Scoring (Points)	Description/Characteristics
1. Approach and Methodology: Adequacy and clarity of the technical approach and methodology	10%	10	Very Good. In addition to the requirements listed under "Good," important issues are approached in an innovative and efficient way, indicating that the bidder has understood the overall and detailed issues and problems of the assignment. The bidder has outstanding knowledge of the project conditions and a deep grasp of solutions depicted through state-of-the-art approaches and knowledge. The proposal details ways to improve the results and the quality of assignment by using advanced approaches, methodologies, and knowledge.
		5	Good. The proposed approach is discussed in detail and the methodology is specifically tailored to the characteristics of the assignment and flexible enough to allow it to adapt to changes that may occur during the execution of the Services.
		3	Fair. The way to carry out the different activities in the TOR is discussed generically by the bidder. The discussion of the methodology is general and not specifically tailored to the projects. Although suitable, the methodology does not include a discussion on how the bidder proposes to deal with critical site-specific characteristics of the project. No new insights or deep appreciation of the interrelationships of problems and solutions to be provided for the project are added. The discussion indicates an average perception of the project

Criteria	Weight	Scoring (Points)	Description/Characteristics
			conditions and does not reflect the specific features of the assignment.
		1	Poor. The methodology to carry out important activities indicated in the TOR is inappropriate or poorly presented, indicating that the bidder has misunderstood important aspects of the scope of work. The required contents of the TOR are missing or superficially discussed.
2. Work Plan: Understanding of the scope of work based on the appropriateness of the work plan	10%	10	Very Good. In addition to the requirements listed above under "Good," decision points and sequence and timing of activities are very well defined, indicating that the bidder has optimized the use of resources.
		5	Good. The work plan responds well to the TOR. All the important activities are indicated in the activity schedule, and their timing is appropriate and consistent with the assignment outputs. The interrelation among the various activities is realistic and consistent with the proposed approach. There is a fair degree of detail that facilitates understanding of the proposed work plan.
		3	Fair. All key activities are included but are not detailed. There are minor inconsistencies among timing, assignment outputs, and proposed approach.
		1	Poor. The activity schedule excludes important tasks. The timing of activities and correlation among them are inconsistent with the approach and methodology. The TOR are missing or superficially discussed.
3. Organization and Staffing	10%	10	Very Good. In addition to the characteristics listed above under "Good," the proposed team is integrated and has good support organization. The organizational chart clearly shows the lines of responsibility. The proposal contains a detailed discussion showing that the bidder has optimized the

Criteria	Weight	Scoring (Points)	Description/Characteristics
			deployment and use of the staff with efficiency and economy, based on the proposed logistics.
		5	Good. The organizational chart is complete and there is a detailed definition of duties and responsibilities. Staff skills and needs are matched precisely and enjoy good logistical support. Staffing is consistent with both timing and assignment outputs.
		2	Poor. The proposed organization and personnel schedule are not clear and detailed enough, failing to use the required formats. The assignment schedule of each staff is not adequate. The organization and staffing arrangement are not responsive to the requirement of the TOR. It is assumed that the required output cannot be appropriately prepared within the period of the assignment.

1.2. Firm experience and qualification – 20%

1.2.1. Years of experience in transaction advisory/consulting services – 10%

Criteria	Unit of measure	Points				
		5	6	7	8	10
Years of experience in Advisory/Consulting Services	Number of years	1 to 5	6 to 10	11 to 15	16 to 20	> 20

1.2.2. Previous engagement in energy-related projects in the last 15 years – 10%

Criteria	Unit of measure	Points				
		5	6	7	8	+2
Experience in energy-related projects	Number of projects	1 to 2 energy-related projects	3 to 4 energy-related projects	5 to 7 energy-related projects	8 to 10 energy-related projects	at least 2 similar projects ⁸

1.3. Technical expertise and qualification of team members – 30%

⁸ Similar Projects – Oil and gas-related projects

1.3.1. Educational attainment – 5%

Team Members	Points		
	2.5	3.5	5
Consultant/s	BS or BA degree holder and has the required PRC requirement (if any)	MS or MA degree holder and has the required PRC requirement (if any)	PhD degree holder and has the required PRC requirement (if any)

1.3.2. Number of relevant trainings acquired – 5%

Team Members	Unit of Measure	Points				
		2.5	3	3.5	4	5
Consultant/s	Number of trainings	1-3	4-6	7-9	10-12	>12

1.3.3. Years of relevant professional experience⁹ – 10%

Team Member	Points		
	5	7.5	10
Project Manager/ Team Leader	10 years	11 to 25 years	>25 years
Legal Consultant	10 years	11 to 25 years	>25 years
Procurement Specialist	10 years	11 to 25 years	>25 years
Geotechnical Engineer/ Geologist	10 years	11 to 25 years	>25 years
Project Finance Specialist	10 years	11 to 25 years	>25 years
Economic Specialist	10 years	11 to 25 years	>25 years
Environmental Specialist	10 years	11 to 25 years	>25 years
Social Development and Gender Specialist	10 years	11 to 25 years	>25 years
Land Acquisition and Resettlement Specialist	10 years	11 to 25 years	>25 years

1.3.4. Previous engagement in energy-related projects in the last 15 years– 10%

Team Member	Points			
	5	7	8	+2
Project Manager/ Team Leader	3 similar projects ¹⁰	4 to 6 similar projects	7 to 10 similar projects	> 10 similar projects

⁹ Please refer to Section 5 of the TOR for the minimum professional experience requirements of each individual expert

¹⁰ Similar Projects – oil and gas-related projects

Legal Consultant	3 energy-related projects	4 to 6 energy-related projects	7 to 10 energy-related projects	at least 2 similar projects
Geotechnical Engineer/ Geologist	3 energy-related projects	4 to 6 energy-related projects	7 to 10 energy-related projects	at least 2 similar projects
Procurement Specialist	3 procurement projects	4 to 6 procurement projects	7 to 10 procurement projects	at least 2 similar projects
Project Finance Specialist	3 energy-related projects	4 to 6 energy-related projects	7 to 10 energy-related projects	at least 2 similar projects
Economic Specialist	3 energy-related projects	4 to 6 energy-related projects	7 to 10 energy-related projects	at least 2 similar projects
Environmental Specialist	3 energy-related projects	4 to 6 energy-related projects	7 to 10 related projects	at least 2 similar projects
Social Development and Gender Specialist	3 energy-related projects	4 to 6 energy-related projects	7 to 10 related projects	at least 2 similar projects
Land Acquisition and Resettlement Specialist	3 energy-related projects	4 to 6 energy-related projects	7 to 10 related projects	at least 2 similar projects

The bidders shall meet the minimum requirement for each of the experts under the sub-criteria: 1.3.3. Years of relevant professional experience; and 1.3.4. Number of previous engagements in energy-related projects. Non-compliance to the minimum requirements for the aforementioned sub-criteria may be ground for disqualification.

2. Financial Bid Evaluation – 20%

Bidders who quoted a Financial Bid more than the approved budget for the contract (ABC) shall be rejected/disqualified.

The Bidder who quoted the lowest Financial Bid within that is within the ABC shall get a full rate of 20%. Rating for other bids (Bidder N) shall be determined using the following formula:

$$\frac{\text{Lowest Financial Bid}}{\text{Financial Bid of Bidder N}} \times 20\%$$

PNOG shall not be bound to accept the lowest or any other Bid or to assign any reason for non-acceptance or rejection of a Bid. PNOG reserves the right to accept any Bid in respect of the whole or any portion of the work specified in the submitted Bid.

ELIGIBILITY DOCUMENTS SUBMISSION FORM

[Date]

[Name and address of the Procuring Entity]

Ladies/Gentlemen:

In connection with your Request for Expression of Interest dated [insert date] for [Title of Project], [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, LGUs, or autonomous regional government, including foreign government/foreign or international financing institution; 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.

We further acknowledge that failure to sign this Eligibility Document Submission Form shall be a ground for our disqualification.

Yours sincerely,

Signature

Name and Title of Authorized Signatory

Name of Consultant

Address

STATEMENT OF COMPLETED CONTRACTS

This is to certify that _____ (consultant) _____ has the following completed contracts:

PROJECT NAME (including NAME, ADDRESS OF CLIENT, CONTACT NO.)	DATE OF CONTRACT	TYPE OF CONTRACT	START DATE	COMPLETION DATE	AMOUNT OF CONTRACT	CONSULTANT'S ROLE (DESCRIPTION OF ACTUAL SERVICES PROVIDED)

Name and Signature of Authorized Representative

Date

STATEMENT OF ONGOING CONTRACTS AND AWARDED BUT NOT YET STARTED CONTRACTS

This is to certify that _____ (consultant) _____ has the following ongoing and awarded but not yet started contracts:

DATE OF CONTRACT	CONTRACTING PARTY	NAME OF CONTRACT	TYPE OF CONTRACT	BRIEF DESCRIPTION OF CONSULTING SERVICE	AMOUNT OF CONTRACT	VALUE OF OUTSTANDING CONTRACT	CONSULTANT IS: a. main consultant b. subcontractor c. partner in a JV

Note: If the bidder does not have any on-going project, please state “None” in the form above and include the form in the submission of eligibility requirements.

Name and Signature of Authorized Representative

Date

TPF 1. Technical Proposal Submission Form

[Date]

[Name and address of the Procuring Entity]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for [Title of Project] 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.

In accordance with **ITB** Clause 21.1, we confirm that the information contained in the eligibility documents submitted earlier together with the Expression of Interest remain correct as of the date of bid submission.

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 51, 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.

We acknowledge that failure to sign this Technical Proposal Submission Form and the abovementioned Financial Proposal Submission Form shall be a ground for the rejection of our Bid.

We remain,

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:		Nº of Staff:
Address:		Nº 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:		Nº 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

1. Technical/Managerial Staff		
Name	Position	Task

2. Support Staff		
Name	Position	Task

3 Where applicable, indicate relationships among the Consultant and any partner and/or subconsultant, the Procuring Entity, the Funding Source and other parties or stakeholders.

--

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.

Commitment:

I also commit to work for the Project in accordance with the time schedule as indicated in the contract once the firm is awarded the Project.

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

Full name of staff member: _____
Full name of authorized representative: _____

SUBSCRIBED AND SWORN to before me this ___ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____.

Witness my hand and seal this ___ day of [month] [year].

NAME OF NOTARY PUBLIC

Serial No. of Commission _____
Notary Public for _____ until _____
Roll of Attorneys No. _____
PTR No. __, [date issued], [place issued]
IBP No. __, [date issued], [place issued]
Doc. No. ____

Page No. ____
Book No. ____
Series of ____.

Annex "10"

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: _____

Part-time: _____

Reports Due: _____

Activities Duration: _____

Location _____

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>											
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th
Activity (Work)												

B. Completion and Submission of Reports

Reports	Date
1. Inception Report	
2. Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

REPUBLIC OF THE PHILIPPINES)
CITY OF _____) S.S.

BID SECURING DECLARATION
Project Identification No.: *[Insert number]*

To: *[Insert name and address of the Procuring Entity]*

I/We, the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid Securing Declaration.
2. I/We accept that:
 - (a) I/we will be automatically disqualified from bidding for any procurement contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and,
 - (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1(b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA No. 9184; without prejudice to other legal action the government may undertake.
3. I/We understand that this Bid Securing Declaration shall cease to be valid on the following circumstances:
 - a. Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - b. I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right; and
 - c. I am/we are declared the bidder with the Lowest Calculated Responsive Bid, and I/we have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ day of [month] [year] at [place of execution].

[Insert NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE]

[Insert signatory's legal capacity]

Affiant

SUBSCRIBED AND SWORN to before me this ___ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ issued on ___ at _____.

Witness my hand and seal this ___ day of [month] [year].

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. _____ [date issued], [place issued]

IBP No. _____ [date issued], [place issued]

Doc. No. _____

Page No. _____

Book No. _____

Series of _____

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 or authorized representative of [Name of Bidder] with office address at [address of Bidder];

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

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

[If a sole proprietorship:] As the owner and sole proprietor, or authorized representative of [Name of Bidder], I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached duly notarized Special Power of Attorney;

[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 to participate, submit the bid, and to sign and execute the ensuing contract for [Name of the Project] of the [Name of the Procuring Entity], as shown in the attached [state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate, Board/Partnership Resolution, or Special Power of Attorney, whichever is applicable)];

3. [Name of Bidder] 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, **by itself or by relation, membership, association, affiliation, or controlling interest with another blacklisted person or entity as defined and provided for in the Uniform Guidelines on Blacklisting;**

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 Bidder] 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:] The owner or sole proprietor is 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 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;

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

8. *[Name of Bidder]* is aware of and has undertaken the responsibilities as a Bidder in compliance with the Philippine Bidding Documents, which includes:

- a. Carefully examining all of the Bidding Documents;
- b. Acknowledging all conditions, local or otherwise, affecting the implementation of the Contract;
- c. Making an estimate of the facilities available and needed for the contract to be bid, if any; and
- d. Inquiring or securing 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.

10. In case advance payment was made or given, failure to perform or deliver any of the obligations and undertakings in the contract shall be sufficient grounds to constitute criminal liability for Swindling (Estafa) or the commission of fraud with unfaithfulness or abuse of confidence through misappropriating or converting any payment received by a person or entity under an obligation involving the duty to deliver certain goods or services, to the prejudice of the public and the government of the Philippines pursuant to Article 315 of Act No. 3815 s. 1930, as amended, or the Revised Penal Code.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of ___, 20__ at _____, Philippines.

[Insert NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE]

[Insert signatory's legal capacity]

Affiant

[Jurat]

[Format shall be based on the latest Rules on Notarial Practice]

FPF 1. Financial Proposal Submission Form

[Date]

[Name and address of the Procuring Entity]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for [Title of Project] 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.

We remain,

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

FPF 2. Summary of Costs

Costs	Currency(ies) ¹¹	Amount in Philippine Peso
Subtotal		
Local Taxes		
Total Amount of Financial Proposal		_____

¹¹ 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) ¹²	Amount in Philippine Peso
Remuneration		
Reimbursables		
Miscellaneous Expenses		
Subtotal		_____

¹² In cases of contracts involving foreign consultants, indicate the exchange rate used.

FPF 4. Breakdown of Remuneration per Activity

Activity No. _____		Name: _____		
Names	Position	Input ¹³	Remuneration Currency(ies) Rate	Amount
Regular staff				
Local staff				
Consultants				
Grand Total				_____

¹³ Staff months, days, or hours as appropriate.

FPF 5. Reimbursables per Activity

Activity No: _____ Name: _____

No.	Description	Unit	Quantity	Unit Price In	Total Amount In
1.	International flights _____	Trip			
2.	Miscellaneous travel expenses	Trip			
3.	Subsistence allowance	Day			
4.	Local transportation costs ¹⁴				
5.	Office rent/accommodation/ clerical assistance				
	Grand Total				_____

¹⁴ 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	Quantity	Unit Price	Total Amount
1.	Communication costs between _____ and _____ (telephone, telegram, telex)				
2.	Drafting, reproduction of reports				
3.	Equipment: vehicles, computers, etc.				
4.	Software				
	Grand Total				_____