

## TERMS OF REFERENCE

### PROCUREMENT OF A SECOND PARTY OPINION PROVIDER FOR DBP'S SUSTAINABILITY BOND FRAMEWORK

#### I. INTRODUCTION

In 2019, the Development Bank of the Philippines ("DBP") secured a Second Party Opinion ("SPO") to confirm the alignment of the Bank's Sustainable Financing Framework (the "Framework") with the four (4) core components of international guidelines such as the International Capital Market Association's Green Bond Principles 2021, Social Bond Principles 2023, the Sustainability Bond Guidelines 2021, the ASEAN Sustainability Bond Standards, Asia-Pacific Loan Market Association Green Loan Principles 2023, Social Loan Principles 2023, and European ("EU") Taxonomy (collectively referred to herein as the "Standards").

The Framework is currently being updated and proposed to be renamed "Sustainability Bond Framework," following the updates in the Standards, changes on the eligibility and exclusionary criteria on the use of proceeds, and the organizational structure of the Bank involved in the process for project evaluation and selection. Enhancements on the proper management of proceeds are likewise incorporated in the updates to the Framework.

Pursuant to the abovementioned guidelines, principles, and standards, DBP intends to procure the services of an SPO service provider ("SPO Provider"), which shall conduct an external review and provide an SPO on the updated Framework (the "Engagement").

#### II. OBJECTIVES

The goal of the Engagement is to conduct an external review by the SPO Provider and the issuance of an SPO on the Framework.

The objectives for obtaining an SPO are as follows:

1. To ensure the Framework's alignment with the Standards;
2. To ensure accountability and transparency in the reporting of the allocation of proceeds and the corresponding impact of the eligible projects under DBP's sustainability portfolio; and
3. To maintain the credibility of the Framework and re-assure investors on the proper use of the bond proceeds in accordance with its intended purpose.

#### III. TOTAL APPROVED BUDGET FOR THE CONTRACT (ABC)

The Approved Budget for the Contract ("ABC") for the procurement of an SPO Provider is **Philippine Pesos: One Million Two Hundred Seventy-Six Thousand Only (Php1,276,000.00).**

#### IV. SCOPE OF SERVICES

The scope of services ("Services") that the SPO Provider is expected to provide are as follows:

Conforme:
_____ Vendor's Company Name
_____ Name & Signature of Authorized Representative
_____ Designation
_____ Date

1. Evaluation of the alignment of the Framework to third-party published sustainable finance Standards identified by DBP. The analytical components to be used to determine the alignment opinion are:
  - a. Use of proceeds;
  - b. Process for project evaluation and selection;
  - c. Management of proceeds; and
  - d. Reporting;
2. Assessment of DBP as an issuer and alignment of the Framework with DBP's sustainability strategy;
3. Evaluation of the use of proceeds in terms of environmental and social project eligibility, its alignment with the United Nations Sustainable Development Goals ("UN SDGs"), and level of contribution of the financing to an environmental or social objective;
4. Review of DBP's guidelines and processes for selecting eligible projects, such as criteria for project inclusion, governance and decision-making structures, and environmental and social impact considerations;
5. Assessment of DBP's plans to manage and track the allocation of proceeds;
6. Evaluation of DBP's commitments to allocation and impact reporting, and disclosure practices; and
7. Preparation of the SPO containing the above findings.

## V. DELIVERABLES AND MILESTONE PAYMENTS

The SPO Provider is expected to deliver an SPO in a report format that includes an Executive Summary, the details covering the scope of services defined above, and a disclosure of the methodology used in the evaluation. This shall be submitted to DBP as follows:

Indicative Scope of Work/Activities	Estimated Timeline of Completion	% of Payment (% of the Contract Costs)	Acceptance Procedure
Evaluation of the Framework; Initial Analysis	Within four (4) weeks from the issuance of the Notice to Proceed ("NTP") <sup>1</sup>	90%	The Draft SPO shall be subject to initial review of DBP; If considered acceptable, a "Certificate of Acceptance" of the Draft SPO will be issued.
Submission of one (1) Draft SPO			
Submission of Final SPO as accepted by DBP	Within two (2) weeks from receipt of the Draft SPO	10%	Issuance of a "Certificate of Final Acceptance" by DBP
<b>Total</b>	<b>Six (6) weeks<sup>2</sup></b>	<b>100%</b>	

**Note:** <sup>1</sup> The NTP shall only be issued to the SPO Provider together with the Framework;

<sup>2</sup> The period shall be exclusive of the duration where Draft SPO is being reviewed by DBP, or pending response of DBP to outstanding queries of the SPO Provider;

## VI. ENGAGEMENT TIMETABLE

The Engagement of service shall cover a period of six (6) weeks from the date of the NTP or upon completion and submission to DBP of the final deliverable as accepted by the Bank, whichever comes earlier.

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## VII. MINIMUM QUALIFICATIONS AND REQUIREMENTS

The SPO Provider must have the following:

Minimum Requirements	Supporting Documents
1. The firm must be legally operational for at least three (3) years.	Valid licenses and permits issued by appropriate regulatory authority indicating the year of validity
2. The firm must have at least five (5) on-going or completed local and international contracts for similar projects for the last five (5) years.	Letter of Confirmation signed by the firm's authorized representative, indicating the following: 1. That the firm has on-going or completed at least five (5) local and international contracts of similar nature for the last five (5) years. The details of the contracts will be attached as an annex to the letter (Format attached as Annex A); and
3. The firm or the project manager assigned to the Engagement must have successfully completed at least two (2) contracts related to the issuance of an SPO within the past five (5) years, preferably for Sustainability Bond/Finance Frameworks of financial institutions in the Philippines.	2. That the firm or project manager has successfully completed at least two (2) local projects. Samples of these two (2) completed local projects will also be attached to the letter. Further, the Curriculum Vitae ("CV") of the project manager reflecting requirement no. 3 can also be attached to the letter, as applicable.

## VIII. CONDITIONS OF THE BID

- The SPO Provider shall provide, as part of the proposal and whenever it arises during the duration of the assignment, a clear statement as to any potential or actual conflict of interest that could impair independence and objectivity.
- Interested SPO Providers must submit the following requirements:
  - Proposal quotation based on specifications;
  - PhilGEPS Registration Number (Valid/updated PhilGEPS Platinum Membership may be submitted in lieu of the Business Permit and PhilGEPS registration number);
  - Latest Income Tax Return or equivalent document;
  - Omnibus Sworn Statement (Suggested format attached as Annex B);
  - Secretary's Certificate designating the authorized representative of the company; and
  - Signed Data Privacy Consent Form (Format attached as Annex C).
- Terms in the evaluation of the proposal:
  - Incomplete submission of requirements shall not be evaluated;
  - Quotations above the ABC shall automatically be disqualified; and
  - The selection of the lowest calculated proposal shall be based on the lowest calculated price provided it is compliant with the required Scope of Services and Minimum Qualifications and Requirements.
- It is understood that DBP reserves the right to reject any or all proposals/bids, waive any defect/s or informality/ies therein other than critical requirements of the project, or accept the proposal which is most advantageous to DBP.

Conforme:

\_\_\_\_\_  
Vendor's Company Name

\_\_\_\_\_  
Name & Signature of Authorized Representative

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Date

5. It is understood by all bidders that all bids must incorporate the terms and conditions indicated in this TOR. Any documents submitted will be considered as DBP property and will no longer be returned to the bidders.
6. The procurement of an SPO Provider shall be based on the rules and procedures under the Republic Act No. 12009 or the New Government Procurement Act, and its Implementing Rules and Regulations.

#### **IX. NON-DISCLOSURE**

Information about DBP and its operations which are gathered during the course of the procurement process are considered proprietary and confidential and must be treated as such by the recipients of this Terms of Reference ("TOR"). In the same manner, the responses to this TOR, shall be specified as confidential, and shall not be disclosed to any third party.

#### **X. LIQUIDATED DAMAGES**

If the SPO Provider fails to deliver any or all of the Services within the period(s) specified in the contract to be executed ("Contract"), DBP shall, without prejudice to its other remedies under the executed Contract and Applicable Laws, deduct from the contract price, as liquidated damages, a sum equivalent to one-tenth of one percent of the price of the unperformed portion of the Services for each day of delay based on the approved contract schedule up to a maximum deduction of ten percent (10%) of the contract price. Once the maximum is reached, the Procuring Entity may consider termination of the executed Contract.

#### **XI. MISCELLANEOUS**

1. **Non-Assignment** - Assignment of any part of the Contract, or payment under the Contract, without the prior written consent of DBP is not allowed. Subcontracting is not allowed.
2. **OGCC Review** - The Parties acknowledge that the Contract is still subject to the review/clearance of the Office of the Government Corporate Counsel ("OGCC"). Accordingly, the Parties agree to supplement/amend/restate the Contract and incorporate the additional comments/revisions which the OGCC may impose in its review with effect from the date of signing hereof.

<b>Conforme:</b>
_____ <b>Vendor's Company Name</b>
_____ <b>Name &amp; Signature of Authorized Representative</b>
_____ <b>Designation</b>
_____ <b>Date</b>

## Annex A

### LIST OF LOCAL AND INTERNATIONAL CONTRACTS COMPLETED WHICH ARE SIMILAR IN NATURE within the last five (5) years

Business Name : _____			
Business Address : _____			
Name of Company	a) Name of Contact Person b) Address c) Email and Telephone No.	Description of Contract	a) Date Awarded b) Contract Effectivity c) Date Completed
<b>Local Contracts</b>			
1)			
2)			
3)			
4)			
5)			
<b>International Contracts</b>			
1)			
2)			
3)			
4)			
5)			
<p><i>Note: Contract of similar nature refers to domestic and international contracts for the issuance of an SPO.</i></p>			
Submitted by : _____			
(Printed Name & Signature)			
Designation : _____			
Date : _____			



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. I am the duly authorized and designated representative of *[Name of Consultant]* with office address at *[address of Consultant]*;

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]*, accompanied by the duly notarized Special Power of Attorney, Board/Partnership Resolution, or Secretary's Certificate, whichever is applicable;

2. *[Name of Consultant]* 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;
3. 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;
4. *[Name of Consultant]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;
5. None of the officers, directors, and controlling stockholders of *[Name of Consultant]* 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;
6. *[Name of Consultant]* complies with existing labor laws and standards; and
7. *[Name of Consultant]* is aware of and has undertaken the following responsibilities as a Bidder:
  - a) Carefully examine all of the Bidding Documents;
  - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
  - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and

d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.

8. *[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.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_, 20\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
*[Bidder's Representative/Authorized Signatory]*

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 \_\_\_\_\_.