

## **INVITATION FOR NEGOTIATED PROCUREMENT-TWO FAILED BIDDINGS NO. 2022-11-0218**

*(Pursuant to Section 53.1 of the Revised Implementing Rules and Regulations of R.A 9184 –  
Negotiated Procurement Two Failed Competitive Biddings)*

### **ENGAGEMENT OF A SURVEY FIRM FOR THE DATA COLLECTION ON THE PHILIPPINE DIGITAL CREDIT MARKET**

1. In view of the two (2) failed biddings, the *Philippine Competition Commission (PCC)* invites bidders to participate in the negotiation for the *Engagement of a Survey Firm for the Data Collection on the Philippine Digital Credit Market*.
2. The *PCC*, through the *2022 General Appropriations Act* intends to apply the sum of *Two Million Pesos (PhP2,000,000.00)*, being the Approved Budget for the Contract (ABC) to payments under the contract for the abovementioned procurement.
3. The PCC now invites interested bidders to submit and negotiate offers for the project on *7 December 2022 at 2:00 P.M* through *Microsoft Teams Teleconference*.
4. Bidding is restricted to Filipino citizens/sole proprietorships, cooperatives, and 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 RA 5183.
5. Following the completion of the negotiations, the best and final offer based on the technical and financial requirements, including the pre-requisite documentary requirements enumerated in the checklist of requirements hereof must be duly received by the PBAC Secretariat on or before *14 December 2022, 12:00 NN* at the address below or through *E-Bid Submission which may be accessed through PCC Website*. Late submissions shall not be accepted.
6. The *Philippine Competition Commission* reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract at any time prior to contract award in accordance with Section 41 of RA 9184 and its RIRR, without thereby incurring any liability to the affected bidder or bidders.

7. For further information, please refer to:

***THE SECRETARIAT***

*Bids and Awards Committee*

*Philippine Competition Commission*

*25F Tower 1, Vertis North Corporate Center,*

*North Avenue, Quezon City*

*Telephone No.: (02) 8771-9722 local 204*

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***28 November 2022***



**ATTY. JOSEPH MELVIN B. BASAS**   
Chairperson, PCC Bids and Awards Committee

## TERMS OF REFERENCE

### Engagement of a Survey Firm for the Data Collection on the Philippine Digital Credit Market

#### 1. Background

Digital credit offers significant potential to advance financial inclusion by allowing previously unbanked and underbanked consumers access credit. The speed and ease of access to digital credit, however, has raised several competition and consumer protection concerns. In the Philippines, there has been significant growth in digital lending offerings in the last five years. Yet, there is no available official data that documents the extent of digital credit usage in the country. As the Philippines' antitrust authority, the Philippine Competition Commission (PCC) promotes fair market competition to help achieve a vibrant and inclusive economy and to advance consumer welfare. The PCC conducts research activities that help the Commission better understand market dynamics, especially in emerging businesses such as digital credit. This engagement aims to provide answers to the following questions:

- 1) What is the extent of digital credit usage in the Philippines and who are using it?
- 2) What are the motivations of Filipinos for using digital credit?
- 3) How do digital credit products compare with the wider unsecured consumer credit market in the Philippines (cost, tenure, terms and conditions)? Are any digital lending products strictly dominated in financial terms?
- 4) To what extent does horizontal (across digital lenders) and vertical (across the unsecured credit market) competition exist? Is competition delivering for consumers?

The project requires the services of a survey firm to conduct a nationally representative consumer survey, with an oversample of digital credit users. The details of the survey are summarized as follows:

<b>Type of survey</b>	Nationally representative consumer survey
<b>Target Population</b>	Filipinos, 18-64 years old
<b>Survey area</b>	National (NCR, Balance Luzon, Visayas, Mindanao)
<b>Sample size</b>	3,000 respondents (at least 500 respondents with experience in using digital credit)
<b>Duration of the project</b>	90 calendar days
<b>Approved Budget for the Contract (ABC)</b>	PhP 2,000,000.00

#### 2. OBJECTIVE

The survey aims to gather the following information, among others, from the respondents: socio-demographic characteristics, financial lives, motivation, usage, experience with digital credit, and impact of behaviorally-informed disclosures and nudges on loan choice. The survey should cover major island groups in the Philippines (National Capital Region, Balance Luzon, Visayas, Mindanao).

### **3. SCOPE OF WORK**

#### **A. Tasks**

The survey firm shall carry out the following tasks:

#### **Pre-survey Activities**

##### **1. *Provide details on data quality processes***

- a. Provide write-up on how the survey panel is constructed and how the respondents are recruited; and
- b. Provide write-up on data quality checks such as but not limited to validity of survey response, legitimacy and uniqueness of respondent, process of substitution in case of non-response, and handling of bad responses.

##### ***Deliverables***

Details mentioned above must be included in the firm's financial proposal.

##### **2. *Revise, test, and finalize the survey instrument***

- a. Review of draft survey and choice experiment questionnaires provided by PCC;
- b. Program the draft survey and choice experiment questionnaires into a survey instrument;
- c. Pre-test the survey instrument on 10 respondents distributed across different age groups, and provide updates to PCC for any possible revision based on actual feedback from pre-test respondents; and
- d. Finalize the survey instrument in coordination with PCC staff.

##### ***Deliverables***

1. Survey instrument for pilot testing on 10 respondents, distributed (i) across different age groups, and (ii) by experience in the use of digital credit;
2. Electronic files (in Excel) of encoded pre-test dataset and data dictionary;
3. Final survey instrument in English and Filipino; and
4. Final work plan schedule from pilot testing to submission of all deliverables.

#### **Data Collection, Processing and Reports**

##### **3. *Deploy survey***

- a. Prepare the necessary materials for the survey;
- b. Inform PCC of the schedule of survey and give relevant updates; and
- c. The survey firm should be able to achieve 3,000 completed survey, of which at least 500 have used digital credit in the last 12 months. The qualified respondents are Filipinos who are 18-64 years of age.

##### ***Deliverables***

Report on the status of the survey, including difficulties encountered and possible deviations from the original plan.

##### **4. *Encode and clean data, and deliver clean dataset***

- a. Encode the collected data;
- b. Clean and validate data files; and
- c. Submit clean dataset.

##### ***Deliverables***

1. Protocol for data entry and quality control measures;
2. Detailed report on data quality issues and difficulties encountered during data collection stage, and how they were handled;

3. Electronic files (in Excel) of the clean survey dataset and data dictionary.

## **Post-survey Activities**

### **5. *Deliver reports and maintain coordination with PCC staff***

- a. Deliver reports and other materials used in the survey; and
- b. Respond to inquiries from PCC on survey implementation, and data encoding and management within 30 calendar days after the delivery of the complete set of electronic files of datasets and data dictionary.

### ***Deliverables***

1. Narrative report to the PCC on the outcome of the survey including issues encountered throughout the project;
2. Electronic copy (in .pdf, .doc or .xlsx as applicable) of documents and other materials used in the survey; and
3. Written response to the PCC's inquiries, as needed.

## **B. Survey mode and length**

Survey for 3,000 respondents will be done, of which at least 500 respondents should have used digital credit in the last 12 months. Each survey is expected to last for 20-25 minutes.

## **C. Target respondents, sample size, sampling method**

The target respondents of the survey will be Filipinos, 18-64 years old. The survey should be nationally representative covering the major island groups (NCR, Balance Luzon, Visayas and Mindanao). At least 3,000 completed surveys are required, of which at least 500 have used digital credit in the last 12 months.

## **4. SERVICES TO BE PROVIDED BY THE PCC**

1. Provide the survey firm a directive to facilitate the execution of the survey;
2. Provide the survey firm with the draft survey and choice experiment questionnaires;
3. Constantly coordinate with the survey firm on the planning and implementation of the survey to be conducted;
4. Provide comments on the sampling design proposed by the survey firm; and
5. Pay the project cost inclusive of mandatory taxes and in accordance with the set payment schedule.

The survey firm shall be engaged by the PCC and shall submit outputs directly to the designated project manager within PCC for review and endorsement for payment.

## **5. APPROVED BUDGET FOR THE CONTRACT**

The Approved Budget for the Contract (ABC) is **Two Million Pesos (PhP2,000,000.00)**, inclusive of all applicable government taxes, and shall include all remunerations, costs or profits arising from or in relation to the services rendered in connection with and/or in preparation for this engagement, such as, among others, survey preparation to the actual conduct of the survey and delivery of post-survey documents and reports.

The mode of procurement shall be Public Bidding as provided under the Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184.

## **6. TIMELINES, DELIVERABLES, AND SCHEDULE AND MODE OF PAYMENT**

The service provider shall be engaged for 90 calendar days immediately after the winning bidder's conformed receipt of Notice to Proceed – including 30 calendar days for preparation and pre-survey activities, 30 calendar days for actual survey, data collection, and processing and encoding, and 30 calendar days for post-survey

activities and delivery of electronic files of datasets. The service provider shall provide its proposed implementation schedule indicating the specific activities and corresponding outputs using a Gantt chart. Reports and other relevant documents are to be submitted to and should be duly received by the PCC project manager. Below is the summary of the deadline of submissions for each deliverable:

MILESTONES	DELIVERABLES	% of contract amount
Issuance of Notice to Proceed, and Conformed Receipt thereof of the Service Provider (Day 1)	Duly signed Financial Proposal to cover the cost of the project. Aside from budget, the financial proposal should also include details on data quality processes as outlined in section 3.1 of this document.	10%
<b>Pre-survey activities</b>  Revise, test, and finalize the survey instrument	Printed and electronic copy of original signed documents duly received and accepted/approved by the PCC, as follows: <ul style="list-style-type: none"> <li>• Survey instrument for pilot testing</li> <li>• Electronic files (in Excel) of datasets and report from the pilot testing</li> <li>• Final survey instrument in English and in Filipino</li> <li>• Final work plan schedule from pilot testing to deployment of actual survey</li> </ul> Submission date: <b>Within 30 calendar days from Conformed Receipt of the Notice to Proceed of the Service Provider</b>	20%
<b>Data Collection and Processing</b>  1. Deploy survey  2. Encode and clean data, and deliver clean dataset	Printed and electronic copy of original signed documents duly received and accepted/approved by the PCC, as follows: <ul style="list-style-type: none"> <li>• Report on the status of the survey including difficulties encountered and possible deviations from the original plan.</li> <li>• Protocol for data entry and quality control measures.</li> <li>• Detailed report on data quality issues and difficulties encountered during data collection stage, and how they were handled;</li> <li>• Electronic files (in Excel) of clean survey datasets and data dictionary.</li> <li>• Electronic copy of basic descriptive statistics of the survey results</li> </ul> Submission date: <b>Within 30 calendar days from the acceptance/approval of deliverables for pre-survey activities</b>	30%
<b>Post-survey Activities</b>  Deliver reports and maintain coordination with PCC staff	Printed and electronic copy of original signed documents duly received and accepted/approved by the PCC, as follows: <ul style="list-style-type: none"> <li>• Narrative report to the PCC on the outcome of the survey including issues encountered throughout the project.</li> <li>• Original signed transmittal of the electronic form (in .pdf, .doc or .xlsx as applicable) of documents and other materials used in the survey.</li> <li>• Written response to the PCC’s inquiries as needed.</li> </ul> Submission date: <b>Within 30 calendar days from the PCC’s acceptance of the deliverables for data collection and processing</b>	40%
<b>TOTAL</b>	Completion of engagement within 90 calendar days from the winning bidder’s conformed receipt of Notice to Proceed	100%

The timeline for the survey shall begin when the survey firm is notified by the PCC through a task order to be sent through an email or formal letter; while counting of the number of days elapsed shall begin strictly from the date of Contract Signing.

All printed documents to be submitted to the PCC should be properly and duly signed by the Project Manager or the highest officer/personnel in-charge of the project.

All payments shall be endorsed by the Director of the Economics Office supported by the original signed statement of account or billing statement, the issuance of a Certificate of Satisfactory Service Rendered for the deliverables for each tranche payment, and each tranche payment to the service provider shall be released upon PCC's review and acceptance of the deliverables above.

## 7. QUALIFICATIONS OF THE CONTRACTOR AND ITS PERSONNEL

The service provider should meet all the requirements set by the Government Procurement Reform Act (R.A. No. 9184) to be eligible to participate in the procurement.

Criteria	Minimum Qualifications	Bases	Weight (%)
Experience and Capability of the bidder	<ul style="list-style-type: none"> <li>At least five years in business.</li> <li>Engaged with at least 5 (five) companies/institutions in similar or relevant nature of work (i.e., preparation of survey instruments and sampling designs, provision of trainings for enumerators, data encoders, etc., conduct of survey, collection and analysis of data, and reporting of survey results)</li> <li>Engaged with at least two (2) institutions belonging to the public/government sector in similar or relevant nature of work as mentioned above</li> </ul>	<p>Records of previous engagement and quality of performance in projects related to competition and other similar fields, and geographical distribution of current/impending projects.</p> <p>(a) DTI or SEC registration submitted indicating the year of registration and/or other relevant documents; (b) list of completed and on-going contracts; (c) copies of Certificates of Satisfactory Service Rendered / Certificates of Completion</p>	40%
Quality of personnel to be assigned to the project	<p><u>Project Manager</u></p> <ul style="list-style-type: none"> <li>Graduate of any degree in social sciences and research</li> <li>At least seven (7) years of experience with survey design and implementation</li> <li>At least 24 hours of relevant training</li> </ul> <p><u>Statistical Service Executive</u></p> <ul style="list-style-type: none"> <li>Graduate of B.S. Statistics</li> <li>At least five (5) years of experience in statistical techniques and sampling design</li> <li>At least 24 hours of relevant training</li> </ul> <p><u>Electronic Data Processing Manager</u></p> <ul style="list-style-type: none"> <li>Graduate of any four (4)-year degree course</li> <li>Two (2) years of experience in designing a system to input and manage data and good command of Stata or R;</li> </ul>	<p>Original signed curriculum vitae submitted indicating relevant work experience and educational background, and trainings attended supported by certificates of attendance / participation</p> <p><i>Note: Pursuant to Section 33.3 of the revised IRR, there should be no replacement of key personnel before the awarding of the contract, except for justifiable reason, such as illness, death, or resignation provided it is duly supported by relevant certificates, or any delay caused by the procuring entity. Once the contract has been awarded, no replacement shall be allowed until after fifty percent (50%) of the personnel's man-months have been served, except for justifiable reasons, subject to appropriate sanctions as prescribed in the Philippine Bidding Documents (PBD).</i></p>	40%

Criteria	Minimum Qualifications	Bases	Weight (%)
	<ul style="list-style-type: none"> <li>With at least 24 hours of relevant training</li> </ul> <p><u>Tabulation Manager</u></p> <ul style="list-style-type: none"> <li>Graduate of any four (4)-year degree course</li> <li>Two (2) years of experience in designing a system to input and manage data and good command of Stata or R;</li> <li>With at least 24 hours of relevant training</li> </ul> <p><u>Field Manager</u></p> <ul style="list-style-type: none"> <li>Graduate of any four (4)-year degree course</li> <li>Two (2) years of experience in managing the conduct of surveys;</li> <li>With at least 24 hours of relevant training</li> </ul>		
Overall work commitment	At most 5 ongoing projects (including awarded but not yet started contracts)	Originally signed records of on-going (including awarded but not yet started contracts) and previous engagements  <i>Note: Contract/s that will terminate on or before 90 calendar days, from the deadline of submission of eligibility documents for this project, shall not be considered as 'ongoing'.</i>	20%

## 8. CRITERIA FOR EVALUATION

The technical and financial proposals will be evaluated using the Quality-Cost-Based Evaluation (QCBE).

Criteria	Bases	Weight (%)
<b>Technical Proposal</b>		
Quality of personnel to be assigned to the project (30%)	As specified in the qualifications above, and the submission of a duly notarized Omnibus Sworn Statement using the prescribed format of R.A. No. 9184	60%
Experience and capability of the service provider (20%)		
Plan of approach and methodology (50%)	Timeliness, clarity, feasibility of the written proposal, and overall quality of proposed work	
<b>Financial Proposal</b>		40%
<b>TOTAL</b>		100%

The bidder with the highest rated score based on the technical and financial proposals submitted, provided that the score passes the hurdle rate of 80 points, shall be the Highest Rated Bidder.

## 9. CONFIDENTIALITY OF DATA AND INFORMATION

The Consultant shall be engaged by the PCC and shall submit outputs directly to the designated project manager within PCC for review and endorsement for payment.

To ensure protection of PCC assets, service providers are expected to observe and abide by the established PCC Information Security Management System (PCC ISMS) and shall agree to sign a non-disclosure

agreement. All data, documents, records, backup files and Virtual Machine (VM) configuration files and metadata (collectively “Information”) to be provided to the Service Providers for purposes of delivering the Services are considered confidential information and shall remain the sole property of PCC. The Service Providers shall acknowledge the importance of maintaining security and confidentiality of the Information and agree to prevent unauthorized transfer, disclosure, or use of these Information by any third person or entity. Service Providers shall not use the Information for any purpose other than in connection with the Services. Service Providers shall ensure that it will not retain, after completion of the Services with which the Information was provided, all or any portion of the Information, in any manner whatsoever. Upon completion of the Services, all Information shall be deleted by PCC. The Service Provider shall not keep any copy of the Information in either digital or physical format, including, but not limited to notes, documents, memoranda, and other writing, electronic records, communications, and the like.

## **10. LIQUIDATED DAMAGES**

If the contractor fails to deliver any or all of the goods and/or to perform the services within the period specified in this contract, the Procuring Entity shall, without prejudice to its other remedies under this contract and under the applicable law, deduct from the contract price as liquidated damages, the applicable rate of one-tenth (1/10) of one percent (1%) of the cost of unperformed portion of every day of delay. The maximum deduction shall be ten percent (10%) of the amount of the contract. Once the maximum is reached, the procuring entity reserves the right to rescind the contract, without prejudice to other courses of action and remedies open to it.

## **11. DISPUTE RESOLUTION**

Should any dispute related to the TOR and/or rights of the parties arise, the same shall be submitted to mutual consultation, mediation and arbitration, in the order of application. The venue of the proceedings shall be in Quezon City.

In case of a court suit, the venue shall be the courts of competent jurisdiction in Quezon City, to the exclusion of all other courts; and

Any amendment or additional terms and conditions to the TOR must be in writing, signed and acknowledged by the Parties.

Approved by:

  
**BENJAMIN E. RADO, JR., PhD**  
Director IV, Economics Office

**CONFORME:**

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**Name and Signature of Authorized Representative**

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**Designation**

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**Name of Company**

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**Date**