

CONTRACT

CONSULTING SERVICES OF ISO 9001 STANDARDS CERTIFYING BODY

THE PUBLIC IS INFORMED:

This CONTRACT is executed between:

The **BASES CONVERSION AND DEVELOPMENT AUTHORITY** (hereinafter referred to as "**BCDA**"), a government instrumentality vested with corporate powers created by virtue of Republic Act No. 7227 of the Republic of the Philippines, as amended by Republic Act No. 7917 of the Republic of the Philippines, with principal office address at the BCDA Corporate Center, 2/F Bonifacio Technology Center, 31st Street Corner 2nd Avenue, Bonifacio Global City Taguig, Metro Manila, the Republic of the Philippines, through its President and CEO, **VIVENCIO B. DIZON**, who is duly authorized for this purpose under Item 2 (c), Subject 8.02, Section VIII of the revised Manual of Approval dated 05 August 2010;

- and -

TÜV RHEINLAND PHILIPPINES, INC., a private corporation duly incorporated and registered under the laws of the Republic of the Philippines, with office and postal address at G/F La Fuerza Building 1, 2241 Don Chino Roces Avenue, Makati City, herein represented by its Chief Operating Officer, **TRISTAN ARWEN G. LOVERES**, who is duly authorized for this purpose as evidenced by the Secretary's Certificate dated 29 May 2017, a copy of which is hereto attached as Annex "A", hereinafter referred to as the "**CONSULTANT**";

BCDA and the **CONSULTANT** may hereinafter be referred to collectively as "Parties" and individually as "Party".

- ANTECEDENTS -

BCDA is mandated under Republic Act No. 7227, as amended by Republic Act No. 7917, to accelerate the sound and balanced conversion into alternative productive uses of the military reservations and their extensions, to raise funds by the sale of portions of Metro Manila military camps, and to apply the said funds for the development and conversion into alternative productive uses of these properties.

In pursuance of its mandate, **BCDA**, in partnership with the private sector, is actively pursuing the development of Fort Bonifacio in Taguig, the former Clark Air Base in Pampanga, Camp John Hay in Baguio City, the former Wallace Air Station in San Fernando, La Union, Bataan Technology in Morong, Bataan, as well as, other Metro Manila camps.

Executive Order No. 605, Series of 2007 directs all departments and agencies of the Executive branch, including all government-owned and/or controlled corporations (GOCCs) and government financial institutions (GFIs), to adopt the ISO 9001 Quality Management Systems as part of the implementation of a government-wide quality management program.

In compliance with the Executive Order, **BCDA** established its Quality Management System (QMS) which was subsequently certified compliant with ISO 9001:2008 through a certification audit conducted in 2014 and subsequent surveillance audits in 2015 and 2016.

The Government Quality Management Committee (GQMC) issued Memorandum Circular No. 2016-1 directing agencies with valid ISO 9001:2008 QMS certification to transition to the 2015 version.

BCDA's ISO 9001:2008 certification is still valid until September 2017, but intends to transition its QMS to be certifiable to ISO 9001:2015 within the year.

BCDA is in need of the consulting services of a third party certifying body that will conduct for next cycle's re-certification audit of **BCDA's** QMS to ISO 9001 standards and the **CONSULTANT** warrants that it has the required technical expertise and resources to comply with its commitments as required by **BCDA** for this purpose.

BCDA has recommended on 09 May 2017 the procurement of the consulting services for the engagement of a third party certifying body for the re-certification of BCDA's QMS to ISO 9001 Standards through Section 53.9 of the Revised Implementing Rules and Regulations of Republic Act No. 9184 on Small Value Procurement and delegated said procurement to the Organization Development and Management Department (ODMD) as the end-user unit, subject to compliance with the applicable provisions of RA 9184 and the Revised IRR, as evidenced by BAC-C Resolution No. BC-2017-020, attached herewith as **Annex "B"**.

The **CONSULTANT's** proposal was evaluated by the ODMD and was subsequently declared as the Single Rated and Responsive Bid pursuant to the Request for Proposal (RFP), copies of which are hereto attached as **Annexes "C"** and **"D"** and made integral parts hereof and for which the **CONSULTANT** was awarded the Contract.

ACCORDINGLY, for and in consideration of the foregoing premises, and for the stipulations and conditions hereinafter stated, the parties hereto hereby agree and bind themselves to the following:

Section 1. Specific Undertaking. The **CONSULTANT** is hereby engaged to render services as the third party certifying body that will conduct re-certification audit of **BCDA's** Quality Management System (QMS) to ISO 9001 Standards, including succeeding annual surveillance audits.

Section 2. Scope of Services. The **CONSULTANT** shall:

- 2.1 Conduct re-certification audit and subsequent surveillance audits of **BCDA's** QMS which involves the interrelated processes concerning the conversion and development of all land and assets transferred to BCDA by the Philippine Government as identified under Republic Act No. 7227, as amended, and other pertinent laws and issuances.
- 2.2 Abide with the auditing principles, terminologies and guidelines as specified in the ISO 19011:2011 – Guidelines for Quality and/or Environmental Management Systems Auditing.
- 2.3 Perform the following audit activities:
 - 2.3.1 Re-certification audit of BCDA's QMS to ISO 9001:2008
 - 2.3.1.1 Documentation Check, Preparation and Planning – 0.5 Man-day
 - 2.3.1.2 Re-certification Audit – 5.5 Man-days
 - 2.3.1.3 Reporting – 1.0 Man-day
 - 2.3.2 Re-certification/issuance of ISO 9001:2008 Certificate valid for three (3) years upon the conduct of re-certification audit, subject to satisfactory results
 - 2.3.3 Year 2 First Surveillance Audit of BCDA's QMS to ISO 9001:2015
 - 2.3.3.1 Surveillance Audit 1 – 3.0 Man-days
 - 2.3.3.2 Surveillance Reporting – 1.0 Man-day
 - 2.3.4 Year 3 Second Surveillance Audit of BCDA's QMS to ISO 9001:2015
 - 2.3.4.1 Surveillance Audit 2 – 3.0 Man-days
 - 2.3.4.2 Surveillance Reporting – 1.0 Man-day

Section 3. Deliverables of the CONSULTANT. The **CONSULTANT** shall be responsible for the following:

- 3.1 Documentation check, preparation, planning and submission of Re-certification Audit Plan
- 3.2 Conduct of Re-certification Audit (before anniversary date of audit on 27 June 2017)
- 3.3 Reporting of audit findings

- 3.3 Issuance of certificate to ISO 9001:2008 after successful completion of Re-certification Audit, subject to satisfactory results
- 3.4 Year 2 First Surveillance Audit of BCDA's QMS to ISO 9001:2015 (before anniversary date of audit on the second year on 27 June 2018)
- 3.5 Issuance of certificate to ISO 9001:2015 after successful completion of Surveillance Audit, subject to satisfactory results
- 3.6 Year 3 Second Surveillance Audit of BCDA's QMS to ISO 9001:2015 (before anniversary date of audit on the third year on 27 June 2019)
- 3.7 Reconfirmation of the validity of the certificate to ISO 9001:2015 for the next 12 months upon successful completion of the second surveillance audit
- 3.8 Provide the following:
 - 3.8.1 Three (3) Certificates
 - 3.8.2 Two (2) all-weather banners
 - 3.8.3 Four (4) stickers

Section 4. Responsibilities of BCDA. BCDA shall:

- 4.1 Upon request, furnish the **CONSULTANT** copies of all documents required for the audit at least seven (7) calendar days prior to the scheduled audit.
- 4.2 Inform the **CONSULTANT** of the actual number of its manpower prior to the audit.
- 4.3 Provide transportation for the **CONSULTANT's** auditors as requested, to and from the latter's office.

Section 5. Timetable. The **CONSULTANT** shall adhere to the schedule of activities which shall be subject to the approval of BCDA. Notice will be sent at least seven (7) calendar days in case of changes in schedule.

Section 6. Composition of the Audit Team. The audit teams of the **CONSULTANT** shall have the following composition:

- 6.1 At least three (3) auditors with actual hands-on experience on QMS who are qualified to conduct audits in the name of the certifying body;
- 6.2 At least one (1) team member with relevant public sector specific experience for all relevant ISIC codes (For **BCDA**, L75 Public Administration);
- 6.3 At least two (2) members with a minimum of three (3) years ISO 9001:2008 auditing experience;
- 6.4 At least two (2) members with actual hands-on experience on the Government QMS Process; and
- 6.5 Replacement of any team shall require prior written approval from **BCDA**.

Section 7. Contract Price and Manner of Payment. For services to be rendered under this CONTRACT, **BCDA** shall pay the **CONSULTANT** the amount of **PESOS: ONE HUNDRED NINETY THOUSAND FOUR HUNDRED and 00/100 (Php 190,400.00)**, inclusive of any and all taxes to be paid to the government, payable as follows:

Activity/Deliverable	Amount (Php)
After re-certification audit and issuance of ISO 9001:2008 Certificate (for 2017)	84,000.00
After first surveillance audit and issuance of ISO 9001:2015 Certificate (for 2018)	53,200.00
After surveillance audit and confirmation of ISO 9001:2015 Certificate (for 2019)	53,200.00
TOTAL	190,400.00

Payment after every activity/expected output shall be made by **BCDA** to the **CONSULTANT** within thirty (30) days upon receipt of invoice.

Section 8. Term and Effectivity. This **CONTRACT** shall become effective upon execution thereof and shall be valid and subsisting until completion of the Second Surveillance Audit.

Section 9. Changes. Each **PARTY** shall promptly report to the other the occurrence of any event or condition which might delay or prevent the timely completion of the services embraced herein, specifying in writing the amount of time involved, the causes of delay, and its subsequent implications on the entire timetable, work schedule, and budget of the Project. Any change amounting to extension of term of this Agreement shall be agreed to in writing by both **PARTIES** and shall not, in any case involve any additional costs to **BCDA**.

Section 10. Indemnity. Each **PARTY** shall indemnify and hold the other free and harmless from any and all claims or causes of action of third parties arising from a negligent or otherwise wrongful act, or omission of the said **PARTY**, its employees or representatives.

Section 11. Force Majeure. No **PARTY** shall be liable to the other for the delay or non-performance of its obligations under this Agreement arising from any cause or causes beyond its reasonable control, including any of the following: act of God, government acts, war, fire, flood, explosion, or other similar unforeseen events.

Section 12. Confidentiality. Each **PARTY** undertakes not to divulge at any time to any third person any confidential information relating to the other, except upon prior written consent of the other or where required under the law or regulation or by a valid order of a court or other governmental authority with competent jurisdiction. The **CONSULTANT**'s breach of this confidentiality provision shall entitle **BCDA** to legal and other equitable remedies including but not limited to the immediate cancellation of this **CONTRACT** and shall entitle **BCDA** for claim for damages not exceeding one and a half times the charges payable by **BCDA** to the **CONSULTANT**, and injunctive relief under the circumstances. **BCDA** may also elect to terminate further access by the **CONSULTANT** to any data and information obtained through this **CONTRACT**.

Section 13. Waiver. No failure, omission or delay of any of the **PARTIES** in exercising any of its right, privileges and remedies hereunder shall be construed as a waiver thereof. No waiver or departure from the terms of this Agreement shall be valid unless made in writing and signed by the **PARTY**'s authorized representative. Such waiver shall be effective only in the specific instance and for the purpose for which it is given.

Section 14. Change of Address. It shall be the obligation of both **PARTIES** to inform each other in writing of any change of address within three (3) calendar days from such change. In the absence of a valid notice of change of address, all such correspondence and papers shall be legally considered to have been received by the **PARTY** when sent to such address even if not actually received by the recipient.

Section 15. Successors and Assignees. The covenants, terms, conditions, provisions and undertakings in this **CONTRACT** or any modifications, revisions or supplements thereof shall extend to and be binding upon the successors and assigns of the **PARTIES** as if they were in every case, named and expressed therein. Neither party shall assign or transfer its rights and obligations under this contract without the written consent of the other.

Section 16. Employees of the CONSULTANT. No employer-employee relationship shall exist between the employees, agents or representatives of the **CONSULTANT** and **BCDA**. Hence, **BCDA** shall not in any way be liable or responsible for any personal injury or damage, including death, sustained or caused by or to any of the employee(s) of the **CONSULTANT** during the performance of their work under this **CONTRACT**. The **CONSULTANT** shall, at all times, be solely liable and/or responsible for the compliance and enforcement of all existing laws, rules and regulations, particularly the Labor Code of the Philippines, that may affect its work under this **CONTRACT**. The **CONSULTANT** likewise binds itself to save and hold **BCDA** free and harmless from any liability or damages arising from the performance of the work of the **CONSULTANT** under this **CONTRACT**.

Section 17. Interpretation. This Agreement and any other documents attached herein shall constitute the entire agreement between the **PARTIES**. However, in case of doubt, ambiguity or inconsistency on the interpretation of the terms and conditions appearing in the attached documents, this Consulting Services Contract shall prevail over said attached documents.

Section 18. Settlement of Disputes. The **PARTIES** agree to resolve any dispute that may arise between them with respect to the Agreement through amicable negotiation in good faith. If at any time during such negotiation, one **PARTY** determines in good faith that the **PARTIES** cannot resolve the dispute through negotiations, that **PARTY** may resort to the filing of the appropriate case in the proper courts of Taguig or Makati City. Provided, however, that **BCDA** shall not be precluded to appeal the findings of the **CONSULTANT** to the ISO accreditation body in the Philippines when necessary.

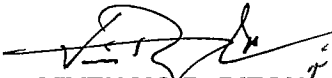
Section 19. Severability. If any provision of this **CONTRACT** becomes invalid, illegal or unenforceable, the parties will endeavor, acting in good faith, to agree on the terms of a provision that may be substituted for the invalid, illegal or unenforceable provision. The invalidity, illegality or unenforceability of any provision will not affect the remaining portions of the **CONTRACT**.

Section 20. OGCC Review. The **PARTIES** agree that this **CONTRACT** is subject to the review and approval by the Office of the Government Corporate Counsel (OGCC) whose comments and opinions shall automatically form part of this **CONTRACT**.

IN WITNESS WHEREOF, the **PARTIES**, through their duly authorized representatives, have signed this Agreement on 16 June 2017 in Taguig City.

BASES CONVERSION AND DEVELOPMENT AUTHORITY


By:


VIVENCIO B. DIZON
President and CEO

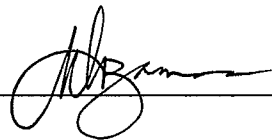
BCDA Organization Development & Management Department
Bases Conversion and Development Authority
FB2017-1010

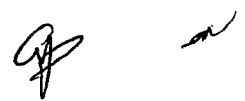
TÜV RHEINLAND PHILIPPINES, INC.

By:


TRISTAN ARWEN G. LOVERES
Chief Operating Officer-
Managing Director

WITNESSES:





ACKNOWLEDGMENT

Republic of the Philippines)
Taguig City) S.S.

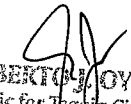
BEFORE ME, a Notary Public in and for the above jurisdiction, this ___ day of
JUN 21 2017, 201___, personally appeared the following:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE/PLACE ISSUED
VIVENCIO B. DIZON	Passport # EB 9583182	14 Nov 2013 DFA Manila
TRISTAN ARWEN G. LOVERES	Passport # EC 3962202	17 Apr 2015 DFA Manila

known to me and to me known to be the same persons who executed the foregoing instrument and each acknowledged to me that the same is their free and voluntary act and deed and of the corporations herein represented. This instrument consists of six pages including the page on which this Acknowledgement is written. It is a CONTRACT FOR CONSULTING SERVICES, and is signed or initialed on each and every page by the representatives of the parties and the witnesses.

WITNESS MY HAND AND SEAL on the date and place first herein above written.

Doc. No. 302 :
Page No. 62 :
Book No. 08 :
Series of 2017 .


GUALBERTO J. JOYZON JR.
Notary Public for Taguig City, Philippines
2/F BTC 31st St. BGC, Taguig City, 1634
Appointment No. 31 Until 31 December 2017
PTR No. AC-0895382/Angles City/06 Jan 17
Attorneys Roll No. 49062/IBP Life Member Roll No. 04862
MCLB Compliance No. V-0005317/14 January 2015



