

Agreement on Transaction Advisory Services for the Procurement of the Operations and Maintenance Provider(s), Intelligent Transport System and Automated Fare Collection System for the Davao Public Transport Modernization Project

Project Overview

1. This Agreement ("**Agreement**") on transaction advisory services for the procurement of the Operations and Maintenance (O&M), Intelligent Transport System (ITS), and Automated Fare Collection System (AFCS) Provider for the Davao Public Transport Modernization Project ("**DPTMP**") dated August 1, 2024, is entered into among the Government of the Philippines represented by the Secretary of the Department of Transportation ("**DOTr**") and the Executive Director of the Public-Private Partnership Center of the Philippines ("**PPPC**"), collectively referred to as the "**Clients**" and individually as a "**Client**") and the Asian Development Bank ("**ADB**") through the ADB's Office of Markets Development and Public Private Partnership ("**OMDP**").
2. The Project involves the preparation, structuring, and procurement of the concessionaire(s) for the DPTMP's Operations and Maintenance (O&M), Intelligent Transport System (ITS) and its O&M, and Automated Fare Collection System (AFCS) and its O&M, through Public-Private Partnership (PPP) agreement. It aims to implement a modern public transport system in Davao City with electric and diesel buses, ensuring seamless operations, responsiveness to passenger demand, and safety, through the following key objectives:
 - a. Reduced travel time
 - b. Better in-vehicle journey quality and in-station experience or amenity benefits
 - c. Reduced accident rates
 - d. Reduced pollutant and greenhouse gas emissions
 - e. Savings in vehicle operating costs

The DPTMP O&M, ITS, and AFCS are components of the DPTMP which will have several interchanges with the planned Mindanao Railway Project ("**MRP**") in stations located in Davao City to create a seamless experience between the regional rail service and local bus services through implementing a new four-tier, 29 route, and fixed route/ schedule network. The initiative will replace jeepneys with a new bus-based network covering over 600 kilometers of roadways in Davao City, including over 1,000 bus stops, terminals, depots, driving school, specialized lanes for buses, and queue jump lanes, with over 1,000 electric/diesel buses

3. The DOTr has requested that ADB act as the transaction advisor ("**Transaction Advisor**") in relation to the preparation, structuring, and procurement of the concessionaire(s) for the operation and maintenance ("**O&M**"), as well as the contracts for the Intelligent Transport System ("**ITS**") and its O&M, and the Automated Fare Collection System ("**AFCS**") and its O&M for the DPTMP (the "**Project**"). The DOTr has applied and was granted funding support from the Project Development and Monitoring Facility ("**PDMF**") which is managed and administered by the PPPC. The Clients are procuring ADB's services as the Transaction Advisor for the Project under the relevant procurement laws of the Republic of the Philippines.
4. Each Client represents and warrants for the benefit of ADB that:
 - a. the engagement of ADB as Transaction Advisor on a negotiated procurement (directly negotiated contract) basis under this Agreement is fully compliant with all applicable laws of the Republic of the Philippines; and

- b. the Clients have the requisite power and authority to procure the O&M concessionaire(s) and contractors for the Project and has obtained or will obtain all such approvals and consents as may be required to procure the O&M concessionaire(s) and contractors.

Term

5. The term of ADB's appointment as Transaction Advisor under this Agreement ("**Term**") shall take effect from the date indicated in the Notice to Proceed to be issued by PPPC (the "**Start Date**") and shall continue until the earlier of:
 - a. thirty-six (36) months from the Start Date (or such later date and subject to terms and conditions as may be agreed among the parties in writing); and
 - b. The end of Six months from the date on which all of the winning bidders shall have started the operations under the relevant concession agreement or contract, regardless of whether that date is the same for all of the winning bidders,subject to earlier termination in accordance with Clauses 17 or 18.

Appointment and Services

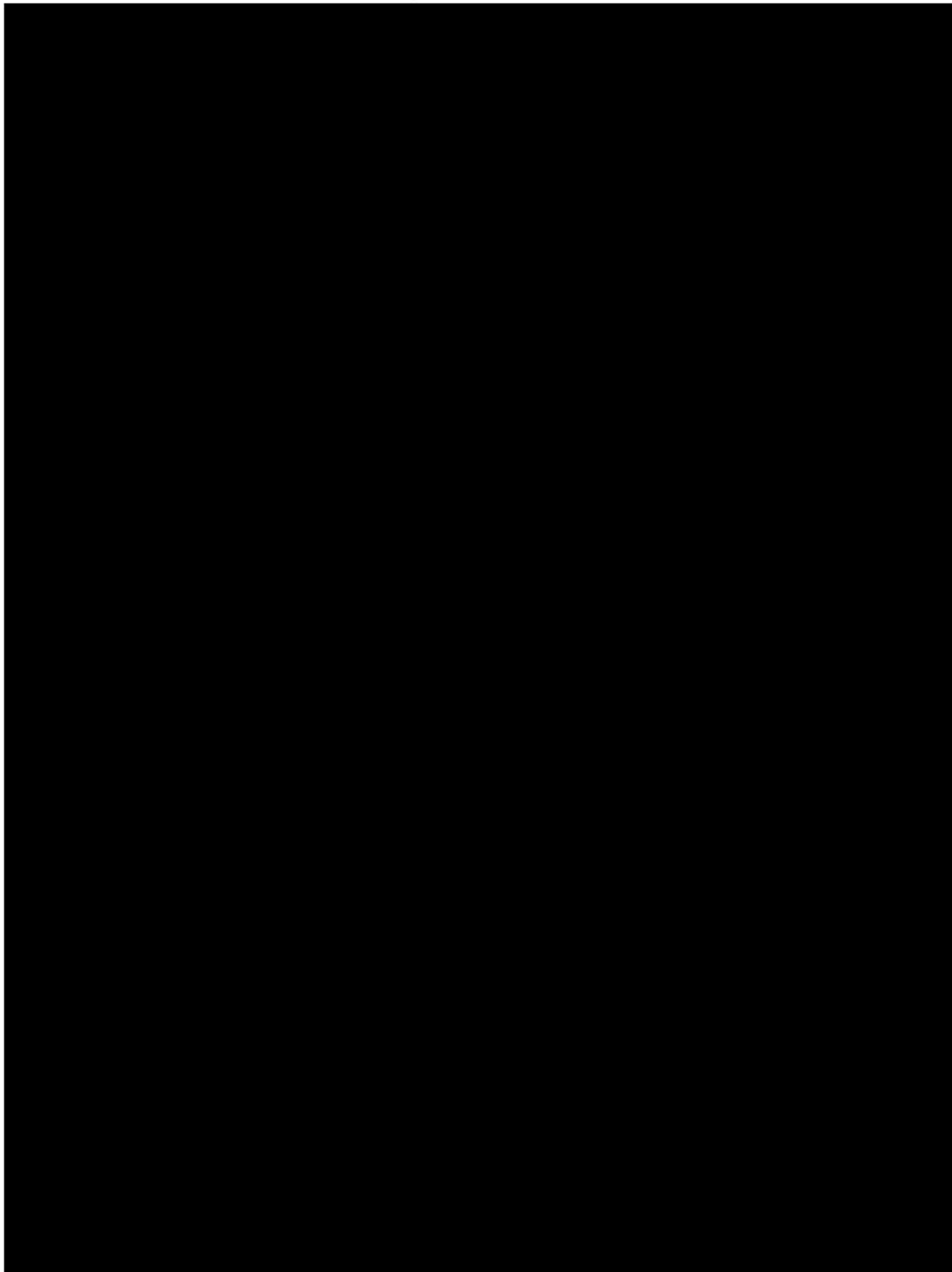
6. By countersigning this Agreement, the Clients appoint ADB as their sole Transaction Advisor in relation to the Project and grant to ADB the exclusive right to perform the Services (as defined in Clause 7 below) for the duration of the Term.
7. During the Term, ADB will provide the services set out in Schedule 1 to this Agreement ("**Services**") to DOTr and PPPC, all in accordance with the provisions of this Agreement. ADB shall coordinate with DOTr and PPPC in the provision of Services and act on the basis of instructions provided by DOTr and/or PPPC as more specifically indicated in Schedule 1.
8. Each Client expressly acknowledges and agrees that:
 - a. ADB may engage and dismiss such external consultants or service providers (together "**TAS Consultants**") in respect of the performance of the Services as ADB may in its sole and absolute discretion deem necessary or desirable in carrying out the terms of this Agreement, provided DOTr and PPPC are given prior notification and DOTr and PPPC do not raise any objection. Upon ADB's engagement of TAS Consultants, ADB shall submit to the PPPC the names and the Terms of Reference of each of the TAS Consultant;
 - b. the TAS Consultants shall owe a duty of care primarily to ADB;
 - c. DOTr may apply, and ADB shall assist DOTr with such application, for technical assistance ("**TA**") support from the Asia Pacific Project Preparation Facility ("**AP3F**") or ADB may secure other available TA funds as ADB deems necessary in relation to the Services; and
 - d. the Clients shall instruct their advisors ("**Advisors**"), if any, to work collaboratively with ADB and the TAS Consultants so that ADB may manage and coordinate the inputs of the Advisors in relation to the performance of the Services.

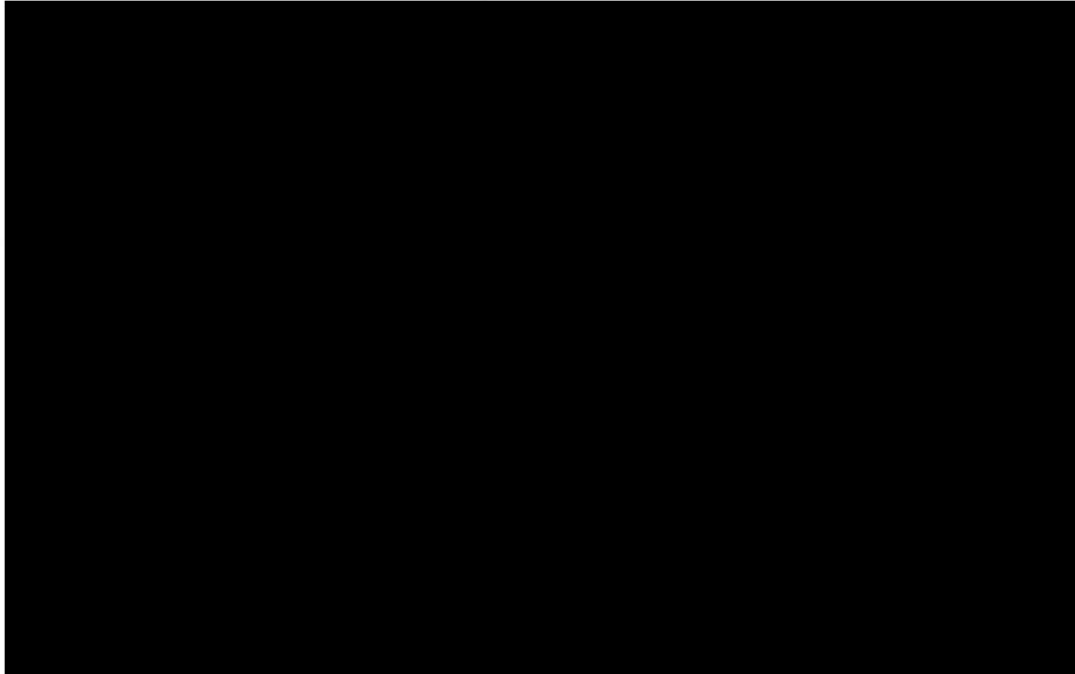
Financing

9. Departments of ADB (other than the OMDP) may independently consider financing all or any part of, or providing any other assistance to, the Project or the Clients. While nothing in this Agreement shall be deemed to constitute or imply any commitment by ADB to finance all or any part of, or to provide any other assistance to, the Project or the Clients or any other person. Any decision by ADB to finance all or any part of, or to provide any other assistance to, the Project shall be contingent upon approval by the management and the board of directors of ADB and the execution of definitive legal documentation in form and substance satisfactory to ADB.

Fees and Payments

10.

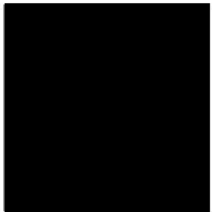




11. For the avoidance of doubt and notwithstanding Clause 10 (a) to (d) above, (i) DOTr shall remain liable for all unpaid amounts (whole or in part) of Milestone Payment 1.4, Milestone Payment 2.4, Milestone Payment 3.4, Milestone Payment 1.5, Milestone Payment 2.5 and Milestone Payment 3.5 payable by the winning bidder. In the event that the PPPC, through the PDMF, is unable to pay ADB for any or all of the Milestone Payments 1.1, 1.2, 1.3 and 1.6 and for whatever reasons, then DOTr shall make the payments to the ADB within sixty (60) days from the date of the invoice for payment thereof.
12. Subject to the terms and conditions of this Agreement, ADB shall invoice the PPPC, or the winning bidder(s) (as the case may be) in respect of the milestone payments referred to in Clause 10, and the amount of each invoice shall become due and payable by the relevant Clients or the winning bidder(s) (as the case may be) 30 (thirty) days from the date of such invoice. All amounts payable by any of the Clients or the winning bidder(s) (as the case may be) to ADB under this Agreement shall be made in full when due, in PHP (or its USD equivalent) in immediately available funds, without set-off, deduction or withholding (whether on account of tax, bank charges or otherwise), to such bank account as ADB may notify the Clients.

Clients Obligations

13. The Clients shall cooperate with ADB in relation to the Services and shall:
 - a. provide, or facilitate the provision, to ADB of all information necessary or desirable for the performance of the Services in a timely manner;
 - b. (without prejudice to the representation and warranty at Clause 4(b)) obtain and maintain all permits, licenses, approvals and consents as may be necessary or desirable for the Clients to procure the O&M concessionaire(s) and contractors and implement the Project:



² The O&M Concessionaire(s) shall pay ADB the Reimbursable Costs incurred by ADB for the Services, which includes the costs related to the procurement of the O&M Concessionaire, ITS and AFCS, until the date of signing of the O&M Concession Agreement for the less any amounts already paid under clause 10.c.

- c. without prejudice to the Clients' undertakings under this Agreement, perform its obligations under this Agreement in accordance with all applicable Philippine laws and regulations governing budgeting, accounting, and auditing rules including in relation to the allocation, disbursement and administration of the PDMF for this Project; and
- d. ensure that PPPC shall manage and administer PDMF in relation to this Agreement in a manner consistent with all applicable Philippine laws and regulations governing budgeting, accounting, and auditing rules. Relatedly, DOTr shall enter into a Technical Assistance Agreement with the PPP Center to effectively manage and administer the PDMF, and that it shall follow the reimbursement process of the Recoverable Amount upon the termination of the Agreement with the PPP Center, subject to the conditions set forth in Section 9.4 and Annex C of the PDMF Guidelines dated October 2023 and Section 26 of Republic Act No. 11966 and its Implementing Rules and Regulations.

14. Save as expressly otherwise agreed:

- a. the Clients shall ensure that any and all advice and opinions provided by ADB (and its TAS Consultants and co-advisors, as appropriate) shall be kept strictly confidential; provided that the Clients: (i) may disclose to the extent reasonably necessary the advice, opinions, and information provided to the Clients by ADB to its directors, officers, and employees, or any other governmental entity having jurisdiction over the Project, or any of them, and (ii) shall use its best endeavors to ensure that the persons to whom disclosure is made keep the advice, opinions and information confidential on the same terms as are provided in this Clause 14(a); and
- b. all documents or materials (such as but not limited to: all plans, drawings, specifications, designs, reports, and other documents) prepared by the ADB and its TAS Consultants by virtue of this Agreement shall become and remain to be property of the PPPC and DOTr;
- c. Notwithstanding the foregoing, ADB or TAS consultants as applicable shall retain intellectual property rights in the advice, methodologies and programs used, and in the documents, materials and other work products produced as a result of Services and
- d. no person other than the Clients shall be entitled to rely on any advice or opinions provided by ADB (and its TAS Consultants).

Disclaimers

15. ADB will diligently perform the Services, but makes no express or implied representation, warranty or undertaking as to the extent of success that may be achieved in implementing any recommendation made by ADB or in preparing, structuring, procuring and implementing the Project.

16.

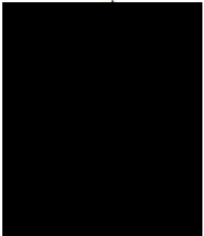





Termination

17.



18. The Clients or ADB may terminate the arrangements set out in this Agreement prior to the end of the Term by giving the other party not less than 45 (forty-five) days' prior written notice of its intention to terminate. The parties shall take all such steps as may be necessary or desirable to cause the activities relating to the Services to be brought to an orderly conclusion and any outstanding obligations to be settled within the period specified in the termination notice. Any such termination shall not affect the rights and obligations already accrued by the parties under the Agreement.
19. ADB may additionally terminate the arrangements set out in this Agreement with immediate effect upon giving written notice to the Clients if:
- a. in ADB's reasonable opinion, any actions or inactions of any of the Clients are likely to significantly delay any or all of the Project or otherwise cause the Project to be commercially unviable and/or unbankable;
 - b. the bid documents or the O&M Concession Agreement to be entered into by the winning bidder(s) does not include a requirement for the winning bidder(s) to pay to ADB the Milestone Payment 1.4, Milestone Payment 1.5, Milestone Payment 2.4, Milestone Payment 2.5, Milestone Payment 3.4, and Milestone Payment 3.5 as required under Clause 10;
 - c. pursuant to any investigation undertaken in accordance with Clause 26 and in ADB's sole discretion, ADB discovers any corrupt, fraudulent, collusive or coercive practice relating to the Services or the Project; or
 - d. the winning bidder(s), or in the case of a winning bidder(s) that is a consortium, any member of the consortium, is under temporary suspension or debarment by ADB pursuant to ADB's Anticorruption Policy (1998 and as amended), whether such debarment was directly imposed by ADB, or imposed by another entity and enforced by ADB in accordance with its policies.
20. Upon termination of this Agreement by the Clients pursuant to Clause 18 or by ADB pursuant to Clause 19, the Clients shall be jointly and severally liable and pay to ADB:
- a. all costs and expenses incurred by ADB in providing the Services (including all costs relating to the engagement of TAS Consultants) over and above the costs reimbursed under Clause 10 up to and including the date of termination; provided that ADB shall submit to DOTr invoices substantiating such costs incurred by ADB, and the parties agree that such invoices will be sufficient as evidence of such costs and expenses incurred by ADB absent manifest error in any such invoices; and
 - b. any costs reimbursable to AP3F or any other form of technical assistance support incurred up to and including the date of the termination (including all costs relating to the engagement of TAS Consultants) but deducting any and all amounts received
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by ADB as payments for Milestone Payment 1.4, Milestone Payment 1.5, Milestone Payment 2.4, Milestone Payment 2.5, Milestone Payment 3.4 and Milestone Payment 3.5 (as applicable) up to and including such date of termination (but not, for the avoidance of doubt, any costs incurred solely in relation to capacity building and project definition activities undertaken under such AP3F application).

The Clients acknowledge and agree that they shall remain liable for the payment of the foregoing notwithstanding the unavailability or non-disbursement of, or failure to disburse for whatever reason, funds under PDMF, or non-approval of the budget for DOTr.

21. Expiry or termination of this Agreement shall not affect any rights or obligations accrued prior to the date of termination. The provisions of Clauses 10, 11, 12, 14, 15, 16, 19, 20, 21, 22, 23, 24 25, 26 and 28. shall survive expiry or termination of this Agreement.

Governing Law and Dispute Resolution

22. This Agreement is governed by and shall be construed in accordance with English law.
23. If any dispute arises out of or in connection with this Agreement (including in relation to its existence, validity, breach or termination) (a "**Dispute**"), the parties shall first meet and endeavour to resolve the Dispute amicably and in good faith. If the parties are unable to resolve the dispute by negotiation, either party may refer the Dispute by notice to arbitration in accordance with Clause 23.
24. Subject to Clause 22, any Dispute shall be finally resolved by arbitration in accordance with the Rules of the Singapore International Arbitration Centre ("**SIAC Rules**") in effect at the time the arbitration is commenced, except as they are modified by the provisions of this Agreement. The seat of the arbitration shall be Singapore, and the arbitration shall be conducted in the English language. The arbitration shall be conducted by one arbitrator and the arbitration award shall be final and binding.
25. Nothing in this Agreement, or any submission to arbitration by ADB or any provision of the SIAC Rules, shall constitute or imply (or be deemed to constitute or imply) a waiver, renunciation, abrogation, termination or modification by ADB of any privilege, immunity or exemption to which ADB is or may be entitled under the Agreement Establishing the Asian Development Bank, any international convention, any memorandum of understanding or any applicable law, and all such privileges, immunities and exemptions shall apply in full.

Use of ADB name

26. The Clients agree not to use, or permit the use of, ADB's name, trademark or logo in any advertisements, promotional literature or information, signage, marketing materials, brochures, press releases or any other similar public materials in any medium whatsoever, without the prior written consent of ADB in each instance.

ADB Policies

27. The Clients acknowledge and agree that ADB, in compliance with ADB's Anticorruption Policy (1998) (as may be amended from time to time), has the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice relating to the Services or the Project, and the Clients shall cooperate, and (if and to the extent applicable) use its best endeavors to procure that any supplier, consultant, or other service provider, as they relate to the Services or the Project

cooperate, with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.

Notices and Communication

28. Any notice or communication given or made by the Clients to ADB and *vice versa* will be in writing and sent by mail or e-mail. Except as otherwise specified herein, any notice or communication to any of the Clients or to ADB is to be addressed to it as set forth below, or to such other address or email address as may be specified by the parties from time to time. Unless otherwise specified herein, notices will be effective when received.

DOTr

Name: **Atty. Timothy John R. Batan**
Title: Undersecretary for Planning & Project Development
Address: EDSA, corner Connecticut, San Juan, 1503 Metro Manila
Email Address: tr.batan@dotr.gov.ph; tjbatan.dotr@gmail.com

PPPC

Name: **Ma. Cynthia Hernandez**
Title: Executive Director
Address: 8th Floor, One Cyberpod Centris, EDSA cor. Quezon Avenue, Brgy. Pinyahan, Quezon City 1100, Philippines
Email Address: mchernandez@ppp.gov.ph

ADB

Name: **Ferran Vila Planas**
Title: Senior Markets Development Advisory Specialist
Address: 6 ADB Avenue, Mandaluyong City 1550, Metro Manila, Philippines
Email Address: fvilaplanas@adb.org

Entire Agreement

29. This Agreement constitutes the Clients' and ADB's entire agreement in relation to its subject matter and supersedes all prior negotiations, understandings and communications in relation thereto.

**Agreed for and on behalf of the
Government of the Republic of the Philippines**

JANET M. TOSTA
Secretary, Department of Transportation

MA. CYNTHIA C. HERNANDEZ
Executive Director, Public-Private Partnership Center

Agreed for and on behalf of the Asian Development Bank

[Redacted Signature]

F. CLEO KAWAWAKI
Head of Office, OMDP

WITNESSES

[Redacted Signature]

ELEAZAR R. RICOTE
Deputy Executive Director, PPP Center

[Redacted Signature]

WINFRIED WICKLEIN
Director General, Southeast Asia
Department, ADB

[Redacted Signature]

TIMOTHY JOHN R. BATAN
Undersecretary for Planning and Project
Development, DOTr

[Redacted Signature]

REINIER PAUL R. YEBRA
Undersecretary for Legal Affairs, DOTr

[Redacted Signature]


**JESUS NATHANIEL MARTIN B.
GONZALES**
Undersecretary for Administration and
Finance, DOTr

SCHEDULE 1

1. SCOPE OF SERVICES: Transaction Advisory Services ("TAS") for the Procurement of Operations and Maintenance ("O&M") Concessionaire(s) for Davao Public Transport Modernization Program ("DPTMP") Project

	Scope of Work	Deliverable
Milestone 1.1: Kick-off Meeting		
1.1(a)	Conduct a team kick-off meeting among all parties, to agree on the project implementation plan, milestones, timelines and resourcing.	<p>Kick-Off Meeting Terms of Reference of TAS Consultants (for information only) Workplan for Planning and Deliverables</p> <p>Milestone Payment 1.1 shall be upon receipt of minutes of Kick-Off meeting</p>
Milestone 1.2: Project Preparation to NEDA Board Approval (indicative timeline: 6 months after issuance of Notice to Proceed by DOTr to ADB OMDP)		
1.2(a)	Review all existing studies, reports, designs, and other materials relevant to the Project and present recommendations based on findings in the review of said materials relevant to the Project.	<p>Project Information Memorandum Market sounding report</p>
1.2(b)	Prepare and conduct market sounding / market study with all relevant, qualified, and experienced bus O&M providers, to sufficiently create awareness and interest in the Project, identify such market players' concerns with regard to participation in the tender for the O&M Concession Agreement, and advise DOTr and DC in evaluating how to address identified concerns, to realize optimal value and risk allocation for DOTr and DC, and realizing an optimal level of competition.	
1.2(c)	Assist DOTr and DC in the appropriate structuring of the O&M Concession Agreement, taking into consideration the Project's distinct infrastructure and operational features and requirements, and drawing from all relevant and applicable international best practices.	<p>NEDA Submissions (i.e., business case, PE Forms, financial and economic Models, VfM Analysis. Valuation of Assets as determined by Government Financial institution or Independent Property Appraiser) and other ICC approval documents ,</p> <p>Milestone Payment 1.2 shall be due upon receipt of NEDA Board Approval</p>
1.2(d)	Assist DOTr and DC in preparing submissions to obtain NEDA Board Approval for the O&M Concession Agreement, including feasibility study / business case, project evaluation forms ("PE Forms"), financial and economic models, value for money analysis ("VfM Analysis"), risk allocation and mitigation matrix, and addressing all queries and requests for additional information, as may be necessary or desirable to obtaining approval.	


Milestone 1.3: Publication of Tender Documents (indicative timeline: 8 months after issuance of Notice to Proceed)		
1.3(a)	Preparation of Instructions to Prospective Bidders (ITPB), Instructions to Pre-Qualify and Bid (ITPQB), Instructions to Bidders (ITB), O&M Concession Agreement, and/or other bidding / tender documents necessary and appropriate to the eventual procurement strategy adopted for the O&M Concession Agreement.	Publication of tender documents, which includes: <ul style="list-style-type: none"> - ITPB, ITPQB, ITB, O&M Concession Agreement, and/or other bidding/tender documents - MPSS, KPIs, and other necessary documents <p>Milestone Payment 1.3 shall be due upon the publication of tender documents.</p>
1.3(b)	Review of Minimum Performance Standards and Specifications (MPSS), Key Performance Indicators (KPIs), and optimal and effective MPSS and KPIs penalty and enforcement mechanisms prepared by DOTr's technical consultant, drawing from all relevant and applicable international best practices.	
Milestone 1.4: Procurement to Award of O&M Concession (indicative timeline: 14-18 months after issuance of Notice to Proceed)		
1.4(a)	Assist DOTr and DC in managing the bidding / tender process, including conducting bidding conferences, setting up and maintaining virtual and/or physical data rooms, preparing answers to bidders' queries and other bid bulletins, and conducting one-on-one bidder conferences.	Actual conduct of bid conference Bid bulletins, including answers to bidders' queries
1.4(b)	Assist DOTr and DC in bid submission opening, evaluation, selection of winning bidder(s), and negotiations, as applicable, including detailed legal, technical, and financial evaluation of bids, and preparation of detailed bid evaluation report. Selection of the winning bidder shall be conducted exclusively by the DOTr and DC in accordance with applicable law.	Bid evaluation report
1.4(c)	Preparation of award documentation.	Notice of award Milestone Payment 1.4 shall be payable upon the notice of award signed by the winning bidder(s)
Milestone 1.5: Signing of O&M Concession Agreement (indicative timeline: within 1-6 months from notice of Award of the O&M Concession, depending on conditions stated on Notice of Award and other approvals required)		
1.5(a)	Finalization of O&M Concession Agreement.	Execution copy of O&M Concession Agreement
1.5(b)	Assist DOTr and DC in post-award to pre-contract signing by providing list of required post-award conditions, assisting DOTr and DC in explaining to relevant offices and agencies the project structure and contract documents for other required approvals, and answering questions that may arise in relation to the project or contract documents, or provide any other similar assistance to DOTr and DC.	<p>Milestone Payment 1.5 shall be payable upon signing of the O&M Concession Agreement by the winning bidder</p>
1.5(c)	Assist DOTr and DC in O&M Concession Agreement signing.	
Milestone 1.6: Financial Close		

1.6(a)	If required, assist DOTr in post-contract signing to Financial Close or O&M Start Date, whichever is later, through assistance in explaining to lenders or other relevant parties the project structure, contract documents, and parties' obligations; assist DOTr in any (non-material) revisions of the O&M Concession Agreement that may be required by lenders; assist DOTr in resolving any issues the winning bidder(s) may face in meeting the conditions precedent to O&M Start; and provide any other similar assistance to DOTr.	Financial Close Milestone Payment 1.6 shall be payable upon achievement of Financial Close
Concessional Services (36 mos. from date of signing of this Mandate)		
1.7(a)	Legal and financial input in the governance structure for the project between DC and DOTr including drafting necessary inter-party memorandums	Capacity Programs Building Programs
1.7(b)	Capacity building as support for Project management.	Capacity Programs Building Programs
1.7(c)	Development of contract implementation and monitoring capabilities.	Contract Implementation and Monitoring Seminars
1.7(d)	Review the potential and only identify opportunities in transit-oriented development (TOD) to reduce the cost of the project to the Government of the Philippines	TOD report 



2. SCOPE OF SERVICES: Transaction Advisory Services ("TAS") for the Procurement of Intelligent Transport System and its Integration ("ITS") for Davao Public Transport Modernization Program ("DPTMP") Project

	Scope of Work	Deliverable
Milestone 2.1: Kick-off Meeting		
2.1(a)	Conduct a team Kick-Off Meeting among all parties, to agree on the project implementation plan, milestones, timelines and resourcing.	Kick-Off Meeting Terms of Reference of TAS Consultants (for information only) Workplan for Planning and Deliverables
Milestone 2.2: Project Preparation for Approval from Relevant Authorities (indicative timeline: 4 months after issuance of Notice to Proceed assuming procurement under ADB Procurement)		
2.2(a)	Review all existing studies, reports, designs, and other materials relevant to the DPTMP ITS Procurement and present recommendations based on findings in the review of said materials relevant to the Project.	Project Information Memorandum Market Sounding Report
2.2(b)	Prepare and conduct Market Sounding / Market Study with all relevant, qualified, and experienced bus ITS providers, to capture feedback on the package terms. Identify concerns with regard to participation in the tender for the and advise DOTr and DC in evaluating how to address identified concerns, to realize optimal value and risk allocation for DOTr and DC, and realizing an optimal level of competition.	
2.2(c)	Assist DOTr and DC in the appropriate structuring of the ITS package and thus Contract, taking into consideration the DPTMP Project's distinct infrastructure and operational features and requirements, and drawing from all relevant and applicable international best practices.	Procurement documents approved by ADB PPF
2.2(d)	Assist DOTr in obtaining approval from ADB on the procurement documents, including but not limited to approvals internal to DOTr.	
Milestone 2.3: Publication of Tender Documents (indicative timeline: 6-8 months after issuance of Notice to Proceed)		
2.3(a)	Preparation of Instructions to Prospective Bidders (ITPB), Instructions to Pre-Qualify and Bid (ITPQB), Instructions to Bidders (ITB), ITS Contract, and/or other bidding / tender documents necessary and appropriate to the eventual procurement strategy adopted for the Contract.	Publication of tender documents, which includes: - ITPB, ITPQB, ITB, CA, and/or Other Bidding/Tender Documents - MPSS, KPIs, and other necessary documents
2.3(b)	Inclusion of Minimum Performance Standards and Specifications (MPSS), Key Performance Indicators (KPIs), and optimal and effective MPSS and KPIs penalty and enforcement mechanisms drawing from all relevant and applicable international best practices.	
Milestone 2.4: Procurement to Award of ITS Contract (indicative timeline: 10-12 months after issuance of Notice to Proceed)		
2.4(a)	Assist DOTr and DC in managing the bidding / tender process, including conducting bidding conferences, setting up and maintaining virtual and/or physical data rooms, preparing answers to bidders' queries and other bid bulletins, and conducting one-on-one bidder conferences.	Actual conduct of Bid Conference Bid Bulletins, including re Answers to Bidders' Queries

2.4(b)	Assist DOTr and DC in bid submission opening, evaluation, selection of winning bidder, and negotiations, as applicable, including detailed legal, technical, and financial evaluation of bids, and preparation of detailed Bid Evaluation Report. Selection of the winning bidder shall be conducted exclusively by the Clients in accordance with applicable law.	Bid Evaluation Report
2.4(c)	Preparation of Award documentation.	Notice of Award Milestone Payment 2.4 (please refer to clause 10.c)
Milestone 2.5: Signing of ITS Contract (indicative timeline: within 1-6 months from notice of Award of the ITS Contract, depending on conditions stated on Notice of Award and other approvals required)		
2.5(a)	Finalization of ITS Contract	Execution Copy of ITS Contract
2.5(b)	Assist DOTr and DC in post-Award to pre-Contract signing by providing list of required post-award conditions, assisting DOTr and DC in explaining to relevant offices and agencies the project structure and contract documents for other required approvals, and answering questions that may arise in relation to the project or contract documents, or provide any other similar assistance to DOTr and DC.	Milestone Payment 2.5 (please refer to clause 10.d)
2.5(c)	Assist DOTr and DC in ITS Contract signing	
Milestone 2.6: Notice to Proceed to winning bidder		
2.6(a)	If required, assist DOTr in post-contract signing to Notice to Proceed (i.e., confirmation financing commitments including debt, equity, performance guarantees if any etc.) through assistance in explaining to lenders or other relevant parties the project structure, contract documents, and parties' obligations; assist DOTr in any (non-material) revisions of contract that may be required by lenders; and provide any other similar assistance to DOTr.	Notice to Proceed to winning bidder. 



3. **SCOPE OF SERVICES: Transaction Advisory Services (“TAS”) for the Procurement of Automated Fare Collection System (“AFCS”) for Davao Public Transport Modernization Program (“DPTMP”) Project**

	Scope of Work	Deliverable
Milestone 3.1: Kick-off Meeting		
3.1(a)	Conduct a team Kick-Off Meeting among all parties, to agree on the project implementation plan, milestones, timelines and resourcing.	Kick-Off Meeting
Milestone 3.2: Project Preparation for Approval from Relevant Authorities (indicative timeline: 5 months after issuance of Notice to Proceed assuming no NEDA application is required)		
3.2(a)	Review all existing studies, reports, designs, and other materials relevant to the DPTMP AFCS Procurement and present recommendations based on findings in the review of said materials relevant to the Project.	Project Information Memorandum Market Sounding Report
3.2(b)	Prepare and conduct Market Sounding / Market Study with all relevant, qualified, and experienced bus AFC system O&M providers, to capture feedback on the single package AFC System and O&M services procurement methodology. Identify concerns with regard to participation in the tender for the and advise DOTr and DC in evaluating how to address identified concerns, to realize optimal value and risk allocation for DOTr and DC, and realizing an optimal level of competition.	
3.2(c)	Assist DOTr and DC in the appropriate structuring of the AFCS package and thus Contract, taking into consideration the DPTMP Project's distinct infrastructure and operational features and requirements, and drawing from all relevant and applicable international best practices and in alignment with the Philippine National Standards for interoperable payment system.	Procurement documents approved by ADB PPF
3.2(d)	Assist DOTr in obtaining approval from ADB on the procurement documents, including but not limited to approvals internal to DOTr. OR Assist DOTr in obtaining internal approvals for tender documents under new PPP law (we are not considering any NEDA approval as the project value is likely to be < P 15Bn). Note: Timelines will change if NEDA approval is required	
Milestone 3.3: Publication of Tender Documents (indicative timeline: 8-10 months after issuance of Notice to Proceed)		
3.3(a)	Preparation of Instructions to Prospective Bidders (ITPB), Instructions to Pre-Qualify and Bid (ITPQB), Instructions to Bidders (ITB), AFCS Contract, and/or other bidding / tender documents necessary and appropriate to the eventual procurement strategy adopted for the Contract.	Publication of tender documents, which includes: - ITPB, ITPQB, ITB, CA, and/or Other Bidding/Tender Documents
3.3(b)	Inclusion of Minimum Performance Standards and Specifications (MPSS), Key Performance Indicators (KPIs), and optimal and effective MPSS and KPIs penalty and enforcement mechanisms drawing from all relevant and applicable international best practices.	- MPSS, KPIs, and other necessary documents
Milestone 3.4: Procurement to Award of AFCS Contract (indicative timeline: 12-14 months after issuance of Notice to Proceed)		

3.4(a)	Assist DOTr and DC in managing the bidding / tender process, including conducting bidding conferences, setting up and maintaining virtual and/or physical data rooms, preparing answers to bidders' queries and other bid bulletins, and conducting one-on- one bidder conferences.	Actual conduct of Bid Conference Bid Bulletins, including re Answers to Bidders' Queries
3.4(b)	Assist DOTr and DC in bid submission opening, evaluation, selection of winning bidder, and negotiations, as applicable, including detailed legal, technical, and financial evaluation of bids, and preparation of detailed Bid Evaluation Report. Selection of the winning bidder shall be conducted exclusively by the Clients in accordance with applicable law.	Bid Evaluation Report
3.4(c)	Preparation of Award documentation.	Notice of Award Milestone Payment 3.4 (please refer to clause 10.c)
Milestone 3.5: Signing of AFCS Contract (indicative timeline: within 1-6 months from notice of Award of the AFCS Contract, depending on conditions stated on Notice of Award and other approvals required)		
3.5(a)	Finalization of AFCS Contract	Execution Copy of AFCS Contract
3.5(b)	Assist DOTr and DC in post-Award to pre-Contract signing by providing list of required post-award conditions, assisting DOTr and DC in explaining to relevant offices and agencies the project structure and contract documents for other required approvals, and answering questions that may arise in relation to the project or contract documents, or provide any other similar assistance to DOTr and DC.	Milestone Payment 3.5 (please refer to clause 10.d)
3.5(c)	Assist DOTr and DC in AFCS Contract signing	
Milestone 3.6: Notice to Proceed to winning bidder		
3.6(a)	If required, assist DOTr in post-contract signing to Notice to Proceed (i.e., confirmation financing commitments including debt, equity, performance guarantees if any etc.) through assistance in explaining to lenders or other relevant parties the project structure, contract documents, and parties' obligations; assist DOTr in any (non-material) revisions of contract that may be required by lenders; and provide any other similar assistance to DOTr.	Notice to Proceed to winning bidder