

TERMS OF REFERENCE
Engagement of Consultant for the Conduct
of a Survey on Sari-Sari Stores in Metro Manila

I. BACKGROUND

To achieve the vision of the Philippine Competition Commission (“PCC”) of becoming a world-class authority in promoting fair market competition, it takes steps to provide infrastructure to advance research in competition policy and law (“CPL”) in the country. Given this objective, the Commission launched the PCC long-term research program (“PLRP”) to provide institutional support to encourage research collaborations within and outside PCC. This is in accordance with Republic Act No. 10667, otherwise known as the Philippine Competition Act (“PCA”), which mandates the PCC to conduct, publish and disseminate studies and reports on anti-competitive conduct and agreements to inform and guide consumers and businesses.

The PLRP creates a research program that will further bring the PCC at the forefront of boundary-breaking research in CPL. As the practice of competition enforcement continues to evolve in response to changes in economic conditions, such program provides a platform for the PCC to contribute and participate in CPL discussions.

Aside from encouraging research among economists and lawyers in PCC, the PLRP also fosters research collaborations with CPL practitioners outside the PCC at the local, national, and international levels. Research, to be able to produce knowledge invaluable for the effective enforcement of the CPL, needs to engage stakeholders with multidisciplinary perspectives and approaches. To this end, the PLRP creates mechanisms to marshal resources and support from the academe, the private sector and development partners.

Through the PLRP-approved project *Credit Constraints in an Urban Setting: Sari-Sari Store Owners in the Philippines* (“Study”), an in-depth research will be conducted on how credit constraints and asymmetries in bargaining power affect small businesses, in relation to competition, economic development, and business growth.

For this purpose, the proponents of the Study (“End-user”) require the expertise and experience of a consultant in market research to gather survey data from a sample of sari-sari stores in Metro Manila. All tasks of the consultant will be guided by the survey design of the End-user. The details of the survey are summarized as follows:

Target respondents	Sari-sari store owners
Qualitative Phase	5 respondents for qualitative interviews
Quantitative Phase	Survey Pilot: 20 Main Sample: 1,200
Survey area	Metro Manila
Duration of the project	November 2019 to 2 nd week March 2020
Approved Budget for the Contract	PhP 995,000

II. OBJECTIVES

The Study seeks to establish important facts about small retail businesses in Manila and identify the most relevant credit constraints, as well as other barriers to competition that these businesses face.

Survey questions include:

- Demographic questions
- Questions on business characteristics and operation (investment, inputs and outputs, labor force)
- Questions on the credit market and credit constraints (for example who do firms lend from, and at what rates)
- Questions on barriers to formalization (information and awareness, registration costs, projected future costs of being formal)
- Conjoint experiment to allow for experimental variation of factors that affect respondents' choices

III. SCOPE OF WORK

A. Tasks

The Consultant/Survey firm shall carry out the following tasks:

Qualitative Phase

Pre-interview Activities

1) **Revise and finalize discussion guide/questionnaire**

- a. Review of draft discussion guide/questionnaire provided by the End-user;
- b. Ensure that the discussion guide/questionnaire is suitable for the target respondents;
- c. Finalize the discussion guide/questionnaire in coordination with the End-user;

Deliverables

- 1.1 Final discussion guide/questionnaire in English and Filipino;

Interviews

2) **Recruit respondents and conduct qualitative interviews**

- a. Finalize target respondents;
- b. Recruit respondents;
- c. Moderate interviews;

Deliverables

- 2.1 Report on the recruitment of respondents
- 2.2 Interview transcripts and audio recordings

Quantitative Phase

Pre-survey Activities

3) **Revise and finalize the survey instruments and sampling design**

- a. Review of draft survey questionnaire provided by the End-user;
- b. Format the draft survey questionnaire into a survey instrument;
- c. Ensure that the survey design is suitable for the target respondents;
- d. Finalize the survey instrument in coordination with the End-user;
- e. Finalize the sampling methodology in coordination with the End-user.



Deliverables

- 3.1 Survey instrument in English and Filipino; and
- 3.2 Sampling design and methodology including alternative respondents in case of nonresponse.

4) **Plan, design and implement training for enumerators, data encoders and field supervisors**

- a. Recruit and train the enumerators and field supervisors on data collection, and on handling questions and problems that may arise during the field work;
- b. Prepare the field work protocols for the enumerators and field supervisors; and

Deliverables

- 4.1 Enumerator's manual;
- 4.2 Report on the composition of the field team, including the number of enumerators, field supervisors and data encoding staff, and their qualifications and responsibilities;

Data Collection, Processing and Reports – Pilot Survey

5) **Deploy field enumerators and supervisors for the pilot survey**

- a. Prepare the necessary materials and equipment;
- b. Secure relevant permits from the authorities in the concerned communities;
- c. Secure all other permits necessary for the conduct of the survey;
- d. Inform the End-user of the schedule of field operations and give relevant updates;
- e. Deploy enumerators to the field to conduct the actual survey, within the timeframe agreed upon with the End-user;
- f. Provide End-user, upon request, audio recordings of randomly selected pilot survey interviews; and
- g. Provide End-user with access to survey data

Deliverables

- 5.1 Report on the status of the pilot survey, including difficulties encountered and possible deviations from the original plan
- 5.2 Electronic files of datasets resulting from pilot survey (raw and modified in CSV, ASCII, Excel or any other Stata ready format) and data dictionary;
- 5.3 Audio recordings from the pilot survey, as requested by End-user;

6) **Evaluate pilot survey implementation and redesign field work protocols and survey instrument**

- a. Evaluate pilot survey implementation and results
- b. Redesign field work protocols, sampling methodology, if necessary
- c. Revise and finalize survey instrument, if necessary

Deliverables

- 6.1 Final survey instrument in English and Filipino;
- 6.2 Final sampling design and methodology including alternative respondents in case of nonresponse;
- 6.3 Final field work protocols for the enumerators and field supervisors;

Data Collection, Processing and Reports – Main Survey

7) **Deploy field enumerators and supervisors for the main survey**

- a. Prepare the necessary materials and equipment;
- b. Secure relevant permits from the authorities in the concerned communities;
- c. Secure all other permits necessary for the conduct of the survey;
- d. Inform the End-user of the schedule of field operations and give relevant updates;



- e. Deploy enumerators to the field to conduct the actual survey, within the timeframe agreed upon with the End-user;
- f. Provide End-user, upon request, audio recordings of randomly selected main survey interviews; and
- g. Provide End-user with access to survey data

Deliverables

- 7.2 Report on the status of the main survey, including difficulties encountered and possible deviations from the original plan.
- 7.3 Audio recordings from the main survey, as requested by End-user;

8) Clean and validate data files

Deliverables

- 8.1 Protocol for data entry and quality control measures;
- 8.2 Electronic files of datasets resulting from main survey (raw and modified in CSV, ASCII, Excel or any other Stata ready format) and data dictionary;
- 8.3 Hard copy and electronic form (in .pdf, .doc or .xlsx as applicable) of documents and other materials used in the survey; and
- 8.4 Written response to the End-users' inquiries as needed.

B. Survey mode and length

Qualitative Phase

Personal (face-to-face) interviews shall be conducted based on a questionnaire/discussion guide. Each qualitative interview is expected to last for approximately thirty (30) to forty (40) minutes.

Quantitative Phase

Personal (face-to-face) interviews will be conducted with the qualified respondents and shall be based on a detailed questionnaire. Each interview is expected to last for approximately forty-five (45) minutes to one hour.

C. Target respondents, sampling and sample sizes

Qualitative Phase

Target respondents for the qualitative phase shall be sari-sari store owners in Metro Manila. At least five (5) qualitative interviews shall be completed.

Quantitative Phase

The sampling units shall be sari-sari store owners in Metro Manila. For the pilot survey, at least twenty (20) sari-sari store owners shall be interviewed. For the main survey, there shall be 1,200 completed interviews with sari-sari store owners.

The survey firm shall propose a sampling methodology, subject to further discussion with the End-user. The survey firm will help refine and finalize the sampling strategy for the qualitative phase, the pilot survey under, and the main survey.



2 APPROVED BUDGET FOR THE CONTRACT

The Approved Budget for the Contract (ABC) is **Nine Hundred Ninety Five Thousand Pesos (Php 995,000.00)**, inclusive of all applicable taxes, service charges, and must cover the costs arising from or in relation to the services rendered in connection with and/or in the preparation to the actual survey and delivery of post-survey documents and reports.

3 MODE OF PROCUREMENT

The mode of procurement shall be Negotiated Procurement – Small Value Procurement as provided under the Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) No. 9184.

4 SERVICES TO BE PROVIDED BY THE END-USER

1. Provide the survey firm with the draft questionnaires for the qualitative interviews and the survey;
2. Provide the survey firm with inputs on the sampling methodology;
3. Constantly coordinate with the survey firm on the planning and implementation of the study.

5 TIMELINES, DELIVERABLES, AND SCHEDULE OF PAYMENT

All payments shall be endorsed by the Director of the Economics Office; and each tranche payment to the Consultant shall be released upon PCC’s acceptance of the deliverables listed below accompanied by a Certificate of Satisfactory Service issued by the end-user. The tranche payment schedule shall be as follows:

Milestones	Deliverable/s	% of contract amount
Contract signing (Day 1) Within one (1) day from the Notice of the Award	Duly signed Financial Proposal to cover the cost of the project.	15%
QUALITATIVE PHASE		
Pre-interview activities <i>Submission date:</i> Within three (3) weeks from the date the draft questionnaire for the qualitative interviews is provided by the End-user to the survey firm	Printed and original signed documents duly accepted and received by the PCC, as follows: <ul style="list-style-type: none"> • Final discussion guide/questionnaire in English and Filipino; 	15%
Interviews <i>Submission date:</i> Within one (1) week from approval of deliverables under <u>Pre-interview activities</u>	Printed and original signed documents duly accepted and received by the PCC, as follows: <ul style="list-style-type: none"> • Report on the recruitment of respondents • Interview transcripts and audio recordings 	
QUANTITATIVE PHASE		
Pre-survey activities <i>Submission date:</i> Within three (3) weeks from the date the draft questionnaire for the quantitative	Printed and original signed documents duly accepted and received by the PCC, as follows:	15%

<p>interviews is provided by the End-user to the survey firm</p>	<ul style="list-style-type: none"> • Survey instrument in English and Filipino; and • Sampling design and methodology including alternative respondents in case of nonresponse. • Enumerator’s manual; • Report on the composition of the field team, including the number of enumerators, field supervisors and data encoding staff, and their qualifications and responsibilities; 	
<p>Data Collection and Processing – Pilot Survey <i>Submission date:</i> Within one (1) week from approval of deliverables under <u>Pre-survey activities</u></p>	<p>Printed and original signed documents duly accepted and received by the PCC, as follows:</p> <ul style="list-style-type: none"> • Report on the status of the pilot survey, including difficulties encountered and possible deviations from the original plan. • Electronic files of datasets resulting from pilot survey (raw and modified in CSV, ASCII, Excel or any other Stata ready format) and data dictionary • Audio recordings from the pilot survey, as requested by End-user; • Final survey instrument in English and Filipino, if necessary; • Final sampling design and methodology including alternative respondents in case of nonresponse; • Final field work protocols for the enumerators and field supervisors; 	<p>20%</p>
<p>Data Collection and Processing – Main Survey <i>Submission date:</i> Within six (6) weeks from the End-user’s instruction for the survey firm to proceed with the main survey</p>	<p>Printed and original signed documents duly accepted and received by the PCC, as follows:</p> <ul style="list-style-type: none"> • Report on the status of the main survey, including difficulties encountered and possible deviations from the original plan. • Audio recordings from the main survey, as requested by End-user; • Protocol for data entry and quality control measures; • Electronic files of datasets resulting from main survey (raw and modified in CSV, ASCII, Excel or any other Stata ready format) and data dictionary; • Hard copy and electronic form (in .pdf, .doc or .xlsx as applicable) of documents and other materials used in the survey; and 	<p>35%</p>

	<ul style="list-style-type: none"> Written response to the End-users' inquiries as needed. 	
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All payments will be subject to the usual government accounting and auditing rules and regulations and be subjected to existing and applicable taxes.

The PCC shall pay the Consultant within fifteen (15) working days upon receipt of the original signed Statement of Account, or billing statement, supported by a Certificate of Satisfactory Service Rendered to be issued by the end-user, and upon completion of all the deliverables / documentary requirements for each tranche payment

6 QUALIFICATIONS OF THE CONTRACTOR AND ITS PERSONNEL

Consultant	Basis (To be submitted as part of the proposal)	Qualification
Experience and capability of the survey firm	Records of previous engagement in projects in market research and other similar fields	At least three (3) years in business
		Previously engaged with at least 5 (five) companies/institutions, in any of the following: 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

The core members of the project team must meet the following minimum qualifications:

Personnel	Level of Qualification	Professional experience (minimum)
Project Manager	Any degree in social sciences and research	Seven (7) years of experience with socioeconomic consumer survey design and implementation with at least 16 hours of training.
Statistical Service Executive	B.S. Statistics	Five (5) years of experience in statistical techniques and sampling design with at least 16 hours of training.
Electronic Data Processing Manager	Any 4-yr degree course	Two (2) years of experience in designing a system to input and manage data
Field Manager	Any 4-yr degree course	Two (2) years of experience in consumer-level survey

Note: To prove the expertise of the consultants who shall handle this project, kindly submit an original signed extensive curriculum vitae and copies of certificates indicating the above qualifications.

7 CRITERIA FOR EVALUATION

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

Evaluation Criteria:

Criteria	Basis	Weight
Technical Proposal		70%
Quality of personnel to be assigned to the project (30%)	Signed curriculum vitae submitted	
Experience and capability of the survey firm (30%)	Records of previous engagements, and extensive knowledge on the conduct of surveys	
Plan of approach and methodology (40%)	Timelines, written proposal, overall quality of proposed work	
Financial Proposal		30%
TOTAL		100%

The bidder with the highest rated score based on the technical and financial proposals submitted, provided that the score shall pass the hurdle rate of 85 points, shall be the Highest Rated Bidder.

8 CONFIDENTIALITY OF DATA AND INFORMATION

The Service Provider shall be engaged by the PCC and shall submit outputs directly to the designated project manager within PCC for review and endorsement for payment. The service provider shall not use nor disseminate these documents for their own research purposes without the written consent of the PCC. All the materials, data, and information used and generated through the survey shall be under the sole ownership of PCC. The survey firm and any of its personnel shall, at all times, keep the confidentiality of such materials, data, and information, and shall not use nor disseminate these materials, data, and information for their own research purposes without the written consent of the PCC.

9 CONFLICT OF INTEREST

The Service Provider must be independent from the entities which operate in the business of the sector covered by the scope of this engagement and must have no conflict of interest. There is conflict of interest when the Consultant has an interest in the business of the entities operating, whether directly or indirectly, in the sector covered by this engagement, and the interest of such Consultant, or his rights or duties therein, may be opposed to or affected by the performance of his duty as Consultant.

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 the unperformed portion for every day of delay, provided that the maximum deduction shall be



ten percent (10%) of the total amount of the contract. Once the maximum allowable deduction is reached, the procuring entity reserves the right to rescind the contract, without prejudice to other courses of action and remedies available 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:

Name and Signature of Authorized Representative

Designation

Name of Company

Date

