

## **TERMS OF REFERENCE (TOR)**

### **SHARED SERVICE FACILITY ON TINAPA PROCESSING CANDELARIA SCHOOL OF FISHERIES, SINABACAN, CANDELARIA, ZAMBALES**

#### **I. INTRODUCTION AND BACKGROUND INFORMATION**

The Candelaria School of Fisheries (CSF) is a TESDA-accredited technical-vocational institution located in Candelaria, Zambales. With the aim of improving student competencies and boosting the marketability of local fish preservation products, CSF has proposed the establishment of a Shared Service Facility (SSF) focused on Tinapa (smoked fish) Processing. This project will enhance the school's fish processing facility and extend its services to local MSMEs, students, and fisherfolk.

#### **II. OBJECTIVES**

The establishment of the Shared Service Facility on Tinapa Processing aims to achieve the following objectives;

- Upgrade the capacity of CSF to produce high-quality, value-added fish products;
- Support the development of youth entrepreneurs and MSMEs in the fisheries sector;
- Ensure safe, hygienic, and sustainable fish processing practices;
- Boost local employment and income through increased production and market competitiveness.

#### **III. DEFINITION OF TERMS**

- The **DEPARTMENT OF TRADE AND INDUSTRY** – Zambales Provincial Office, a government agency duly organized and existing under the laws of the Republic of the Philippines, with office address at 1055 Rizal Avenue, West Tapinac, Olongapo City, hereinafter referred to as “DTI-Zambales”.
- **SSF** shall refer to a set of machinery, equipment, tools, systems, accessories, and other auxiliary items that may be required for a duly prescribed purpose, to be managed by a COOPERATOR for the common use of qualified beneficiaries;
- **COOPERATOR** shall serve as an SSF partner, which maybe a juridical entity, such as but not limited to non-government organizations (NGOs), people's organizations, cooperatives, industry/trade/business associations, local government units (LGUs), state universities/colleges, technical vocational schools and other similar government academic and training institutions;

#### **IV. SCOPE OF WORK**

The work to be performed shall consist of design, configuration, coordination and supervision of all activities for the supply and delivery of equipment of the Shared Service Facility Tinapa Processing at Sinabacan, Candelaria, Zambales including but not limited to:

- Delivery, installation, commissioning of machineries and equipment in the identified sites of end user FOB within 30 days from issuance of Notice to Proceed or signed Contract Agreement.

- Supervision of the commissioning and testing of machineries and equipment at supplier's cost.
- Making use of appropriate packaging to prevent damage or deterioration of machines/equipment during transit to the destination; and
- Supplying manuals, handouts and other peripherals for each equipment and machineries.

## **V. TERMS AND CONDITIONS**

### **a. OBLIGATIONS OF THE SUPPLIER**

The supplier is required to provide all the following services, including additional services, if any, specified in the schedule of requirements:

- Complete SSF tools, machines and equipment fully installed in the identified location of the contract.
- Test-run of machines and equipment conducted/commissioned.
- Training of personnel on machine operation, maintenance and troubleshooting for at least 24 hours.
- Furnish detailed operations and maintenance manual for each appropriate unit of the supplied machine and equipment.
- Provide one-year warranty for all supplied machine/equipment except for "NAME OF MACHINE/S" wherein 2 years warranty is required.
- Provide competent and credible trainer(s)/resource persons(s) for the training services at supplier's cost. Trainer(s) must have used said machines and equipment for at least five years. All other expenses incurred for the said training (e.g. food of both trainer(s) and participants, accommodation, and transportation expenses of trainer(s), etc.) shall be shouldered by the supplier;
- If and when possible, interrelated machines shall be supplied by a single manufacturer or subsidiary partner company.
- In case of machine/equipment breakdown, provide sufficient supply of appropriate parts and local technician for the whole duration of the contract or warranty period; in case of breakdown of equipment within warranty period, replace the defective part with a brand new one. In case of the equipment cannot be repaired, the supplier shall replace with a brand-new equipment. All within the warranty period. Repair period should not exceed 180 days.
- Ensure the availability of after sales services and prompt response of not more than 5 working days from date of Notice of Need.
- Equipment/machineries shall bear painted over, and if possible, riveted engraved metal plate markings with the text "PROPERTY OF THE DEPARTMENT OF TRADE AND INDUSTRY" in 2 designated areas. Text for painted over markings shall measure at least 1" in height. The dimension of the engraved metal plates shall be at least 2" (H) x 3" (L). Metal property tags/markings of equipment /machineries color shall be DTI blue and off-white

### **b. OBLIGATIONS OF DTI**

- Initiate procurement of SSF necessary for the setting up of the Project in accordance with the provisions of the Republic Act 12009 and its IRR, otherwise

known as the “New Government Procurement Act”, and its Implementing Rules and Regulations;

- Inspect the SSF upon delivery by the supplier to ensure that they meet all the specifications as defined in the DTI Purchase Request Form. This shall be done in the presence of the representative of the “COOPERATOR”;
- Turn over the duly inspected SSF to the project site designated by the “COOPERATOR” and have the same received and acknowledged in writing by the “COOPERATOR”.
- Grant the “COOPERATOR” the free use of the SSF during the duration of this MOA, through the execution of a Usufruct Agreement;
- Secure an insurance for a period of two (2) years from date of delivery of the SSF, to cover loss or damage caused by fire, theft, earthquake, lightning, floods, and other Acts of God;
- Conduct periodic inspection and monitoring of the condition of the SSF in order to promptly identify any problem and accordingly come up with the appropriate or needed remedial measures. This shall be reflected in the Manual of Operations to be prepared by “DTI-Zambales” and the “COOPERATOR”;
- Monitor and evaluate the operations of the SSF project, particularly in terms of production and financial condition thereof. The reports thereon shall be submitted by “DTI-Zambales” (“Provincial Office”) to DTI-Regional Office” for consolidation purposes;
- Provide, when necessary, additional technical support capacitating the “COOPERATOR” to sustainably manage and operate the SSF in accordance with the objectives of the Project;
- Institute any appropriate actions against the COOPERATOR in case of material breach of the provisions hereof or misuse or abuse of approved and released funds, the legal cost therefore shall be borne by the “COOPERATOR”;

#### c. TIMELINES / DELIVERABLES

i. **Implementation Period:** July 2025 to July 2027

#### ii. Deliverables and Timelines

Delivery, installation, commissioning of machineries and equipment in the identified sites of end user FOB within 30 days from issuance of Notice to Proceed or signed Contract Agreement.

#### d. Technical Specification Of Equipment/Machineries:

QTY	UNIT	PARTICULARS	UNIT COST	TOTAL COST
1	unit	<b>Industrial Smoking Chamber (Box-Type, Stainless Steel)</b> Specifications: <ul style="list-style-type: none"> <li>• Material: Stainless Steel (SS 304) body, insulated with inner charcoal tray</li> <li>• Capacity: 20–40 kg per batch</li> <li>• <input type="checkbox"/> Material: Food-grade stainless steel (SS 304)</li> </ul>	200,000.00	200,000.00

		<ul style="list-style-type: none"> <li>Fuel Type: LPG and Charcoal tray</li> <li>Temperature Range: 60°C to 150°C</li> <li>Control System: Digital temperature and timer control panel</li> <li>Smoke Circulation: Built-in circulation system with exhaust fan</li> <li>Interior Design: Multi-tiered removable racks</li> <li>Door: Glass or solid insulated door</li> <li>Applications: Suitable for Tinapa, fish fillet, meat, sausages, and other smoked products</li> <li>Dimensions: Approx. 900mm (W) × 700mm (D) × 1600mm (H)</li> </ul> <p>Included Components:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Exhaust fan</li> <li><input type="checkbox"/> Thermometer</li> <li><input type="checkbox"/> Moisture drain tray</li> </ul>		
1	unit	<b>Smokehouse-box-type with charcoal pan</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Material: Stainless Steel (SS 304) body, insulated with inner charcoal tray</li> <li><input type="checkbox"/> Capacity: 20–40 kg per batch</li> <li><input type="checkbox"/> Fuel Source: Manual charcoal tray or wood chips</li> <li><input type="checkbox"/> Temperature Control: Manual thermometer with temperature gauge</li> <li><input type="checkbox"/> Smoke &amp; Heat System: Traditional horizontal smoke flow with thermal insulation</li> <li><input type="checkbox"/> Design Features: Three-layer grilled net, water pan, spice compartment</li> <li><input type="checkbox"/> Smoke Ventilation: Chimney/exhaust with adjustable vents</li> <li><input type="checkbox"/> Trays/Hooks: Multi-layer stainless trays or hooks</li> <li><input type="checkbox"/> Dimensions: Approx. 900mm (W) × 700mm (D) × 1600mm (H)mm</li> </ul>	180,000.00	180,000.00
1	unit	<b>Vertical Pressure Steam Sterilizer – 35L to 50L</b> <ul style="list-style-type: none"> <li>Dimension: 1200x1120x2000mm</li> <li>Capacity: 35–50 liters (can sterilize 30–50 bottles per batch depending on size)</li> <li>Specs: Digital Stainless steel inner chamber, Safety valve, pressure lock, and temperature control, Suitable for food applications like sardines, pickles, sauces</li> <li>Power Source: Electric</li> <li>Power Input: 3.5 kW to 5.5 kW</li> <li>Voltage: 230Vac/60Hz</li> <li>Single-phase</li> </ul>	58,000.00	58,000.00

1	unit	<b>Stainless Steel Dehydrator (LPG-powered)</b> <ul style="list-style-type: none"> <li>• Material: Full stainless steel (SS 304), food-grade</li> <li>• Capacity: 50–60 kg per batch</li> <li>• Tray Capacity: 15–20 trays (adjusted for 50–60 kg load)</li> <li>• Tray Size: Approx. 600mm × 400mm</li> <li>• Drying Temperature Range: 30°C to 90°C</li> <li>• Control Panel: Digital temperature and timer control</li> <li>• Airflow: Adjustable airflow system for uniform drying</li> <li>• Safety: Overheat protection and thermal insulation</li> <li>• Tray Type: Removable sliding trays for easy loading/unloading</li> </ul>	180,000.00	180,000.00
1	unit	<b>High-Capacity Vacuum Sealer</b> <ul style="list-style-type: none"> <li>• Chamber Type: Double chamber or large single chamber</li> <li>• Material: Full stainless steel housing</li> <li>• Seal Bar: Double seal bars, 500–800 mm</li> <li>• Pump Capacity: 20–30 m³/h (heavy-duty vacuum pump)</li> <li>• Cycle Time: 15–30 seconds</li> <li>• Control: Programmable digital control panel</li> <li>• Applications: Sealing Tinapa, bottled sardines, frozen goods</li> <li>• Power Source: <ul style="list-style-type: none"> <li>Electric</li> <li>Power Input: 2.2 kW to 3.5 kW</li> <li>Voltage: 230Vac/60Hz</li> <li>Single-phase</li> </ul> </li> </ul>	210,000.00	210,000.00
1	unit	<b>Pressure Canner – 41.5 quarts-LPG Compatible</b> <ul style="list-style-type: none"> <li>• Capacity: 41.5 quarts (approx. 32 pint jars or 19 quart jars)</li> <li>• Capacity: 41.5 quarts (approx. 32 pint jars or 19 quart jars)</li> <li>• Material: Hand-cast aluminum</li> <li>• Pressure Range: 5, 10, 15 psi with weighted gauge</li> <li>• Seal Type: Metal-to-metal seal (no gasket required)</li> <li>• Handling Features: Heat-resistant handles, includes racks and pressure regulator</li> </ul>	63,120.00	63,120.00

		<ul style="list-style-type: none"> <li>Application: Bottling sardines, meat, sauces, and high-acid food products</li> </ul> <p><b>LPG :</b> Compatible with high-BTU LPG burners Burner Output: 20,000–30,000 BTU/hr Requires LPG tank, regulator, and stable base</p>		
1	unit	<p><b>Gastronorm Pan rack trolley (stainless steel, heavy-duty)</b></p> <ul style="list-style-type: none"> <li>Dimensions: 588 × 679 × 1,641 mm (L×W×H)</li> <li>Material: Stainless Steel (SS 304)</li> <li>Weight: ≈ 20 kg</li> <li>Supported GN sizes: 2/1, 1/1, 2/4</li> <li>Support rails: 18 pairs, U- shaped with anti- tilt locks</li> <li>Load capacity: up to 210 kg total (≈25 kg per rail)</li> <li>Castors: Four 125 mm stainless swivel wheels (2 with brakes)</li> <li>Frame: Rust- proof, welded stainless steel 1.4301</li> </ul>	60,000.00	60,000.00
1	unit	<p><b>24.5 cu ft Side- by- Side Refrigerator</b></p> <ul style="list-style-type: none"> <li>Total Storage Volume: <b>647 L</b> (~24.5 cu ft)</li> <li>Exterior Size (W × H × D): <b>913 × 1790 × 735 mm</b></li> <li>Weight: <b>106 kg</b> (Product), <b>116 kg</b> (Packed)</li> </ul>	65,000.00	65,000.00
<b>Total Budget for the Contract</b>			<b>1,016,120.00</b>	

**e. PAYMENT SCHEMES/ SCHEDULE**

Payment will be done upon complete delivery of the project, submission of all necessary documents and subject to COA auditing rules and procedures.

**f. LIQUIDATED DAMAGES**

Where the Supplier refuses or fails to satisfactorily complete the work within the specified contract time, plus any extension duly granted and is hereby in default

under the contract, the Supplier shall pay DTI for liquidated damages, and not by way of penalty, an amount, as provided in the conditions of the contract, equal to at least one tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the works for every day of delay. Should the amount of liquidated damages reach ten percent (10%) of the contract amount, DTI may, at its own discretion, terminate the contract without prejudice to any further action it may take to recover whatever losses incurred due to non-performance of the Supplier.

To be entitled to such liquidated damages, DTI does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the Supplier under the contract and/or shall be paid by the Supplier within five (5) days from notice of such default, whichever is convenient to the DTI.

**g. SUPPLIER'S WARRANTY SECURITY**

The Supplier shall assume full responsibility for the Works from the time the work commenced up to final acceptance by the Procuring Entity and shall be held responsible for any damage or destruction of the Works except those occasioned by *force majeure*. The Supplier shall be fully responsible for the safety, protection, security, and convenience of his personnel, third parties, and the public at large, as well as the Works, equipment, and installation, and the like to be affected by his work.

In order to assure that manufacturing defects shall be corrected by the supplier, a warranty security shall be required from the contract awardee for a minimum period of three (3) months, in the case of Expandable Supplies, or a minimum period of one (1) year, in the case of Non-expandable Supplies, after acceptance by the Procuring Entity of the delivered supplies,

The obligation for the warranty shall be covered by either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total contract price. The said amounts shall only be released after the lapse of the warranty period or, in the case of Expendable Supplies, after consumption thereof: Provided however, that the supplies delivered are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

**h. LIABILITY OF THE SUPPLIER**

The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

## **i. RESOLUTION OF DISPUTES**

If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of the contract covered by Republic Act No. 12009 and its IRR, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

Any and all disputes arising from the implementation of a contract covered by R.A. No. 12009 and its IRR shall be submitted to arbitration in the Philippines according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004": *Provided, however*, that by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

## **IX. QUALIFICATION REQUIREMENTS**

The supplier shall have Philippine Government Electronic Procurement System Accreditation (PhilGEPS) Certificate of Registration.

## **X. MODE OF PROCUREMENT:**

The project procured through under Section 34.1 of RA 12009 Small Value Procurement and its IRR.

## **XI. FUND SOURCE AND APPROVED BUDGET FOR THE CONTRACT:**

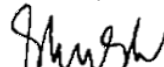
- Fund source: SSF 2024 Capital Outlay (Continuing Funds)
- The Approved Budget for the Contract (ABC) for the SSF Project is *One Million Sixteen Thousand One Hundred Twenty Pesos (Php 1,016,120.00)* inclusive of all taxes and fees.

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