

Bid Bulletin No. 5

**“Consulting Service for the Development and Conduct of Accelerating Development, Valuation, and, Corporate Entrepreneurship (ADVanCE) Program for Startups”
Bidding No. 21-020A**

November 4, 2021

This Bid Bulletin No. 5 is hereby issued to modify or amend the Bidding Documents.

1. Schedule of Proceedings

Activity	Schedule
<p>Submission of Technical and Financial Bids</p> <p>and</p> <p>Opening of Technical Bids</p>	<p>November 12, 2021, 9:00 AM for the Submission of Technical and Financial Documents, and 9:30 AM for the Opening of Technical Documents through video conference with the following details:</p> <p>Zoom Meeting: https://zoom.us/j/94387352055?pwd=NFBzc1VIUUJjN1dybk5ESmtTLzhZZz09</p> <p>Meeting ID: 943 8735 2055 Passcode: 621599</p>
<p>Opening of Financial Bids</p>	<p>November 18, 2021, 9:30 AM for the Opening of Financial Documents through video conference with the following details:</p> <p>Zoom Meeting: https://zoom.us/j/98728739438?pwd=RnlmSTUxSDNoVUZSZkU5WlozTGd5Zz09</p> <p>Meeting ID: 987 2873 9438 Passcode: 126134</p>

2. Terms of Reference

I. BACKGROUND AND PURPOSE

The Innovation for RIICS, Industry, and Startups (IRIS) Program aims to help foster an inclusive and sustainable industrial and economic development in the Philippines through a smooth transition towards Industry 4.0, development of the Startup ecosystem, and the formation of industry clusters through innovation and science and technology-based industrial policy. In this regard, the Competitiveness and Innovation Group, Innovation and Collaboration Division formulates innovation and entrepreneurship policies and programs for startups, including providing operational benefits incentives, administering grants in the form of programs, and helping manage the startup venture fund, and other needed measures to foster an innovative & entrepreneurship culture in the country.

The startup ecosystem in the Philippines is characterized as young, vibrant, and full of

potential. Startups introduce innovative products and create new business models to the market. As such, it is important for the government to support the development of the startup ecosystem in order to foster an innovative and entrepreneurial culture in the country. The IRIS Startup Development Program was created to develop the Philippine startup ecosystem through various support mechanism at different stages of the startup lifecycle to enable them to successfully grow, scale-up, and become sustainable commercial ventures.

II. BRIEF DESCRIPTION OF THE PROJECT

The WIPO Global Innovation Index 2020 Report stated that, “crises are often a source of creativity and innovation, and, at times, industrial renewal. The COVID-19 crisis has already catalyzed innovation in many sectors, such as education, remote work, and retail. It might accelerate progress and industrial renewal more broadly. The opportunities for breakthrough technologies and innovation continue to abound.”

The Inter-American Development Bank also claims that, “While innovative startups have been hard hit by the pandemic, they are also proving to be part of the solution. A number of innovative initiatives are already providing solutions and technologies for short-, medium-, and long-term health, social, and economic challenges. Throughout the world, groups of entrepreneurs, business associations, technology communities, and manufacturers have been working to identify urgent needs and bottlenecks with an eye toward finding quick and creative solutions.”

In addition, as mentioned in the updated Philippine Development Plan (PDP) 2017-2022, “The ‘new normal’ will definitely require innovative ways of doing production, socialization, consumption, governance, etc. Operationalizing these innovations requires an ecosystem covering science, technology, and innovation (STI).” Innovation will play a vital role in recovering from this pandemic. In order to move forward to the New Normal, the Philippines has to put focus into innovation and startups to help propel our economy to the New Normal and push for recovery. The PDP designed five major programs to build the resilience of individuals, families, business, government, and society under the new normal: (1) health system improvement, (2) food security and resiliency, (3) learning continuity, (4) digital transformation, and (5) regional development.

The **Accelerating Development, Valuation, and, Corporate Entrepreneurship - ADVance Startups program** aims to assist startups in scaling up business operations and enabling them deliver to products and services that will address strategic societal needs.

ADVance Startups aims to assist startups that can be characterized as exhibiting the following:

- a) Are in the commercialization stages of their development;
- b) Are in the process of increasing revenues by expanding markets and client base;
- c) Refining new products and services;
- d) In the process of running a startup as a business organization, and increasing value;
- e) In the process of increasing their market traction;
- f) Expanding teams and organization;
- g) Managing growth including sales and business development, expansion of

- product/service offering; and
- h) Increasing valuation.

ADVanCE Startups will support startups that have a clear value proposition, business model, and product/service offering. The goal of ADVanCE Startups is to provide focused business and mentoring support that will meet the specific needs of startups as they grow and scale up.

In this regard, the DTI will seek the services of a qualified service provider that will conduct a targeted scan of available startups supported by private sector and government agency partners and identify an initial pool of 8-10 startups that are still in their growth stages. The service provider will undergo an initial phase of determining specific needs and requirements and identify key milestones and performance indicators. For exemplary startup performers, after Phase 1, three to five startups will be selected to proceed to Phase 2 to undergo intensive training and focus on implementation, securing investments, developing business operations, managing finances and developing the organization. Phase 2 will be structured based on the specific interventions needed by selected startups after a needs assessment and goal setting session. Mentors will be assigned to look over the progress of each startup.

Startups that will be prioritized for selection are those aligned with PDP strategic programs to build resilience for families, business, government, and society under the new normal.

III. OBJECTIVES

1. To help the development of a specific cluster of Philippine startups that can be characterized as being: a) in their commercialization stages of their development, b) in the process of increasing revenues through expanding markets and client base, c) refining new products and services, d) in the process of running a startup as a business organization, and e) increasing value.
2. To provide best-in-class training program aimed at:
 - 2.1 Increasing the market traction;
 - 2.2 Expanding teams and organization;
 - 2.3 Managing growth including sales and business development, expansion of product/service offering;
 - 2.4 Increasing valuation of this cluster of Philippine startups through the formulation of clear and actionable short-medium term business plans, providing access to mentors, market linkages; and
 - 2.5 Developing the organization, strategizing for growth, and managing finances, and dealing with Venture Capital.
3. To fully prepare Startup leaders in this cluster into transitioning their startup organizations from small startup into mid-size to larger startup operations.

IV. SCOPE OF WORK

The Service Provider for the **ADVanCE** Startups program is expected to perform the following:

1. Provide an Acceleration Program for DTI's identified startups in this specific cluster such as:

- 1.1 Provide a robust selection process framework specifying criteria with concurrence by the DTI and in accordance to defined goals and objectives of the program;
- 1.2 Conduct the Startup selection process;
- 1.3 Conduct the pre-Acceleration program that will include but not limited to the following content areas:
 - a) Review of Startup Fundamentals;
 - b) Customer Segmentation, Competitor Analysis, and Go-to Market Strategies;
 - c) Creation of Financial Models, Economics, Projections, Valuations; and
 - d) Refining Business operations and improving value proposition and differentiation
- 1.4 Conduct the Acceleration program that will include but not limited to the following content areas:
 - a) Organization Development;
 - b) Financial Management (Managing Cash Flow and Burn Rate); Sustainable Financial strategy;
 - c) Defining Revenue Targets / Product and Customer Segments;
 - d) Generating clear and prioritizing milestones;
 - e) Resource generation and utilization;
 - f) Partnership Development;
 - g) Orderly Scaling and expansion;
 - h) Dealing with venture capital; and
 - i) Intellectual Property (IP) rights, Patent examination, IP registry and enforcement

Note: Specific interventions would depend on the definite needs and goals of the startup.

2. Provide mentorship from industry and business experts to manage businesses and connect with other network linkages;
3. Provide Post-Acceleration assessment, action plan, and support to improve on strengths and work on future opportunities as startups go to the next phase of their development journey;
4. Provide office operations and professional services (and space, as applicable), including, but not limited to, legal, accounting, HR and payroll, IP, banking and other special services upon request of the selected startups;
5. Provide aid and technical assistance in securing funding contracts and/or venture capital, joint ventures, business deals for participating startups;
6. Co-organize a culmination activity (National Level Expo / Demo-Day/Innovation awards and challenges) with the DTI, including pitching with investors;
7. Provide appropriate public relations services, such as promotion in the startup community and inclusion in web community promotions and events; and

8. Provide opportunities, support for Regional Inclusive Innovation Centers (RIICs), and other networking events, workshops, and community meetings with DTI and local startup ecosystem members within the duration of the engagement.

V. EXPECTED OUTPUTS AND DELIVERABLES

1. Program Design and Implementation Plan covering all items under #1-8 of the SOW.
2. Design and documentation/record on Startup Selection process and due diligence.
3. Documentation/Record of professional services provided to startups and accomplishment report on the following:
 - a. Improvement of startups in expanding their client base, market reach, expanding and growing revenue streams;
 - b. Changes in the corporate structure of startups and formulation of short-medium term business plan with key milestones;
 - c. Engagements of startups through multiple investor and client meetups; and
 - d. Startups demonstrating increase in revenue streams and securing Angel/Seed/Venture Capital
4. Documentation/record of assistance and interventions provided to secure funding;
5. Documentation report on PR initiatives, website postings, networking leads and engagements;
6. Documentation of the culmination activity (Expo/Demo-Day);
7. Final Report documenting the conduct, delivery, outputs, and outcomes as well as impact of the Program (e.g. Entrepreneurial and Social Impact Assessment; Monitoring and Evaluation of exchange of entrepreneurial initiatives, startup satisfaction to support system provided by DTI and Service Provider; business partnerships formalized during and post training.

VI. QUALIFICATIONS

The Service provider / Startup enabler shall possess any of the following characteristics as a juridical person:

- A registered business entity, either corporate or partnership in the Philippines;
- A joint venture of two or more corporations;
- A new corporation of qualified incorporators;
- A partnership of qualified partners;
- A consortium of international consultants and local partners; or
- A local consortium with an international partner

The service provider / startup enabler must have the following qualifications:

- Should have multiple years of experience in running startup incubation and acceleration programs;
- Should have supported multiple cohorts / batches of the startup acceleration program for Philippine based startups;
- Should have a record of offering various startup assistance programs aside from incubation and acceleration programs;
- Should have a pool of mentors and coaches in the technology and startup space;
- Should have a network of corporate partners and investors both local and

- international; and
- Should be financially stable and have available manpower to conduct the program.

The composition of the project team should at least have the following characteristics:

Position	Qualifications
Project Team Leader	<ul style="list-style-type: none"> ● A Project Management professional with background in science / technology & Innovation management / engineering / arts / entrepreneurship. ● Experience in managing Startup Acceleration programs ● Extensive knowledge about the Startup Development Process ● Experience in collaborating with corporate partners and investors
Project Members (3-7)	<ul style="list-style-type: none"> ● Experience in facilitating Startup trainings/workshops/ capacity building ● Experience in developing Startup training/ workshop modules ● Experience in Public Relation activities and event promotions ● Understanding of the Startup Development process ● Experience in facilitating business matching activities
Mentors and Coaches	<ul style="list-style-type: none"> ● Experienced Entrepreneurs and Business Professionals ● Experienced in Business Development and Go- to-Market strategies and activities ● Technology Experts in various emerging fields (FinTech, AI, AgriTech, 4IR technologies among others) ● Experience in Local Business Laws and Taxation ● Experience in Investment management, Venture Capital Deals, and other funding instruments.

Note: Additional mentors during the implementation of the project is allowed upon approval of the end-user and shall not entail additional cost.

VII. PROFESSIONAL FEES AND FINANCIAL ARRANGEMENTS

The Consultant / Service Provider will be paid a total of Five Million Pesos Php5,000,000.00 (inclusive of taxes) for the program to support the 10 selected Startups.

OUTPUT	SCHEDULE OF SUBMISSION	PAYMENT AMOUNT
Submission of Program Design and Implementation Plan; and Submission of shortlist of startups to undergo selection.	One (1) month after the award of contract	30%
Documentation/ Report of professional services, PR initiatives, and accomplishment of Startup Selection and pre- acceleration phase.	Fifteen (15) days after conduct of pre-acceleration phase of the program	30%
Documentation / Comprehensive Report with contents on program accomplishment for the Acceleration program, technical assistance for startups, public relation services, networking and meetings conducted, and culminating activity as described in the SOW.	Fifteen (15) days after Program Culmination	30%
Provision of post acceleration support programs (Payment shall be proportionate to number of startups to be supported)	6 months after Program Culmination	10%
TOTAL		100%

VIII. TIMETABLE, LOGISTICS AND OTHER ARRANGEMENTS

The period of engagement will be up to December 31, 2021.

The Post-incubation, Demo day and Improvement Reports will be until March 15, 2022.

A defined contract will be signed by the Consultant / Service Provider together with DTI outlining the specific provisions and deliverables including terms and conditions of the engagement. DTI and the Consultant /Service provider will agree on a timetable and after the signing of the agreement.

DTI and Consultant / Service Provider will agree upon exchange of information and provision of assistance for both parties as it may be required subject to existing government rules and regulations.

IX. SELECTION REQUIREMENTS

DTI shall apply the following criteria in evaluating, shortlisting, and selecting the Service provider / Startup Enabler to determine the capacity and track record of the provider for the delivery of the Acceleration Program.

QUALIFIED BIDDERS SELECTION CRITERIA

Technical Component	
Criteria	Means of Verifications

<p>Program Design and Training Framework</p>	<ul style="list-style-type: none"> • Submission of proposed Acceleration Program Design aligned with the programs and objectives of the proposed bid. Contents would include proposal selection process, distinct modules, activities to be conducted, activity timelines, project processes, expected outputs, deliverables, and key performance metrics. • (An oral presentation may be requested by the TWG for better understanding of program design)
<p>Project Completion / Accomplishment Reports</p>	<ul style="list-style-type: none"> • Submission of a comprehensive report/documentation of project completions and accomplishments (information would include recipients, beneficiaries, partners, and impact)
<p>Total Number of Startups who secured new investment and increased revenue streams within 6 months after program graduation</p>	<ul style="list-style-type: none"> • Submission of list of startups who secured new investments / increased revenue streams within 6 months after graduation from Acceleration program.
<p>Project Team Composition and Combined Years of Experience</p>	<ul style="list-style-type: none"> • Submission of list of Project team members including roles and responsibilities. CVs of personalities mentioned should be included as attachments and must reflect years of managing, facilitating, and delivering Startup Development Programs
<p>Experience and Expertise of Roster of Mentors /Coaches/Trainers</p>	<ul style="list-style-type: none"> • Submission of list of Mentors/Coaches/Trainers with distinct expertise. CVs of personalities mentioned should be included as attachments
<p>Financial Proposal</p>	<ul style="list-style-type: none"> • Submission of Financial Proposal

For the guidance and information of all concerned.

SGD.
MARY JEAN T. PACHECO
Assistant Secretary
Chairperson, DTI Bids and Awards Committee