ANNEX A

Republic of the Philippines
DEPARTMENT OF ENERGY
(Kagawaran ng Enerhiya)

DEPARTMENT CIRCULAR NO. DC2021-08-0017

PRESCRIBING THE GUIDELINES AND PROCEDURES FOR THE APPROVAL AND AWARD OF PROJECTS PROPOSED BY SERVICE PROVIDERS FOR THE ENHANCEMENT, ACQUISITION, PROCESSING, INTERPRETATION AND MARKETING OF UPSTREAM PETROLEUM DATA IN THE PHILIPPINES

WHEREAS, Republic Act No. 7638, as amended, otherwise known as *"The Department of Energy Act of 1992"*, mandates the DOE to prepare, integrate, coordinate, supervise and control all plans, programs, projects and activities of the Government relative to energy exploration, development, utilization, distribution, and conservation;

WHEREAS, Section 4 of Presidential Decree No. 87, as amended, otherwise known as the *"Oil Exploration and Development Act of 1972"*, mandates the Philippine Government (the "Government") to directly explore for and produce indigenous petroleum;

WHEREAS, the DOE is continuously adopting new mechanisms and strategies to effectively carry out its plans and programs as mandated under PD 87, as amended;

WHEREAS, the DOE intends to ensure a judicious, expeditious, transparent, competitive and efficient process in the selection, evaluation, award, and implementation of project proposals for petroleum data enhancement, acquisition, processing, interpretation and marketing, which arrangements will entail no cost to the government;

NOW, THEREFORE, in consideration of the foregoing premises, the following guidelines, policies and procedures in the selection, evaluation, award and implementation of contracts with service providers for petroleum data enhancement, acquisition, processing, interpretation and marketing are hereby adopted and promulgated for compliance by all concerned:

Section 1. Scope. This Circular shall prescribe the process of selection, evaluation, award and implementation of contracts/agreements with service providers for petroleum data enhancement, acquisition, processing, interpretation and marketing and, for this purpose, the reconstitution of the Review and Evaluation Committee (REC).

Section 2. Policy in the Acceptance of Project Proposals, Selection of Service Provider, Approval and Award of Service Provider Contracts.

2.1 In the acceptance of project proposals, the DOE shall take significant consideration of the latest applicable technology in data enhancement, acquisition, processing and interpretation.

2.2 Prior to the award of contracts under this Circular, all prospective service providers/applicants, including the project proponent, shall be subjected to legal, technical and financial evaluation, which shall be conducted in a transparent, competitive and expeditious manner and only to ensure that

prospective service provider possesses sufficient legal, technical and financial capability.

2.3 After due evaluation, the contract shall be awarded to the highest ranked applicant, in accordance with the criteria approved by the REC.

Section 3. Organization of the Review and Evaluation Committee (REC). In order to carry out the responsibilities set forth in this Circular, the REC shall be composed of the following officials:

Chairperson	-	Undersecretary-in-charge of the Energy Resource Development Bureau (ERDB)
Vice Chairman	-	Assistant Secretary in-charge of ERDB
Members		Director of the ERDB Director of the Financial Services (FS) Director of the Legal Services (LS) Director of the Information Technology and Management Services (ITMS)

Section 4. REC Technical Working Group (TWG) and Secretariat.

4.1 The REC TWG and Secretariat is hereby constituted to assist the REC in the discharge of its functions and responsibilities including, but not limited to coordination, administration, supervision, evaluation and regulation of project proposals. The REC-TWG shall be composed of the following:

Head	Assistant Director of the ERDB
Members	Chief, Petroleum Resources Development Division (PRDD) Chief, Conventional Energy Resources Compliance Division (CERCD) Chief, Upstream Conventional Energy Legal Services Division (UCELSD) Chief, Information Services Division (ISD) Chief, Information and Data Management Division (IDMD)
Secretariat	Supervising Science Research Specialist and Staff of the PRDD's Geology and Geophysics Section and Information and Data Management Division

Section 5. Responsibilities of the REC

5.1 Receive, evaluate and accept project proposals for petroleum data enhancement, acquisition, processing, interpretation and marketing;

5.2 Review and evaluate the legal, technical, and financial capabilities of prospective service providers;

5.3 Recommend to the Secretary the award and selection in favor of the highest-ranked applicant;

5.4 Address any questions and inquiries that may be raised by the Secretary in connection with the highest-ranked applicant;

5.5 Institute and implement a system of coordination, administration, supervision and regulation during contract implementation.

5.6 Perform other functions that are necessary to carry out its responsibilities and objectives.

Section 6. Responsibilities of the REC-TWG and Secretariat

6.1 Prepare and submit the agenda during the REC meeting;

6.2 Document the proceedings of the REC meetings;

6.3 Prepare the highlights of consensus points of the REC after every meeting;

6.4 Handle all administrative requirements relative to the conduct of the meeting and posting of proposals in the DOE website;

6.5 Conduct initial technical, financial and legal evaluation and prepare the necessary documentation on the results of such evaluation and necessary action documents to be endorsed to the REC and/or to the Secretary for approval;

6.6 Determine the necessary geophysical activity and/or applicable technical data enhancement on the identified areas of interest, as reference in the review and evaluation of project proposals.

Section 7. Qualifications of a Service Provider. A service provider may be any local/foreign individual company or group of companies organized or authorized for the purpose of providing services related to upstream petroleum data enhancement, acquisition, processing, interpretation and marketing and, after due evaluation, was found legally, technically and financially qualified by the DOE

Section 8. Process for the Submission, Evaluation, and Acceptance of Project Proposals and the Evaluation, Selection and Award of Service Provider Contracts. The process for the submission, evaluation and acceptance of project proposals and the evaluation, selection and award of contract shall be in accordance with Annex "A" of this Circular entitled *"Guidelines in the Selection of Service Providers for the Philippine Upstream Petroleum Data Enhancement, Acquisition, Processing, Interpretation and Marketing."*

Section 9. Requirements for Prospective Service Providers. All applicants/prospective service providers shall submit the documents listed under Annex "B" of this Circular entitled *"Service Provider Checklist for Submissions of*

Proposals," which shall be the basis in the evaluation and determination of their legal, technical and financial qualifications.

Section 10. Motions for Reconsideration and Appeals. The REC, for sufficient and valid cause, may at any given time reject any or all submitted proposal/s or application/s. The decision of the REC shall be immediately executory unless a motion for reconsideration is filed with the REC within fifteen (15) days from receipt of the decision rejecting the proposal.

A party desiring to appeal the decision of the REC shall address their concern to the Secretary within fifteen (15) days from receipt of the denial of the motion for reconsideration.

Section 11. Disqualification. All entities with cancelled/terminated project and with outstanding work and financial obligations with the DOE, are disqualified to participate.

Section 12. Data Ownership

12.1 The DOE wholly and exclusively owns the data generated by the Service Provider under the contracts entered under this Circular, except for data generated with proprietary rights or as may have been agreed under the Service Provider's contract.

12.2 Within six (6) months from the completion of acquisition, processing, reprocessing or any form of enhancement of the data, the Service Provider shall submit all deliverables free of charge to the DOE for their internal use and retention.

12.3 The Service Provider, if so agreed under the contract, shall be afforded a reasonable period to exclusively market and sell the data, after which the same shall be exclusively owned by the DOE.

Section 13. Separability Clause. If for any reason, any section or provision of this Circular and its Annexes is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

Section 14. Repealing Clause. All prior issuances of the DOE that are inconsistent with the provisions of this Circular are hereby repealed or amended accordingly.

Section 15. Effectivity. This Circular shall take into effect fifteen (15) calendar days following its publication in two (2) newspapers of general circulation and shall remain in effect until otherwise revoked.

Issued this _____ 2021 in Bonifacio Global City, Taguig City, Metro Manila.

Alfonso G. Cusi
Secretary

Republic of the Philippines
DEPARTMENT OF ENERGY

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