



Republic of the Philippines
Department of Agriculture
AGRICULTURAL TRAINING INSTITUTE

ATI Building, Elliptical Road, Diliman, Quezon City, Metro Manila 1100
Tel. Nos. (63-2) 929-8541 to 49 & 928-7397 Fax No. (63-2) 920-9792
E-mail: ati_director@ati.da.gov.ph & ati_director@yahoo.com
URL: <http://www.ati.da.gov.ph>; www.e-extension.gov.ph

TERMS OF REFERENCE

Hiring of External Proponent for the Conduct of the Cost-Benefit Analysis of the ATI's Farmer-Level Commodity Trainings

I. Rationale

The Agricultural Training Institute, (ATI), the extension arm of the Department of Agriculture, is the lead orchestrator for the provision of agriculture and fisheries extension programs and services in the country. Pursuant to Executive Order No. 338 and consistent to Republic Act 8435 or the Agriculture and Fisheries Modernization Act (AFMA) of 1997, it is mandated to lead in the formulation of the national Agriculture and Fisheries Extension (AFE) agenda and budget; prepare an integrated plan for publicly-funded training programs in agriculture and fisheries; formulate and issue guidelines in planning, implementing, monitoring and evaluating AFE programs; and assist, in coordination with state universities and colleges, the local government units extension system by improving their effectiveness and efficiency through capability building and complementary extension activities such as technical assistance, training of local government unit (LGU) personnel, improvement of physical facilities, extension cum research and information support services.

According to AFMA, extension interventions are classified into four (4) major functions namely: training, technology demonstration, information, education, and communication (IEC); and farm and business advisory services (FBAS). Ideally, the AFMA states that local government units shall be responsible for delivering these extension interventions. However, different issues hinder LGUs from efficiently and effectively delivering these services to farmers and fisherfolk. Thus, the ATI and other extension stakeholders from the national government and private sector have also engaged in providing trainings for farmers and fisherfolk to strengthen their competitiveness. For ATI, this is coursed through farmer and fisherfolk cooperatives and associations as well as rural-based organizations.

Since engaging in farmer-level trainings, there has been limited studies and evaluations made on the results and impacts of the trainings conducted. Mostly, evaluations are made immediately after trainings which only covers the level of satisfaction of participants trained on the conduct of the activity, the effectiveness of the methodologies employed, and their perceived level of knowledge gained, among others. Although there have been numerous success stories published which details the positive changes and transformation that happened in some of the trained farmers, there has been no assessment made on the efficiency and effectiveness of conducting farmer-level trainings on providing positive changes to the trained farmers' lives.

Specifically, there is no evidence that shows that the cost of conducting farmer-level trainings produces positive benefits. Or if there are any positive benefits, does its value outweigh the cost of conducting farmer-level trainings? To determine this, there is a need for ATI to conduct a cost-benefit analysis (CBA) on its farmer-level trainings. The purpose of a CBA is to identify and measure all cost and benefits attributed to the farmer-level trainings in terms of its monetary value. It is an economic analysis that compares all the benefits and cost using measurements for changes in value over time. This would help show that farmer-level trainings conducted are economically viable and that resources used in conducting them are reasonable and justifiable.



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II. Objectives of the CBA

The general objective of the cost-benefit analysis is to quantify and compare in monetary terms all the benefits and cost of conducting farmer-level trainings, specifically, a 3 to 5-day training and a season-long training.

Specifically, the CBA seeks to:

1. Identify all possible cost and benefits before and after the conduct of the training;
2. Determine the benefit-cost ratio of conducting farmer-level trainings;
3. Determine the net present value of conducting farmer-level trainings;
4. Determine the internal rate of return of conducting farmer-level trainings;
5. Perform sensitivity analysis on the conduct of farmer-level trainings; and
6. Draw recommendations and lessons learned to improve the provision of farmer-level trainings.

III. Scope of Work

The external proponent's scope of work will include the following:

- Review of relevant documents related to the conduct of farmer-level trainings of ATI.
- Prepare methodologies to be used for the CBA.
- Identify key informants, resource speakers, the population for surveys and interviews, and site validation, among others.
- Submit the Detailed Research Proposal.
- Prepare data collection tools and instruments, computational and data transmission templates, and protocol materials.
- Implement the data collection based on the approved Detailed Research Proposal.
- Submit Mid-Term Status Report.
- Analyze, interpret, and consolidate findings.
- Prepare the draft Final Report.
- Present initial findings of the CBA to ATI management.
- Integrate comments from the presentation and refine the Final Report.
- Submit Revised Final Report.
- Present the results to key stakeholders on the invitation of ATI.

IV. Outputs

The expected outputs for the conduct of the CBA are as follows:

1. **Detailed Research Proposal** – provides the complete details of the study implementation plan which includes the methodology to be used, research questions, sampling framework, detailed work plan and timetable, personnel involved and their level of effort, and cost breakdown.
2. **Mid-term Status Report** – provides updates regarding the progress made of the study when the timetable reaches the halfway mark (50%). It details the activities that have been already conducted and its corresponding outputs, as well as the issues and problems, encountered if any.
3. **Final Report** – discusses the results of the CBA, lessons learned and recommendations. It also incorporates the comments, inputs, and suggestions made during the presentation of the initial findings to ATI management.



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V. Implementing Unit

The implementing unit of the CBA is the Policy and Planning Division through the National Extension System Planning, Monitoring, and Evaluation Section (NESPME). The NESPME will oversee, coordinate, facilitate, and ensure the smooth implementation of the CBA.

The expected outputs of the CBA shall be reviewed by the Chief of the Policy and Planning Division and endorse it for the approval of the ATI Director.

VI. Duration of the CBA

The actual conduct of the CBA by the external proponent will be six (6) months from the receipt of Notice to Proceed.

Ideally, this would be from June to November 2018. This means that the timeline in the proposals to be submitted should fall under these months. A general schedule of activities for the conduct of the CBA is shown in the Gantt chart below as a reference.

Gantt chart of activities for the conduct of the CBA.

Activities	Month						
	May	Jun	Jul	Aug	Sept	Oct	Nov
Conduct of Inception Meeting	■						
Submission of the Detailed Research Proposal	■						
Developing of data collection tools and instruments	■						
Data Collection		■	■	■	■		
Conduct of Mid-Study Meeting				■			
Submission of Mid-Term Status Report				■			
Data Consolidation, Analysis, and Interpretation					■	■	
Drafting of Final Report						■	
Presentation of initial findings						■	
Finalization of the Final Report							■
Conduct of closing meeting							■
Submission of the Final Report							■

The implementing unit will conduct four (4) meetings with the external proponent to discuss topics, issues, and concerns regarding the conduct of the CBA. These meetings are as follows: inception meeting, mid-study meeting, presentation of initial findings, and closing meeting.

The submitted proposals are expected to coincide with the ideal timeline for the conduct of the CBA.



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VII. Qualifications and Requirements

The qualification for individuals interested in the conduct of the CBA are the following:

- Advanced relevant degree(s) in economics, finance, business, program/project management, monitoring, and evaluation, or other related fields.
- At least 7 years of experience in the formulation, implementation, monitoring, evaluation and assessment of development projects, particularly agricultural-related projects.
- Profound understanding of CBA methodologies and approaches and performing a financial and economic valuation of development interventions.
- Familiarity with the Philippine agriculture sector and the DA commodity programs
- Strong analytical, technical and writing skills in English.

Interested individuals shall submit the following requirements personally or through courier at the ATI Building, Elliptical Road, Diliman, Quezon City:

1. Cover letter stating expression of interest addressed to:

DR. LUZ A TAPOSOK
OIC, Director
Agricultural Training Institute
ATI Building, Elliptical Road, Diliman, Quezon City

Attention: ATI Bid and Awards Committee

2. Curriculum vitae of the external proponent
3. Study proposal which shows:
 - a. sample framework and methodology to be used to address the purpose and objectives of the study
 - b. sample work plan of the specific schedule of activities to be undertaken
 - c. budget breakdown for the conduct of the study (including resources needed as well as manpower)
4. A signed copy of Request for Quotation (RFQ) indicating PhilGEPS number and bank account number (electronic signatures and photocopies are not allowed)
5. PhilGEPS certification for Platinum members / Print screen of account information for Red members
6. Latest Income/Business Tax Return (ITR)
7. Omnibus Sworn Statement (*as prescribed by the 2016 Revised IRR of RA 9184*)

Incomplete requirements will not be entertained. The study proposals submitted will be evaluated according to the following criteria: (1) qualifications of the proponents (25%); (2) compliance to the terms of references (15%); (3) quality of research proposal (50%); and (4) utilization of fund (10%).



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VIII. Grant Amount and Payment Schedule

The approved budget for the contract for the conduct of the CBA is **Php 998,000.00, inclusive of applicable government taxes**. The contract is a fixed price contract and any extension of contract time shall not involve any additional cost to ATI. The total amount of the contract will be paid in three (3) tranches as such:

1. First Payment (50%)

The first payment tranche, which corresponds to 50% of the grant, is given after the submission and approval of the Detailed Research Proposal.

2. Second Payment (30%)

The second tranche, which corresponds to 30% of the grant, is given after the submission and approval of the Mid-term Status Report.

3. Third Payment (20%)

The third and last tranche, which corresponds to 20% of the grant, is given after the submission and approval of the Final Report. Specifically, four (4) hard copies and one (1) soft copy of the Final Report as well as all materials and documents used in the conduct of the study shall be submitted to the Policy and Planning Division during the closing meeting.

IX. Ownership Rights

Any report, forms, materials, graphic, pictures, software, or data system prepared by the external proponent shall belong to and remain the property of ATI. The consultant shall turn over all materials used during the baseline study in digital format stored in CD/DVD/USB before the approval of the Final Report.