

BIDS AND AWARDS COMMITTEE FOR INFRASTRUCTURE
Resolution No. 2019-001

Procurement of Contractor for the Development of Properties in Marawi City
Thru Negotiated Procurement for Emergency Cases by the
Social Housing Finance Corporation (SHFC)

WHEREAS, on May 23, 2017, the armed conflict in the City of Marawi erupted and it sustained significant damage to its public infrastructures and utilities, as well as private properties, displacing thousands of its residents;

WHEREAS, the Administrative Order (AO) No. 3, series of 2017, created the inter-agency taskforce for the recovery, reconstruction, and rehabilitation of the City of Marawi and other affected localities; this included the creation of sub-committee on housing which is responsible for the immediate rehabilitation and reconstruction of temporary or permanent shelters, and the restoration of water, electricity, and other public utilities;

WHEREAS, AO No. 9, series of 2017, was issued to amend the AO No. 3, series of 2017, with HUDCC as head of the inter-agency taskforce and the sub-committee on housing;

WHEREAS, the results of the Post-Conflict Needs Assessment (PCNA) undertaken for the preparation of BM-CRRP presented that the five-month long siege of Marawi resulted in massive displacement of communities, with more or less 360,000 internally displaced persons were brought to emergency shelters in Lanao del Sur, Lanao del Norte, and Iligan City;

WHEREAS, one of the recommendations in the PCNA which was adopted in the BM-CRRP is the construction of permanent housing/resettlement sites to avoid further damage or possible loss of lives due to natural or man-made calamities;

WHEREAS, the Social Housing Finance Corporation (SHFC), created under Executive No. 272, is mandated to be the lead government agency to undertake social housing programs that will cater to the formal and informal sectors in the low-income bracket;

WHEREAS, the SHFC, entered into a Memorandum of Understanding with the UN-Habitat for the implementation of the Project, "Rebuilding Marawi through Community-Driven Shelter and Livelihood Support in Marawi City" (Marawi Shelter Project), for the internally displaced people living within the 3-6 meter easement of Lake Lanao and Agus River:

- a. Security on land tenure, either thru ownership or usufruct;
- b. 1,500 core shelters built for the affected households;

- c. 10 community infrastructure built (addressing needs on water, sanitation, roads and a multi-purpose community center);
- d. Livelihood support and capacity development opportunities provided to 4,000 households;
- e. Community development support extended to 4,000 households;
- f. Structures for sustainable peace and development strengthened; and
- g. GIS-based map of tenurial rights of partner communities.

WHEREAS, the Task Force Bangon Marawi (TFBM) has approved the inclusion of the SHFC's projects/programs/ activities (PPAs) lot acquisition and site development in the Bangon Marawi – Comprehensive Rehabilitation and Recovery Program (BM-CRRP) and the funding allocation of Php398,750,000.00 under the Marawi Recovery, Rehabilitation and Reconstruction Program (MRRRP) Fund for 2018 and 2019;

WHEREAS, On November 2018, the SHFC Board of Directors approved the purchase of the properties located in Dulay, Marawi City, which will serve as relocation site for the initial 900 beneficiaries (SHFC Board Resolution No. 694, series of 2018), and consequently approved the Guidelines on Marawi Shelter Project (MSP Corporate Circular No. 19-001);

WHEREAS, the SHFC has released the first tranche to the landowners, equivalent to 20% of the total selling price, which gives the authority to the SHFC to commence with the development of the properties;

WHEREAS, the SHFC Board of Director approved the conduct of the procurement of contractors for the development of the two (2) properties, thru Negotiated Procurement for Emergency Cases (Board Resolution No. 734, series of 2019), in view of the following considerations:

- a. The 2016 revised IRR of the Government Procurement Act or RA 9184, section 53, states that negotiated procurement is a method of procurement of good, infrastructure projects and consulting services, where the procuring agency directly negotiates a contract with a technically, legally and financially capable supplier, contractor or consultant, during emergency cases. This method may be undertaken in case of imminent danger to life or property during a state of calamity, or when time if of the essence arising from natural or man-made calamities or other cause where immediate action is necessary to prevent damage to or loss of life or property, or to restore vital public services, infrastructure facilities and other public utilities.
- b. Issuance of Proclamation No. 216, series of 2017, declaring a state of martial law and suspending the writ of habeas corpus in the whole of Mindanao, because of the attack of the terrorist group, which cause death and damage to property, not only in Lanao del Sur but also in other parts of Mindanao. The Senate and the House of Representatives in a Joint Session, resolved further to extend Proclamation No. 216 for another year from January 1, 2019 to December 31, 2019, in view of the reports that

rebellion still persists in the whole of Mindanao and that public safety requires the continuation of Martial law.

- c. The PCNA report shows that the five-month long siege in Marawi City resulted in massive displacement of communities, and recommended the construction of permanent housing/resettlement sites.

WHEREAS, the Project Steering Committee, a multi-agency body that serves as the project advisory group of the Marawi Shelter Project, composed of representatives of the Islamic City of Marawi, UN-Habitat, TFBM, Representatives from Sultans, Ulamas and Internally Displaced People, issued PSC Resolution No. 19-001 recommending the conduct of negotiated procurement of contractors for the development of the properties in Marawi City in consideration of the unstable peace and order situation in the City and nearby localities;

WHEREAS, the BAC-Technical Working Group in its Memorandum dated August 8, 2019 endorsed the conduct of negotiated procurement of contractor for the site development phase of the Project, highlighting the declaration of Martial law in Mindanao until December 31, 2019, PCNA recommendation for construction of permanent housing and the presence of threat groups and peace spoilers within the Marawi City and its periphery;

NOW THEREFORE, be it resolved as it is hereby resolved, that the members of the Bids and Awards Committee (BAC) for Infrastructure, hereby recommends to the Head of Procuring Entity (HOPE) the conduct of procurement of contractors that would undertake the development of all properties through Negotiated Procurement, in view of the urgent need to provide permanent shelter assistance to avoid further damage or possible loss of lives of the identified beneficiaries of the Project because of the presence of threat groups within the City and nearby localities;

RESOLVED FURTHER, the BAC for Infrastructure shall undertake Pre-Bid Conference on August 28, 2019 in Cagayan de Oro, and that the BAC-TWG shall finalize the Terms of Reference (TOR) for the procurement of contractor.


APPROVED UNANIMOUSLY by the Bids and Awards Committee for Infrastructure on 20 August 2019 in Makati City.


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