



## REQUEST FOR PROPOSAL


1. The Philippine Institute for Development Studies (PIDS) invites all eligible individual consultants to submit proposals for the **Technical Research Associate for Cost of Health Devolved Functions**.
2. The Approved Budget for the Contract (ABC) is **PhP300,000.00**.
3. Interested consultants must submit the following documents using PIDS the prescribed forms:
  - a) Curriculum Vitae of the proposed Consultant(s)<sup>1</sup>
  - b) Technical Proposal Form<sup>1</sup>
  - c) Financial Proposal Form<sup>1</sup>
  - d) Filled out Data Privacy Notice and Personal Data Protection Form<sup>1</sup>
  - e) Statement of Completed contracts<sup>2</sup>
  - f) Statement of All Ongoing and Awarded But Not Yet Started Contracts<sup>2</sup>
  - g) Notarized Omnibus Sworn Statement (for ABC above PhP50,000.00)<sup>1</sup>
  - h) Income/Business Tax Returns (for ABC above PhP500,000.00)<sup>1</sup>
  - i) PhilGEPS Registration Number (certificate or screenshot)<sup>1</sup>
  - j) Valid Mayor's/Business Permit (Firm) or BIR Certificate of Registration<sup>3</sup> (Individual).

**Individual consultants must issue Official Receipt (OR) during payment.**
4. Interested consultants may obtain further information from the Procurement Management Division at telephone via email at [procurement@pids.gov.ph](mailto:procurement@pids.gov.ph).
5. The Institute shall adopt the Quality-Based Evaluation procedure in selecting consultants based on the attached Terms of Reference.
6. The deadline for submission of proposals is on **28 July 2025 (5:00 PM)** addressed to:

The BAC Chairperson for Consultancy  
Services c/o The BAC Secretariat  
Procurement Management Division  
18/F Three Cyberpod Centris – North Tower, EDSA cor. Quezon Ave., Quezon City

Proposals may also be submitted through email at [procurement@pids.gov.ph](mailto:procurement@pids.gov.ph).

7. PIDS reserves the right to reject any or all of the proposals, declare a failure of bidding, or not award the contract if there is evidence of collusion, including any act that restricts, suppresses, or nullifies competition, or if there is a failure to follow the prescribed bidding procedures. PIDS also reserves the right to waive any required formality in the proposals received and select the proposal it determines most advantageous to PIDS.

  
**DR. AUBREY D. TABUGA**  
Chairperson  
PIDS-BAC for Consultancy Services

Reference No.:2025-206

<sup>1</sup>Applicable for individual consultants and firms

<sup>2</sup>Applicable for firms only

Philippine Institute for Development Studies

## TERMS OF REFERENCE

Technical Research Associate

for

COST OF HEALTH DEVOLVED FUNCTIONS<sup>1</sup>

### 1. Background and Rationale

For over 30 years since the implementation of the Local Government Code (LGC) of 1991, full devolution in the Philippines has yet to be fully realized, revealing several persistent challenges. A key issue is the mismatch between the financial resources available to local government units (LGUs) and the functions they are expected to perform. Many LGUs, particularly those in less developed areas, struggle with absorptive capacity and the effective delivery of services due to various constraints, including limited infrastructure, insufficient human resources, weak planning capabilities, and technical capacity gaps. These challenges have contributed to a trend of “creeping reverse decentralization,” wherein authority and resources—particularly in sectors like healthcare—are being recentralized. For example, the Department of Health has regained control over the financing of some hospitals, and the central government has resumed responsibility for part of health insurance costs (Shair-Rosenfield 2016).

Cuenca (2020) highlighted that disparities between local government’s fiscal capacity and devolved functions, fragmentation within the health system, the existence of a two-track delivery system, and unclear expenditure assignments all contribute to inefficiencies. Addressing these issues is essential to fully realizing the potential benefits of fiscal decentralization, particularly in improving the efficiency of health devolution.

These disparities became more pronounced with the implementation of the Mandanas-Garcia Ruling in 2022, which expanded the Internal Revenue Allotment (IRA) - now called the National Tax Allotment (NTA) - to include all national taxes. This ruling marks a significant milestone in the Philippines’ fiscal decentralization efforts, granting LGUs greater fiscal autonomy. However, it also raises critical concerns regarding the cost, efficiency, and equity of devolving functions. Understanding the financial requirements of devolved responsibilities is crucial for several reasons. First, it helps assess the fiscal readiness of LGUs to assume their expanded mandates under the 1991 LGC. Second, it ensures that fund realignment does not compromise the delivery of essential public services. Lastly, a thorough analysis of these costs is vital for identifying resource allocation gaps and challenges, enabling policymakers to design equitable and sustainable solutions.

### 2. Objectives of the Study

The existing literature highlights persistent challenges in the decentralization of healthcare services in the Philippines. While the LGC and the Mandanas-Garcia ruling provide a legal basis for fiscal autonomy, the reality is that revenue-expenditure mismatches continue to hinder LGUs’ ability to efficiently manage devolved health functions. Additionally, disparities in fiscal capacity and institutional constraints contribute to inconsistencies in service delivery across different localities.

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<sup>1</sup>This engagement will be charged to the in-house study titled Cost of Health Devolved Functions.

These findings underscore the need for a systematic analysis of the cost of devolved health functions. By examining the financial requirements of LGUs in delivering healthcare services, this study seeks to assess fiscal disparities and identify policy options for improving resource allocation. The goal is to provide evidence-based insights that can inform strategies to enhance the efficiency and equity of health devolution in the Philippines.

### 3. Objectives of the Consultancy

The project necessitates the engagement of a **Technical Research Associate** who will assist the PIDS Research Fellow/Project Director, Consultant, and the study team in processing existing data on the public health spending and budgeting norms. The specific technical outputs expected from PIDS can be satisfactory and promptly met through the inputs coming from the consultant.

### 4. Scope of Work, Deliverables, and Schedule of Payment Releases

Under the guidance and technical oversight of a PIDS Research Fellow who serves as the Project Director, the Technical Research Associate<sup>2</sup> is expected to work with the Project Team and undertake the following tasks/activities<sup>3</sup>:

1. Provide technical support in discussions on the political economy aspects of local health budgeting, including the processes and current practices across different LGU income classifications;
2. Lead data management and analysis in support of the review of LGU public spending on health;
3. Assist on the data collection activities and field visits;
4. Sign a Non-Disclosure Undertaking with PIDS. Any information gathered and generated in the implementation of the project shall be processed subject to the applicable provisions of the Republic Act No. 10173, known as the “Data Privacy Act of 2012” and its Implementing Rules and Regulations and relevant issuances of the National Privacy Commission (NPC); and
5. Others may be assigned by the Project Director.

The Consultant will prepare the following outputs based on the schedule below:

Activities and Deliverables <sup>4</sup>	Due Dates	Payment Tranches	Amount
<ul style="list-style-type: none"> <li><b>Inception Report</b> following PIDS template including workplan and proposed methods, including accomplishments for the scope of work items 1 &amp; 2.</li> </ul>	Three (3) weeks after the contract signing	15%	PHP 45,000.00

<sup>2</sup> The consultant may be an individual or a firm.

<sup>3</sup> If the consultant needs to undertake physical/face-to-face interviews and data collection and related activities, the consultant must ensure compliance with existing and future policies, rules, and resolutions as may be issued by concerned government agencies pertaining to health and safety.

<sup>4</sup> For research outputs that will be released as a PIDS Discussion Paper (DP), the consultant shall prioritize the publication outlets of PIDS, particularly the peer-reviewed Philippine Journal of Development (PJD) and Research Paper Series (RPS). If the DP is not selected by PIDS Management for publication either as a PJD article or an RPS issue, the consultant may identify other dissemination outlets outside of PIDS. Guidelines for Authorship in PIDS Research Projects shall apply.

<ul style="list-style-type: none"> <li>• <b>Progress Report</b> including accomplishments for the scope of work items 1 – 3.</li> </ul>	30 August 2025	25%	PHP 75,000.00
<ul style="list-style-type: none"> <li>• Draft Report including accomplishments for the scope of work items 1 - 3.</li> <li>• Presentation in a Research Workshop<sup>5</sup></li> </ul>	30 September 2025	25%	PHP 75,000.00
<ul style="list-style-type: none"> <li>• Final Report addressing comments to the Draft Report and comments from on the Research Workshop<sup>6</sup></li> <li>• Terminal Report</li> <li>• Turnover of draft and materials used together with Certification indicating the turnover of as well as the deletion of such data and that it will allow PIDS to verify if the data is complete.</li> </ul>	30 November 2025	35%	PHP 105,000.00

NOTE: Payments will be based on the acceptance and approval by PIDS of the corresponding outputs

## 5. Qualifications of the Consultant

The Consultant should have the following qualifications:

Education	At least bachelor's degree in economics, education, public administration, development studies, management or any related fields.
Training	At least 1 year of experience as a research analyst in relevant fields.  Four (4) hours of relevant training.
Experience	Intermediate level core competencies: deliverability/results-oriented, professionalism, adaptability, and communication skills.  Intermediate level functional competencies: data gathering, problem solving and analysis, dissemination, and technical writing.
Eligibility	None required

<sup>5</sup> For applicable outputs, the draft and final reports submitted by the consultants should be aligned with the following guidelines: PIDS' Guide in the Preparation of Manuscript for Publication and General Guidelines in Preparing and Formatting a PIDS Discussion Paper, Guidelines in the preparation of Policy Notes.

<sup>6</sup> For applicable outputs, the draft and final reports submitted by the consultants should be aligned with the following guidelines: PIDS' Guide in the Preparation of Manuscript for Publication and General Guidelines in Preparing and Formatting a PIDS Discussion Paper, Guidelines in the preparation of Policy Notes.

## 6. Project Duration

The engagement will commence upon the signing of the contract until **30 November 2025**, on a part-time basis. The Consultant's work must be completed by within this period, and no man days will be chargeable after this date.

## 7. Approved Budget for the Contract

The approved budget for this consulting service is PHP 300,000.00. This amount does not include travel and accommodation during fieldwork. PIDS will shoulder the cost of fieldwork. PIDS shall not cover hospitalization and other COVID-related health expenses of the consultant as no employer-employee relationship exists between the PIDS and the Consultant.

## 8. Evaluation Criteria

a. Evaluation Criteria:

The **Technical Research Associate** will be evaluated based on the following criteria:

<b>Qualifications</b> At least bachelor's degree in economics, education, public administration, development studies, management or any related fields	50%
<b>Experience</b> - At least 1 year of experience as a research analyst in relevant fields - At least 4 hours relevant training in items related to the scope of work	25%
<b>Competencies</b> - Intermediate level core competencies: deliverability/results-oriented, professionalism, adaptability, and communication skills - Intermediate level functional competencies: data gathering, problem solving and analysis, dissemination, and technical writing	25%
<b>Total</b>	100%

b. Detailed rating sheet (see attached file)

Prepared by:

  
**Valerie Gilbert T. Ulep, PhD**  
Project Director

Reviewed and Approved by:

  
**Christine Ruth P. Salazar**  
Officer-in-Charge, Research Services Division