



## TERMS OF REFERENCE

***Procurement of Consulting Services  
for the Conduct of the Complementing Studies:  
Policy Paper on Digital Transformation in the Philippines and the  
White Paper on Digital Transformation of Tourism in the  
Association of Southeast Asian Nations (ASEAN)***

### **I. PROJECT TITLE**

Policy Paper on Digital Transformation in the Philippines; and  
White Paper on Digital Transformation of Tourism in the ASEAN

### **II. DATE OF IMPLEMENTATION**

November 2022 to January 2023 (12 weeks)

### **III. LOCATION**

Manila, Philippines

### **IV. BACKGROUND / RATIONALE**

Pursuant to Section 12(I) of Republic Act No. 9593 (Tourism Act), the Office of Tourism Development Planning, Research and Information Management (OTDPRIM) under the Tourism Development (TD) Sector is mandated to pursue the Department's interests in multilateral, international and regional tourism cooperation, agreements and treaties.

Likewise, the OTDPRIM is tasked to "Conduct researches and studies, disseminate all relevant data on tourism, monitor and analyze the socioeconomic impact of tourism upon affected local communities and the nation to maximize the benefits of tourism throughout affected local communities and to avoid or mitigate possible negative impacts of the industry".

In the regional setting, tourism ministers affirmed that digital technology "is the new driving force for global economic growth and that it can transform the tourism sector by making travelers' journeys more seamless and memorable". Furthermore, leaders of the ASEAN declared to use digital tools to revive tourism in the region in the wake of the coronavirus disease (COVID-19) pandemic.

The leaders of the ten (10) Member States issued the ASEAN Declaration on Digital Tourism at the 37th ASEAN Summit, in November of 2020. In the ASEAN Declaration on Digital Tourism, the leaders noted the importance of the tourism industry in sustaining the socioeconomic growth of members. Tourism is also expected to contribute to regional cultural exchanges, poverty reduction, improved quality of life, and peace and prosperity.

In the context of the ASEAN Tourism Cooperation the Philippines through the Department of Tourism (DOT) has led the review and updating of the ASEAN Tourism Strategic Plan (ATSP) 2016-2025 Work Plan 2021-2025, wherein the Digitization of the ASEAN Tourism Industry has been identified as a new priority as stated in Strategic

Program 1.7 Implement Digitalization of Tourism Initiatives. Specifically, the DOT leads activity 1.7.1.1 Review, encourage and enhance the public and private sector's adoption and implementation of technology and innovation in the travel and tourism industry.

## **V. BRIEF DESCRIPTION AND OBJECTIVES**

The adoption of the ASEAN Declaration on Digital Tourism is a major priority in order to implement and expand ASEAN Digital Tourism Services and Infrastructure. Priorities include sharing of best practices and training programs in designing, adopting and implementing innovations, safe, and frictionless interactions and transactions. The use of artificial intelligence and other digital innovations can influence travel motivation and confidence and decisions. This will also address travel facilitation of essential and later leisure travelers as destinations re-open during COVID and make adjustments post COVID.

The OTDPRIM – Policy Formulation and International Cooperation Division (PFICD) shall conduct a study on the following topics:

- A. Policy Paper on Digital Transformation of the Tourism Industry in the Philippines, an assessment of existing policies, capabilities, mechanisms, and proposed interventions to facilitate development in this area; and
- B. White Paper on Digital Transformation of Tourism in the ASEAN, which is expected to cover the documentation of best practices in development and utilization of digital platforms to support ASEAN tourism e-commerce, as well as provide recommendations to support action planning for the ASEAN National Tourism Organizations.

### ***Policy Paper on Digital Transformation of the Tourism Industry in the Philippines***

The Policy Paper as a research piece shall focus on the specific policies available in the Philippines and seeks to provide a clear recommendation for the Department of Tourism and its relevant partners in the facilitation of digital transformation for the Philippine tourism industry. Specifically, the research aims to:

1. Define the current state of digitization in the Philippine Tourism Industry;
2. Analyze the available data on the country's capabilities in terms of digital technologies applicable for tourism development;
3. Provide recommendations on viable policies and strategies to achieve effective facilitation of digital transformation to enhance the competitiveness of the Philippine tourism industry; and
4. Align the proposed strategies in facilitating Digital Transformation in the Tourism Industry of the Philippines to the most advantageous position in the regional framework of the ASEAN.

### ***White Paper on Digital Transformation of Tourism in the ASEAN***

The overarching goals of the White Paper is attuned to the ASEAN Declaration on Digital Tourism, wherein a baseline document shall be produced as primary reference in achieving the key objectives of:

1. Creating favorable conditions to facilitate the development of tourism policies and infrastructure to reduce barriers to entry and encourage the adoption of digital technology and innovation among tourism businesses and communities, including startups; micro, small, and medium-sized enterprises; and tourism institutions, as well as to enhance public–private partnerships;
2. Enhancing capacity building and develop human resource development programs with a focus on upskilling and reskilling the tourism workforce;
3. Encouraging research, development, and application of advanced technologies and innovations in tourism through cooperation in areas such as innovative technologies, tourism investment, joint applied research, development and deployment projects, and through the sharing of policies and best practices among ASEAN members and external partners;
4. Attracting investments to implement digital technology in areas such as product development, tourism promotion, tourism safety and security, and quality destination experiences to improve the overall user experience and benefit the tourism workforce, businesses, and communities

## **VI. SCOPE OF SERVICES**

1. Adherence to the appointed mutually agreed consulting/facilitation days and prescribed timelines;
2. Compliance to agreed schedule of deliverables;
3. Facilitate a multi-disciplinary approach to the conduct of the studies with the appropriate composition of experts for identified fields, i.e. digital technology systems, policy research, tourism development planning, and international relations. Experts may be designated to focus per output; and
4. Suggest further strategies to accomplish the projects objectives.

## **VII. DELIVERABLES OF THE CONSULTANT**

1. Inception Report and detailed work plan for the duration of the project;
2. Gathering of data for the studies through primary sources and literary references;
3. Supplement data from proxy sources in order to ensure the creation of a workable foundation for the studies;
4. Coordination with the relevant governmental institutions (both local and regional), tourism industry stakeholders, development partners, and other experts on the subject matter to aid in the gathering of pertinent information;
5. Facilitation and conduct of consultations with relevant stakeholders (may be organized physically or virtually);
6. Policy Paper on Digital Transformation of the Tourism Industry in the Philippines;

7. White Paper on Digital Transformation of Tourism in the ASEAN;
8. Presentation of the outputs to the DOT Management; and
9. Project completion report.

#### VIII. SCHEDULE OF DELIVERABLES

Proposed Schedule	Activity
Week 1	Entry into <b><u>contract</u></b> between the DOT and the consultant
Week 2	Conduct of preparatory meetings and work planning by the consultant
Week 3	Submission of <b><u>Inception Report</u></b> with detailed project work plan, and approval by the DOT project team
Week 4	Data gathering and validation of consultation tools
Week 5	Conduct of consultations with local stakeholders (Philippines)
Week 6	Conduct of consultation programs with regional stakeholders (ASEAN Member States)
Week 7	Submission of the draft report of the Policy Paper on Digital Transformation of the Tourism Industry in the Philippines
Week 8	Review and feedback from DOT project team
Week 9	Submission of the <b><u>Final Report on the Policy Paper on Digital Transformation of the Tourism Industry in the Philippines</u></b> and submission of draft report on the White Paper on Digital Transformation of Tourism in the ASEAN
Week 10	Review and feedback from DOT project team
Week 11	Submission of the <b><u>Final Report on the White Paper on Digital Transformation of Tourism in the ASEAN</u></b>
Week 12	Submission of the <b><u>project completion report</u></b> and culmination of the activity.

#### IX. DOT'S RESPONSIBILITIES

1. Oversee and monitor the pre-work required prior to the conduct of the studies;
2. Provide necessary documents and materials available to the DOT as needed by the consultant/s;
3. Assist in the invitation of identified resource entities;
4. Provide logistical arrangements for the participants, secretariat, and resource speakers during consultations, as needed;



5. Provide secondary online platform (i.e., online video conferencing) to be made available in case of a hybrid-type of activity is preferred; and
6. Adhere to timelines set according to the mutually agreed program schedules.

## **X. TERMS OF PAYMENT**

As remuneration for services rendered, the consultant or consulting firm shall receive a professional fee in the amount of **SIX HUNDRED AND THIRTY THOUSAND PESOS (PHP 630,000.00)** inclusive of all applicable taxes.

The consultancy firm must have a LandBank of the Philippines (LBP) account. Payment will be made through LBP bank deposit. In case the supplier does not have a LandBank account, bank charges will be shouldered by the consultancy firm.

DOT reserves the right to withhold all or a portion of payment if performance is deemed unsatisfactory, if work/output is incomplete, not delivered or failed to meet deadline/s set; or all other factors in breach of the TOR.

The indicative scheme of payment is as follows:

% of Payment	Deliverables
<b>A. Milestone 1: Project Design</b>	
30%	1. Submission of Inception Report and Approved Project Work Plan
<b>B. Milestone 2: Policy Paper on Digital Transformation of Tourism in the Philippines</b>	
40%	2. Submission of the Final Report on the Policy Paper on Digital Transformation of the Tourism Industry in the Philippines
<b>C. Milestone 3: White Paper on Digital Transformation of Tourism in the ASEAN</b>	
30%	3. Submission of the Final Report on the White Paper on Digital Transformation of Tourism in the ASEAN

## **XI. CONSULTING FIRM'S SPECIFIC QUALIFICATIONS**

- a. Must possess at least six (6) months of continuous experience in consultancy, the conduct of training, and/or relevant engagements as a consulting firm or institution
- b. Areas of expertise include the development of tourism project proposals, sustainable tourism development, tourism planning, and other related key areas
- c. Must have past/completed and/or current engagements in conducting training programs specifically for government agencies and Local Government Units (LGUs)
- d. Must present at least 2 consultants/experts that would handle the above-identified fields of expertise in their proposal subject to the assessment and consideration of the DOT.

## **XII. TERMS AND CONDITIONS**

1. The prospective consulting firm shall submit the technical and financial proposals, in accordance with the procurement and administrative guidelines of the DOT;
2. DOT shall have full ownership of all the data gathered and presented by the Consulting Firm; and
3. A Non-Disclosure Agreement shall be executed between DOT and the hired Consultants/Experts upon awarding of the contract.

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