



Republic of the Philippines
Office of the Solicitor General
134 Amorsolo St. Legaspi Village, Makati City

Technical Working Group for ICT-Subscription

TERMS OF REFERENCE

Subscription of Cloud Computing Platform for OSG

Background:

Cloud computing has revolutionized how organizations manage and utilize technology resources. It offers scalability, flexibility, and cost-effectiveness by providing Internet access to a pool of computing resources. A subscription-based model allows organizations to pay for the resources they use, promoting efficiency and agility in their operations.

The Office of the Solicitor General intends to leverage cloud computing, aligning with the Government's "Cloud First Policy." ¹This shift aims to enable seamless, immediate access to a configurable pool of computing resources, including networks, servers, storage, applications, and services, adhering to the mandate to modernize its server and backup infrastructure partially.

This strategic migration to the cloud will aid the agency in curtailing ICT acquisition and operation costs, fostering operational excellence, bridging security gaps, enhancing employee productivity, and facilitating the development of robust online services.

Objective:

The OSG's primary objective is to provide the organization with a predictable cost structure while enabling the flexibility to scale resources as needed. With 'top-up' functionality, the OSG can increase its commitment balances at any time, ensuring uninterrupted access to resources and accommodating sudden spikes in demand without disrupting operations. The OSG aims to optimize cost-efficiency while adapting to evolving organizations' requirements in the digital landscape.

The subscription to cloud computing services will maintain the performance and functionality of its systems and ensure its compatibility with the existing setup of OSG application systems and databases.

¹ DICT Department Circular (DC) No. 010 Series of 2020 Amending DC 2017-002 re: Prescribing the Philippine Government's Cloud First Policy, which states that all government agencies shall adopt cloud computing as the preferred ICT deployment strategy for the delivery of government services.

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Terms:

1. *Scope.* - **Subscription of Cloud Computing Platform for OSG**

2. *ABC.* - The Approved Budget for the Contract (ABC) is **Five Million Five Hundred Thousand Pesos only (PHP 5,500,000.00) for twelve (12) months, inclusive of all government taxes, charges, and other standard fees.**

| ICT SUBSCRIPTION | | | |
|---|-----|--------------|-----------------------|
| ITEM | QTY | UNIT COST | TOTAL |
| Subscription of Cloud Computing Platform for OSG | 1 | 5,500,000.00 | 5,500,000.00 |
| TOTAL | | | ₱ 5,500,000.00 |

3. *Subscription Duration* - 12 months subscription as an upfront monetary commitment, with usage-based consumption. "Top-up" enabled for additional commitment balances anytime if required.

4. *Schedule of Payment.* - To guarantee the performance by the winning bidder of its obligations under the contract, it shall post a performance security before the signing of the contract. The performance security shall be in an amount not less than the required percentage of the total contract price in any of the following forms and in accordance with the following schedule:

| Form of Performance Security | Amount of Performance Security (Not less than the required % of the Total Contract Price) | Statement of Compliance |
|---|---|-------------------------|
| a) Cash or cashier's/ manager's check issued by a Universal of Commercial Bank. | 5% | |
| b) Bank draft/ guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; <i>however</i> , it shall be confirmed or authenticated by a Universal or Commercial Bank if issued by a foreign bank. | 5% | |
| c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security. | 30% | |