

REQUEST FOR PROPOSAL (RFP) (For Low-Valued Services)

NAME & ADDRESS	OF FIRM	DATE: June 15, 2017
		REFERENCE: Feasibility Study of a Community Abattoir in Sehithwa for Nhabe Agricultural Management Association (NAMA)

Dear Sir / Madam:

We kindly request you to submit your Proposal for **Feasibility Study of a Community Abattoir in Sehithwa for Nhabe Agricultural Management Association (NAMA)**.

Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Proposals may be submitted on or before Friday, June 30, 2017 and via email, courier mail or fax to the address below:

United Nations Development Programme
United Nations Building, Government Enclave
Cnr. Khama Crescent and President's Drive
P. O. Box 54
Gaborone, Botswana

OR by email to procurement.bw@undp.org

Your offer, comprising of a **Technical and Financial Proposal, in separate sealed envelopes,** should be submitted in accordance with instructions in the detailed solicitation documents and to the address stated above

Your Proposal must be expressed in the English Language, and valid for a minimum period of 90 days

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are

submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 4.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link: http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

UNDP Botswana Procurement Office 6/15/2017

Description of Requirements

Context of the Requirement	Feasibility Study of a Community Abattoir in Sehithwa for Nhabe Agricultural Management Association (NAMA)			
Implementing Partner of UNDP	Department of Animal Production			
Brief Description of the Required Services ¹ List and Description of Expected Outputs to be Delivered	To conduct a detailed feasibility study on the community abattoir to determine if it can be feasible and viable under what conditions near Sehithwa village. a) Brief Report of an initial meeting between the Ngamiland SLM Project, Reference Group and the			
	consultant to discuss the Terms of Reference. b) Inception Report with a detailed Work Plan elucidating understanding of the Terms of Reference as well as methodologies to be followed in executing them. c) A scoping report outlining the situation analysis and key preliminary issues identified to validate and/or set the tone for the rest of the study.			
Person to Supervise the Work/Performance of the Service Provider	Ngamiland SLM Project Technical Reference Group			
Frequency of Reporting	The consultants will be expected to report their progress to the project Coordinator, Ngamiland SLM Project at each milestone during delivery of the contract.			
Progress Reporting Requirements	Monthly			
Location of work	Maun			
Expected duration of work	60 days			
Target start date	21 August 2017			
Latest completion date	31 October 2017			
Travels Expected	Destination/s	Estimated Duration	Brief Description of Purpose of	Target Date/s
	the Travel			
		days	Consultations	TBD
	days Consultations TBD			
		days	Consultations	TBD
Special Security Requirements	☐ Security Clearance from UN prior to travelling ☐ Completion of UN's Basic and Advanced Security Training			

 $^{^1}$ A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.

	□ Comprehensive Travel Insurance ☑ Others None
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	☐ Office space and facilities ☐ Land Transportation ☑ Others None
Implementation Schedule indicating breakdown and timing of activities/sub-activities	☑ Required☐ Not Required
Names and curriculum vitae of individuals who will be involved in completing the services	☑ Required☐ Not Required
Currency of Proposal	☑ United States Dollars ☐ Euro ☐ Local Currency
Value Added Tax on Price Proposal ²	 ⊠ must be inclusive of VAT and other applicable indirect taxes □ must be exclusive of VAT and other applicable indirect taxes
Validity Period of Proposals (Counting for the last day of submission of quotes)	☐ 60 days ☐ 90 days ☐ 120 days In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.
Partial Quotes	 ☑ Not permitted ☐ Permitted [pls. provide conditions for partial quotes, and ensure that requirements are properly listed to allow partial quotes (e.g., in lots, etc.)]

² VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

Payment Terms ³	Outputs	Percentage	Timing	Condition for Payment Release
	Inception Report	10%	31 st August 2017	Within thirty (30) days from the date of meeting the
	Scoping Report	20%	15 th September 2017	following conditions: a) UNDP's written
	Final Report	30%	13 th October 2017	acceptance (i.e., not mere
	Final Draft Report	40%	27 th October 2017	receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	The Reference Group will provide comments and approval on whether to proceed to the next stage on all reports			
Type of Contract to be Signed	□ Purchase Order □ Institutional Contract □ Contract for Professional Services □ Long-Term Agreement ⁴ (if LTA will be signed, specify the document that will trigger the call-off. E.g., PO, etc.) □ Other Type of Contract [pls. specify]			
Criteria for Contract Award	□ Lowest Price Quote among technically responsive offers □ Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) □ Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.			

³ UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding \$30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider. ⁴ Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation. This RFP may be used for LTAs if the annual purchases will not exceed \$100,000.00.

Criteria for the Assessment of	Technical Proposal (70%)	
Proposal	 □ Expertise of the Firm including demonstrable experies in doing similar work in developing countries. To that of the firm shall also provide a list of at least 3 previous simple assignments. 20% ☑ Methodology, Its Appropriateness to the Condition at Timeliness of the Implementation Plan 20% ☑ Management Structure and Qualification of Key Person 30% 	
	Financial Proposal (30%) To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.	
UNDP will award the contract to:	 ☑ One and only one Service Provider ☐ One or more Service Providers, depending on the following factors: [Clarify fully how and why will this be achieved. Please do not choose this option without indicating the parameters for awarding to multiple Service Providers] 	
Annexes to this RFP ⁵	 ☑ Form for Submission of Proposal (Annex 2) ☑ Detailed TOR [Annex 3] ☑ General Terms and Conditions / Special Conditions (Annex 4)⁶ ☐ Others⁷ [pls. specify] 	
Contact Person for Inquiries (Written inquiries only) ⁸	enquirie.bw@undp.org or 3956093 Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.	
Other Information [pls. specify]		

⁵ Where the information is available in the web, a URL for the information may simply be provided.

⁶ Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

⁷ A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.

⁸ This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL9

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery¹⁰)

[insert: Location]. [insert: Date]

To: [insert: Name and Address of UNDP focal point]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions:

A. Qualifications of the Service Provider

The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following:

- *a)* Profile describing the nature of business, field of expertise, licenses, certifications, accreditations;
- b) Business Licenses Registration Papers, Tax Payment Certification, etc.
- c) Latest Audited Financial Statement income statement and balance sheet to indicate Its financial stability, liquidity, credit standing, and market reputation, etc.;
- d) Track Record list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;
- e) Certificates and Accreditation including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.
- f) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.

B. Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

⁹ This serves as a guide to the Service Provider in preparing the Proposal.

¹⁰ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

C. Qualifications of Key Personnel

As per the TORs (Annex 4), the Service Provider must provide:

- a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;
- b) CVs demonstrating qualifications must be submitted if required by the RFP; and
- c) Written confirmation from each personnel that they are available for the entire duration of the contract.

D. Cost Breakdown per Deliverable*

	Deliverables [list them as referred to in the RFP]	Percentage of Total Price (Weight for payment)	Price (Lump Sum, All Inclusive)
1	Deliverable 1		
2	Deliverable 2		
3			
	Total	100%	

^{*}This shall be the basis of the payment tranches

E. Cost Breakdown by Cost Component [This is only an Example]:

Description of Activity	Remuneration per Unit of	Total Period of	No. of Personnel	Total Rate
	Time	Engagement		
I. Personnel Services				
1. Services from Home Office				
a. Expertise 1				
b. Expertise 2				
2. Services from Field Offices				
a . Expertise 1				
b. Expertise 2				
3. Services from Overseas				
a. Expertise 1				
b. Expertise 2				
II. Out of Pocket Expenses				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
III. Other Related Costs				

[Name and Signature of the Service Provider's Authorized Person]
[Designation]
[Date]

TERMS OF REFERENCE (TOR)

Feasibility Study of a Community Abattoir in Sehithwa for Nhabe Agricultural Management Association (NAMA)

BACKGROUND

The Government of Botswana in collaboration with the United Nations Development Programme (UNDP) are implementing a project called 'Mainstreaming Sustainable Land Management (SLM) in Rangeland Areas of Ngamiland District Landscapes for Improved Livelihoods' (Ngamiland SLM Project). Following the numerous outbreaks of Foot and Mouth Disease in Ngamiland, Farmers have not been able to sell their cattle over several years, leading to a build up of the District herd to over half a million. Due to the prevalence of the poisonous plant Mogau (Dichapilatum Simosa), throughout the District, the distribution of cattle has tended to be along the periphery of the Okavango Delta, leading to immense pressure on the grazing resources in the areas. The bulge created by lack of selling of cattle is believed to be contributing to the continued degradation of the land.

Considering the fact that rangeland degradation is a complex and dynamic process driven by a multiplicity of socio-economic and bio-physical factors, there is a school of thought that reducing the bulge of excess cattle may reduce the pressure on the land. The current slaughter rate by the Maun Botswana Meat Commission is 120 cattle per day on a five - day week. This translates into an annual offtake of 31,200 cattle. It would take over ten years to remove the "bulge" if the BMC remains the only major abattoir in the area operating at the same capacity. Whilst there is a private abattoir with a similar slaughter capacity as the Maun BMC, its objectives are driven by private interests, which may not always be aligned to farmer's interests.

There is another view that if livestock management is improved, the District will be able to increase its herd size. Under this scenario, the slaughter capacity would have to increase to match the offtake. An increased offtake would translate in an increased income from the livestock industry. Those who support this view argue that the District herd should be increased under improved management, as well as increase offtake from under 10% to 30% to allow an annual offtake which would inject a significant amount into the District economy annually.

Another school of thought is that the potential of the small stock sector has been completely overlooked. Small stock is owned by majority of the households in the District, especially femaleheaded households. Providing a slaughter market for small stock would bring much needed income to many households and help reduce poverty.

Nhabe Agricultural Management Association (NAMA) is a Farmers Association for both livestock and arable agriculture producers operating in communal areas of Ngamiland. The Association has been allocated a piece of land near Sehithwa village to construct an abattoir. The main goal of the community abattoir is to slaughter livestock from the Sehithwa communal area which is the most densely populated livestock area in the whole District. Secondly, NAMA would like to comply with the new Veterinary regulations that require that all livestock must be slaughtered in licensed slaughter facilities.

The Ngamiland SLM Project is seeking a multi-disciplinary team of experts to undertake a detailed

Feasibility Study for the NAMA Community Abattoir near Sehithwa village.

The successful bidder is expected to conduct a detailed feasibility study on the community abattoir to determine if it can be feasible and viable under what conditions. Following completion of the study, NAMA shall be able to decisively proceed with the best option for the project backed by facts and figures from the feasibility study.

SCOPE OF THE FEASIBILITY STUDY

Site Description

The site earmarked for the Community Abattoir is located near Sehithwa village. The study shall consider the entire area around Lake Ngami and / or areas having links with the Lake as the potential catchment area for the proposed abattoir.

Objective;

The main objective of the study is to ensure a thorough investigation is made to determine the feasibility/viability of the Community Abattoir project near Sehithwa. The information provided should give NAMA factual basis for deciding to go on with the project that will generate income and improve the socio-economic status of the catchment area or choose another development option for the allocated land.

Social Analysis;

- Examine social patterns and practices of livestock management in the Lake Ngami catchment area that would support a sustained offtake
- Determine the current income distribution of the Lake Ngami catchment area
- Determine the current employment level and potential for employment opportunities that would be created by the Community Abattoir
- Identify tangible and intangible benefits of the Community Abattoir
- Examine carefully the broader social implications of the proposed Community Abattoir
- Explore how Community Abattoir could improve the livelihoods of community members
- Consider contribution(s) of alternative projects that could compliment the project to meet its objectives
- Carefully examine adverse effects of the project and how they could be minimized or avoided

Technical Analysis;

- Investigate suitability of location for the Abattoir
- Explore suitability for Cattle Abattoir, Small Stock Abattoir and / or Multi-Species Abattoir
- Determine the required facilities and support systems for each type of Abattoir
- Determine required resource inputs (water, power etc) for each type of abattoir
- Provide thorough and appropriate technical estimates and projections
- that relates to realistic resource inputs.
- Propose a Disease control plan

Commercial analysis.

Prepare market situation/systems for the products, both outputs and inputs

- Prepare market and demand forecast.
- Propose how the project could be financed
- Provide a sound commercial plan that includes; procurement, input supply, inventories, sales terms.
- Prepare an income generating capacity of the project

Financial analysis

- Prepare an assessment of the financial management competencies
- Prepare detailed financial projections
- Prepare budget projections for five years
- Determine cost implications
- Prepare assessment of incentives
- Determine market prices for outputs and inputs
- Make predictions of future prices
- Provide a sound financial plan

Economic Analysis

- Determine the economic value of the project
- Prepare an assessment of economic benefits and costs

Institutional, Organizational and Management Analysis

- Identify and describe the institutional structure under which the project could be run
- Determine management options and staff size under different management options
- Determine the links with local institutions
- Determine which Policies will affect the project and how
- Identify and draw skill development program for the members of the community involved in the running of the project
- Develop an operational management plan for the project
- Develop Accountability, monitoring and evaluation mechanisms for the project

PROJECT DELIVERABLES

The following are the project deliverables:

- I. Brief Report of an initial meeting between the Ngamiland SLM Project, Reference Group and the consultant to discuss the Terms of Reference.
- II. Inception Report with a detailed Work Plan elucidating understanding of the Terms of Reference as well as methodologies to be followed in executing them.
- III. A scoping report outlining the situation analysis and key preliminary issues identified to validate and/or set the tone for the rest of the study.

A draft final report inclusive of the following:

- A situational analysis of the catchment area
- A technical, commercial, financial and economic analysis of the project outlining scenarios and options for undertaking the project.
- Institutional, organizational and management options for undertaking the project.
- A Final Report

All graphics to be included in the reports should be of a professional high standard and quality. They shall be presented in either A4 or A3 format in the report and in A0 or A1 in an additional hardcopy. Maps shall also be digitized in a format compatible with ArcGIS and with Metadata. All reports should be accompanied by an electronic copy.

The Reference Group will provide comments and approval on whether to proceed to the next stage on all reports within one (1) week of submission.

All reports are to be submitted in hard and soft copy to both the UNDP Country Office in Gaborone and to the Ngamiland SLM project office in Maun.

SUPERVISION

The Consultancy will be supervised by Ngamiland SLM Project with the assistance of the following Key Departments who will form the Consultancy Technical Reference Group:

- 1.1.1. Office of the District Commissioner
- 1.1.2. Department of Animal Production
- 1.1.3. Department of Veterinary Services
- 1.1.4. Nhabe Agricultural Management Association
- 1.1.5. Department of Environmental Affairs
- 1.1.6. Department of Waste Management and Pollution Control
- 1.1.7. North West District Council

QUALIFICATION / EXPERIENCE

Emphasis is placed on successful prior experience in the discharge of ecotourism related EIA studies. The required team will at minimum be required to comprise of the following specialists:

Agricultural Economist

As team leader, the Agricultural Economist should have at least a Masters Degree and a minimum of 10 years' work experience in the field. Specific experience in conducting feasibility studies will be an added advantage. He/She shall coordinate the production of the various outputs of the feasibility study in a timely fashion.

Financial Expert

The Financial Expert should have at least a Business/Accounting/Finance Degree or Professional

Accounting qualification and must be BICA registered with at least 5 years' experience in the financial field. He/she shall oversee the participatory development and usage of an Integrated Rangeland Assessment protocol. As such, he/she shall lead the biophysical assessment of rangelands in commercial as well as subsistence farming territories as well as the resultant development of rangeland rehabilitation plans.

Sociologist

The Sociologist should have at least a Masters Degree in Sociology or relevant field and minimum of 10 years working experience with communities in northern Botswana. He/she shall lead the socioeconomic analysis of the situation in the targeted area and recommend options for livelihoods diversification. He/she shall ensure participation of multiple stakeholders in the study as well as design all participatory research instruments and supervise field enumerators.

Support staff

In undertaking the required study, experienced field enumerators with a minimum of undergraduate degrees in animal production, sociology; marketing, finance, accounting and or business studies may be required for speeding up data collection, entry and analysis.

DURATION

The consultancy will be undertaken for (60) man days from the date of signing the contract.

REMUNERATION

The payment schedule will be as follows:

- 1. 10% upon approval of Inception report.
- 2. 20% upon approval of the Scoping report
- 3. 30% upon approval of the Draft report
- 4. 40% upon approval of Final Draft report.

EVALUATION CRITERIA

The consultancy will be evaluated according to the Criteria below,

Technical Capability of the Firm to deliver the required consultancy outputs evaluated on a scale of 0-70 points wherein the qualifying mark is 70%. The criteria to be used are shown below:

Crit	eria for evaluation	Score Weight	Points Obtainable
1.	Expertise of Firm / Organization	20%	20
2.	Proposed Methodology, Approach and Implementation plan	20%	20
3.	Management Structure and Key Personnel	30%	30
Total			70

Consultant will be evaluated based on the Cumulative Analyses Methodology (weighted scoring method), where the award of the contract will be made to the individual consultant whose offer has been evaluated and determined as:

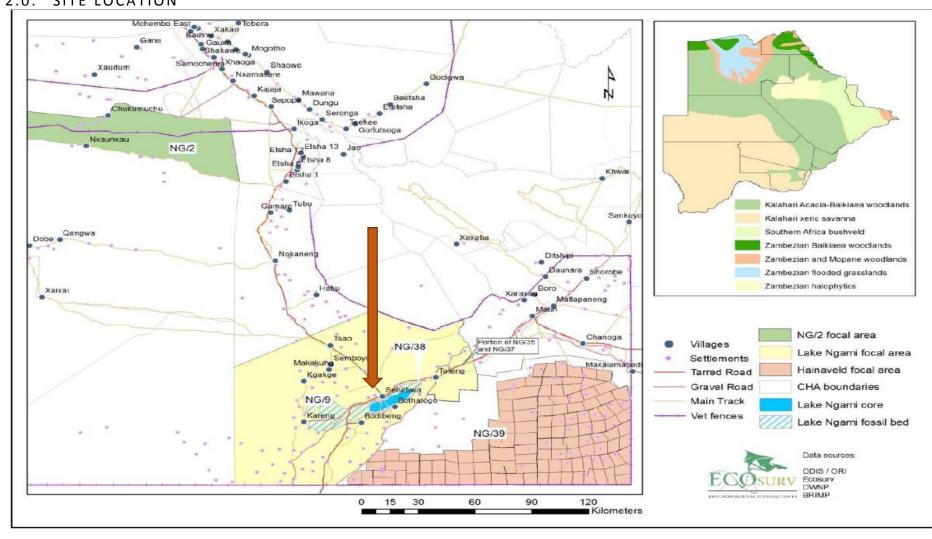
- A. Responsive / compliant / acceptable, and
- B. Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.
 - Technical Criteria weight; (70%)
 - Financial Criteria weight; (30%)

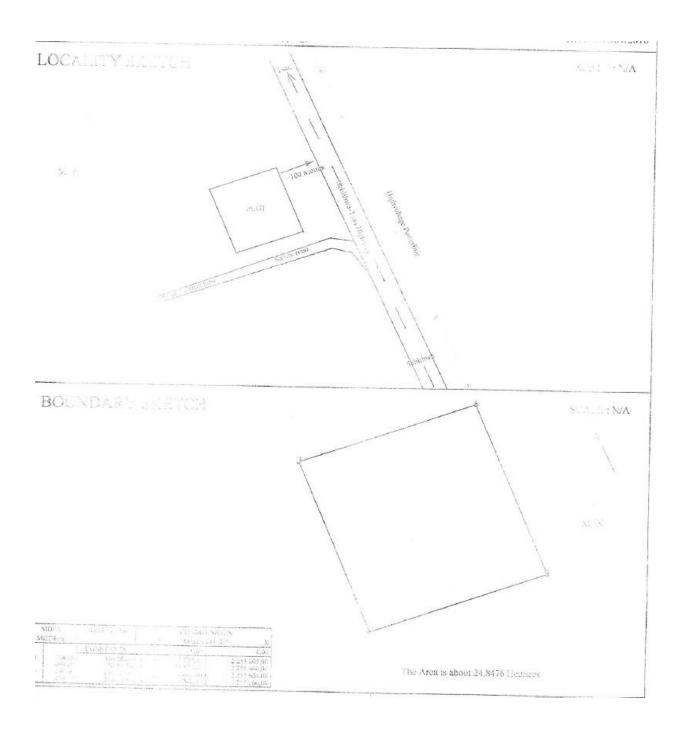
Only Individual Consultants obtaining a minimum of 70% of the obtainable points of 100 points in technical evaluation would be considered for the Financial Evaluation. The total number of points allocated for the price component is 30%. The maximum number of points will be allotted to the lowest price proposal that is opened and compared among those technical qualified candidates who have attained a minimum of 70% score in the technical evaluation. All other price proposals will receive points in inverse proportion to the lowest price.

UNDP applies a fair and transparent selection process that would take into account both the technical qualification of Individual Consultants as well as their price proposals. The contract will be awarded to the candidate obtaining the highest combined technical and financial scores.

UNDP retains the right to contact references directly.

2.0. SITE LOCATION





General Terms and Conditions for Services

1.0 LEGAL STATUS:

The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis the United Nations Development Programme (UNDP). The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of UNDP or the United Nations.

2.0 SOURCE OF INSTRUCTIONS:

The Contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of its services under this Contract. The Contractor shall refrain from any action that may adversely affect UNDP or the United Nations and shall fulfill its commitments with the fullest regard to the interests of UNDP.

3.0 CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES:

The Contractor shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of this Contract, respect the local customs, and conform to a high standard of moral and ethical conduct.

4.0 **ASSIGNMENT**:

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of UNDP.

5.0 SUB-CONTRACTING:

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of UNDP for all sub-contractors. The approval of UNDP of a sub-contractor shall not relieve the Contractor of any of its obligations under this Contract. The terms of any sub-contract shall be subject to and conform to the provisions of this Contract.

6.0 OFFICIALS NOT TO BENEFIT:

The Contractor warrants that no official of UNDP or the United Nations has received or will be offered by the Contractor any direct or indirect benefit arising from this Contract or the award thereof. The Contractor agrees that breach of this provision is a breach of an essential term of this Contract.

7.0 INDEMNIFICATION:

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or subcontractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or subcontractors. The obligations under this Article do not lapse upon termination of this Contract.

8.0 INSURANCE AND LIABILITIES TO THIRD PARTIES:

- **8.1** The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.
- **8.2** The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or the equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.
- **8.3** The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Contractor or its agents, servants, employees or subcontractors performing work or services in connection with this Contract.
- **8.4** Except for the workmen's compensation insurance, the insurance policies under this Article shall:
 - **8.4.1** Name UNDP as additional insured;
 - **8.4.2** Include a waiver of subrogation of the Contractor's rights to the insurance carrier against the UNDP;
 - **8.4.3** Provide that the UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.
 - **8.5** The Contractor shall, upon request, provide the UNDP with satisfactory evidence of the insurance required under this Article.

9.0 ENCUMBRANCES/LIENS:

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with the UNDP against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

10.0 TITLE TO EQUIPMENT:

Title to any equipment and supplies that may be furnished by UNDP shall rest with UNDP and any such equipment shall be returned to UNDP at the conclusion of this Contract or when no

longer needed by the Contractor. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

- 11.1 Except as is otherwise expressly provided in writing in the Contract, the UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the UNDP under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract, and the Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the UNDP.
- 11.2 To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Contract, the UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to the UNDP a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.
- 11.3 At the request of the UNDP; the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the UNDP in compliance with the requirements of the applicable law and of the Contract.
- 11.4 Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of the UNDP, shall be made available for use or inspection by the UNDP at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNDP authorized officials on completion of work under the Contract.

12.0 USE OF NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS:

The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with UNDP, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of UNDP or THE United Nations, or any abbreviation of the name of UNDP or United Nations in connection with its business or otherwise.

13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:

Information and data that is considered proprietary by either Party and that is delivered or disclosed by one Party ("Discloser") to the other Party ("Recipient") during the course of

performance of the Contract, and that is designated as confidential ("Information"), shall be held in confidence by that Party and shall be handled as follows:

- **13.1** The recipient ("Recipient") of such information shall:
 - **13.1.1** use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser's Information as it uses with its own similar information that it does not wish to disclose, publish or disseminate; and,
 - **13.1.2** use the Discloser's Information solely for the purpose for which it was disclosed.
- 13.2 Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 13, the Recipient may disclose Information to:
 - **13.2.1** Any other party with the Discloser's prior written consent; and,
 - 13.2.2 the Recipient's employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls controls it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:
 - **13.2.2.1** A corporate entity in which the Party owns or otherwise controls, whether directly or indirectly, over fifty percent (50%) of voting shares thereof: or.
 - **13.2.2.2** Any entity over which the Party exercises effective managerial control; or,
 - **13.2.2.3** for the UNDP, an affiliated Fund such as UNCDF, UNIFEM and UNV.
- 13.3 The Contractor may disclose Information to the extent required by law, provided that, subject to and without any waiver of the privileges and immunities of the United Nations, the Contractor will give the UNDP sufficient prior notice of a request for the disclosure of Information in order to allow the UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.
- 13.4 The UNDP may disclose Information to the extent as required pursuant to the Charter of the UN, resolutions or regulations of the General Assembly, or rules promulgated by the Secretary-General.
- 13.5 The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.

13.6 These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.

14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

- 14.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to the UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify the UNDP of any other changes in conditions or the occurrence of any event that interferes or threatens to interfere with its performance of this Contract. On receipt of the notice required under this Article, the UNDP shall take such action as, in its sole discretion; it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.
- 14.2 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, the UNDP shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.
- **14.3** Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force.
- 14.4 The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in or for any areas in which the UNDP is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas or to any incidents of civil unrest occurring in such areas shall not, in and of itself, constitute force majeure under the Contract..

15.0 TERMINATION

- **15.1** Either party may terminate this Contract for cause, in whole or in part, upon thirty (30) days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16.2 ("Arbitration"), below, shall not be deemed a termination of this Contract.
- 15.2 UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.
- 15.3 In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract.

15.4 Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, the UNDP may, without prejudice to any other right or remedy it may have under the terms of these conditions, terminate this Contract forthwith. The Contractor shall immediately inform the UNDP of the occurrence of any of the above events.

16.0 SETTLEMENT OF DISPUTES

- **16.1 Amicable Settlement**: The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.
- 16.2 **Arbitration:** Any dispute, controversy, or claim between the Parties arising out of the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 16.1, above, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. For all evidentiary questions, the arbitral tribunal shall be guided by the Supplementary Rules Governing the Presentation and Reception of Evidence in International Commercial Arbitration of the International Bar Association, 28 May 1983 edition. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 32 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract. the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

17.0 PRIVILEGES AND IMMUNITIES:

Nothing in or relating to this Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

18.0 TAX EXEMPTION

- 18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter-alia that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with the UNDP to determine a mutually acceptable procedure.
- 18.2 Accordingly, the Contractor authorizes UNDP to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with the UNDP before the payment thereof and the UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide the UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

19.0 CHILD LABOUR

- 19.1 The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.
- Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

20.0 MINES:

- 20.1 The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.
- **20.2** Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

21.0 OBSERVANCE OF THE LAW:

The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

22.0 SEXUAL EXPLOITATION:

- 22.1 The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by it or by any of its employees or any other persons who may be engaged by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall refrain from, and shall take all appropriate measures to prohibit its employees or other persons engaged by it from, exchanging any money, goods, services, offers of employment or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The Contractor acknowledges and agrees that the provisions hereof constitute an essential term of the Contract and that any breach of this representation and warranty shall entitle UNDP to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.
- 22.2 The UNDP shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.

23.0 AUTHORITY TO MODIFY:

Pursuant to the Financial Regulations and Rules of UNDP, only the UNDP Authorized Official possesses the authority to agree on behalf of UNDP to any modification of or change in this Contract, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in this Contract shall be valid and enforceable against UNDP unless provided by an amendment to this Contract signed by the Contractor and jointly by the UNDP Authorized Official.