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REQUEST FOR PROPOSAL

Provision of Audit Services on Long Term Agreement Basis (LTA)

RFP No.: RFP/KRT/18/013

e-Tendering Event ID: 0000002614

Project/Unit: Multiple Projects

Country: Sudan

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Section 1. Letter of Invitation

The United Nations Development Programme (UNDP) hereby invites you to submit a Proposal to this Request for Proposal (RFP) for the above-referenced subject.

This RFP includes the following documents and the General Terms and Conditions of Contract which is inserted in the Bid Data Sheet (BDS):

Section 1: This Letter of Invitation

Section 2: Instruction to Bidders

Section 3: Bid Data Sheet (BDS)

Section 4: Evaluation Criteria

Section 5: Terms of Reference

Section 6: Returnable Bidding Forms

- Form A: Technical Proposal Submission Form
- Form B: Bidder Information Form
- Form C: Joint Venture/Consortium/Association Information Form
- Form D: Qualification Form
- Form E: Format of Technical Proposal
- Form F: Financial Proposal Submission Form
- Form G: Financial Proposal Form
- Form H: Form of proposal Security
- Form I: Sample Contract and General Terms and Conditions

If you are interested in submitting a Proposal in response to this RFP, please prepare your Proposal in accordance with the requirements and procedure as set out in this RFP and submit it by the Deadline for Submission of Proposals set out in Bid Data Sheet.

Please acknowledge receipt of this RFP by sending an email to inquiry.procurement.sd@undp.org indicating whether you intend to submit a Proposal or otherwise. You may also utilize the "Accept Invitation" function in e-Tendering system, where applicable. This will enable you to receive amendments or updates to the RFP. Should you require further clarifications, kindly communicate with the contact person/s identified in the attached Bid Data Sheet as the focal point for queries on this RFP.

UNDP looks forward to receiving your Proposal and thank you in advance for your interest in UNDP procurement opportunities.

Issued by:

Approved by:

Names: Sidig Mohamed
Title: Procurement Associate
Date: July 29, 2018

Name: Hari Kafle
Title: Head Procurement Unit
Date: July 29, 2018

Section 2. Instruction to Bidders

A. GENERAL PROVISIONS	
1. Introduction	<p>1.1 Bidders shall adhere to all the requirements of this RFP, including any amendments in writing by UNDP. This RFP is conducted in accordance with the UNDP Programme and Operations Policies and Procedures (POPP) on Contracts and Procurement which can be accessed at https://popp.undp.org/SitePages/POPPBSUnit.aspx?TermID=254a9f96-b883-476a-8ef8-e81f93a2b38d</p> <p>1.2 Any Proposal submitted will be regarded as an offer by the Bidder and does not constitute or imply the acceptance of the Proposal by UNDP. UNDP is under no obligation to award a contract to any Bidder as a result of this RFP.</p> <p>1.3 As part of the bid, it is desired that the Bidder registers at the United Nations Global Marketplace (UNGM) website (www.ungm.org). The Bidder may still submit a bid even if not registered with the UNGM. However, if the Bidder is selected for contract award, the Bidder must register on the UNGM prior to contract signature.</p>
2. Fraud & Corruption, Gifts and Hospitality	<p>2.1 UNDP strictly enforces a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical or unprofessional practices, and obstruction of UNDP vendors and requires all bidders/vendors observe the highest standard of ethics during the procurement process and contract implementation. UNDP's Anti-Fraud Policy can be found at http://www.undp.org/content/undp/en/home/operations/accountability/audit/office_of_audit_andinvestigation.html#anti</p> <p>2.2 Bidders/vendors shall not offer gifts or hospitality of any kind to UNDP staff members including recreational trips to sporting or cultural events, theme parks or offers of holidays, transportation, or invitations to extravagant lunches or dinners.</p> <p>2.3 In pursuance of this policy, UNDP (a) Shall reject a proposal if it determines that the selected bidder has engaged in any corrupt or fraudulent practices in competing for the contract in question; (b) Shall declare a vendor ineligible, either indefinitely or for a stated period of time, to be awarded a contract if at any time it determines that the vendor has engaged in any corrupt or fraudulent practices in competing for, or in executing a UNDP contract.</p> <p>2.4 All Bidders must adhere to the UN Supplier Code of Conduct, which may be found at http://www.un.org/depts/ptd/pdf/conduct_english.pdf</p>
3. Eligibility	<p>3.1 A vendor should not be suspended, debarred, or otherwise identified as</p>

	<p>ineligible by any UN Organization or the World Bank Group or any other international Organization. Vendors are therefore required to disclose to UNDP whether they are subject to any sanction or temporary suspension imposed by these organizations.</p> <p>3.2 It is the Bidder's responsibility to ensure that its employees, joint venture members, sub-contractors, service providers, suppliers and/or their employees meet the eligibility requirements as established by UNDP.</p>
4. Conflict of Interests	<p>4.1 Bidders must strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. Bidders found to have a conflict of interest shall be disqualified. Without limitation on the generality of the above, Bidders, and any of their affiliates, shall be considered to have a conflict of interest with one or more parties in this solicitation process, if they:</p> <ul style="list-style-type: none"> a) Are or have been associated in the past, with a firm or any of its affiliates which have been engaged by UNDP to provide services for the preparation of the design, specifications, Terms of Reference, cost analysis/estimation, and other documents to be used for the procurement of the goods and services in this selection process; b) Were involved in the preparation and/or design of the programme/project related to the services requested under this RFP; or c) Are found to be in conflict for any other reason, as may be established by, or at the discretion of UNDP. <p>4.2 In the event of any uncertainty in the interpretation of a potential conflict of interest, Bidders must disclose to UNDP, and seek UNDP's confirmation on whether or not such a conflict exists.</p> <p>4.3 Similarly, the Bidders must disclose in their proposal their knowledge of the following:</p> <ul style="list-style-type: none"> a) If the owners, part-owners, officers, directors, controlling shareholders, of the bidding entity or key personnel are family members of UNDP staff involved in the procurement functions and/or the Government of the country or any Implementing Partner receiving services under this RFP; and b) All other circumstances that could potentially lead to actual or perceived conflict of interest, collusion or unfair competition practices. <p>Failure to disclose such an information may result in the rejection of the proposal or proposals affected by the non-disclosure.</p> <p>4.4 The eligibility of Bidders that are wholly or partly owned by the Government shall be subject to UNDP's further evaluation and review of various factors such as being registered, operated and managed as an independent business entity, the extent of Government ownership/share, receipt of subsidies, mandate and access to information in relation to this RFP, among others. Conditions that may lead to undue advantage against other Bidders may result in the eventual rejection of the Proposal.</p>

B. PREPARATION OF PROPOSALS

5. General Considerations	<p>5.1 In preparing the Proposal, the Bidder is expected to examine the RFP in detail. Material deficiencies in providing the information requested in the RFP may result in rejection of the Proposal.</p> <p>5.2 The Bidder will not be permitted to take advantage of any errors or omissions in the RFP. Should such errors or omissions be discovered, the Bidder must notify the UNDP</p>
6. Cost of Preparation of Proposal	6.1 The Bidder shall bear any and all costs related to the preparation and/or submission of the Proposal, regardless of whether its Proposal was selected or not. UNDP shall not be responsible or liable for those costs, regardless of the conduct or outcome of the procurement process.
7. Language	7.1 The Proposal, as well as any and all related correspondence exchanged by the Bidder and UNDP, shall be written in the language (s) specified in the BDS.
8. Documents Comprising the Proposal	<p>8.1 The Proposal shall comprise of the following documents:</p> <ul style="list-style-type: none"> a) Documents Establishing the Eligibility and Qualifications of the Bidder; b) Technical Proposal; c) Financial Proposal; d) Proposal Security, if required by BDS; e) Any attachments and/or appendices to the Proposal.
9. Documents Establishing the Eligibility and Qualifications of the Bidder	9.1 The Bidder shall furnish documentary evidence of its status as an eligible and qualified vendor, using the Forms provided under Section 6 and providing documents required in those forms. In order to award a contract to a Bidder, its qualifications must be documented to UNDP's satisfaction.
10. Technical Proposal Format and Content	<p>10.1 The Bidder is required to submit a Technical Proposal using the Standard Forms and templates provided in Section 6 of the RFP.</p> <p>10.2 The Technical Proposal shall not include any price or financial information. A Technical Proposal containing material financial information may be declared non-responsive.</p> <p>10.3 Samples of items, when required as per Section 5, shall be provided within the time specified and unless otherwise specified by UNDP, and at no expense to UNDP</p> <p>10.4 When applicable and required as per Section 5, the Bidder shall describe the necessary training programme available for the maintenance and operation of the services and/or equipment offered as well as the cost to the UNDP. Unless otherwise specified, such training as well as training materials shall be provided in the language of the Bid as specified in the BDS.</p>
11. Financial Proposals	11.1 The Financial Proposal shall be prepared using the Standard Form provided in Section 6 of the RFP. It shall list all major cost components associated

	<p>with the services, and the detailed breakdown of such costs.</p> <p>11.2 Any output and activities described in the Technical Proposal but not priced in the Financial Proposal, shall be assumed to be included in the prices of other activities or items, as well as in the final total price.</p> <p>11.3 Prices and other financial information must not be disclosed in any other place except in the financial proposal.</p>
12. Proposal Security	<p>12.1 A Proposal Security, if required by BDS, shall be provided in the amount and form indicated in the BDS. The Proposal Security shall be valid up to thirty (30) days after the final date of validity of the Proposal.</p> <p>12.2 The Proposal Security shall be included along with the Technical Proposal. If Proposal Security is required by the RFP but is not found along with the Technical Proposal, the Proposal shall be rejected.</p> <p>12.3 If the Proposal Security amount or its validity period is found to be less than what is required by UNDP, UNDP shall reject the Proposal.</p> <p>12.4 In the event an electronic submission is allowed in the BDS, Bidders shall include a copy of the Bid Security in their proposal and the original of the Proposal Security must be sent via courier or hand delivery as per the instructions in BDS.</p> <p>12.5 The Proposal Security may be forfeited by UNDP, and the Proposal rejected, in the event of any one or combination, of the following conditions:</p> <p>a) If the Bidder withdraws its offer during the period of the Proposal Validity specified in the BDS, or;</p> <p>b) In the event that the successful Bidder fails:</p> <p>i. to sign the Contract after UNDP has issued an award; or</p> <p>12.6 to furnish the Performance Security, insurances, or other documents that UNDP may require as a condition precedent to the effectivity of the contract that may be awarded to the Bidder.</p>
13. Currencies	<p>13.1 All prices shall be quoted in the currency or currencies indicated in the BDS. Where Proposals are quoted in different currencies, for the purposes of comparison of all Proposals:</p> <p>a) UNDP will convert the currency quoted in the Proposal into the UNDP preferred currency, in accordance with the prevailing UN operational rate of exchange on the last day of submission of Proposals; and</p> <p>b) In the event that UNDP selects a proposal for award that is quoted in a currency different from the preferred currency in the BDS, UNDP shall reserve the right to award the contract in the currency of UNDP's preference, using the conversion method specified above.</p>
14. Joint Venture, Consortium or Association	<p>14.1 If the Bidder is a group of legal entities that will form or have formed a Joint Venture (JV), Consortium or Association for the Proposal, they shall confirm in their Proposal that : (i) they have designated one party to act as a lead entity, duly vested with authority to legally bind the members of the</p>

	<p>JV, Consortium or Association jointly and severally, which shall be evidenced by a duly notarized Agreement among the legal entities, and submitted with the Proposal; and (ii) if they are awarded the contract, the contract shall be entered into, by and between UNDP and the designated lead entity, who shall be acting for and on behalf of all the member entities comprising the joint venture.</p> <p>14.2 After the Deadline for Submission of Proposal, the lead entity identified to represent the JV, Consortium or Association shall not be altered without the prior written consent of UNDP.</p> <p>14.3 The lead entity and the member entities of the JV, Consortium or Association shall abide by the provisions of Clause 9 herein in respect of submitting only one proposal.</p> <p>14.4 The description of the organization of the JV, Consortium or Association must clearly define the expected role of each of the entity in the joint venture in delivering the requirements of the RFP, both in the Proposal and the JV, Consortium or Association Agreement. All entities that comprise the JV, Consortium or Association shall be subject to the eligibility and qualification assessment by UNDP.</p> <p>14.5 A JV, Consortium or Association in presenting its track record and experience should clearly differentiate between:</p> <p>a) Those that were undertaken together by the JV, Consortium or Association; and</p> <p>b) Those that were undertaken by the individual entities of the JV, Consortium or Association.</p> <p>14.6 Previous contracts completed by individual experts working privately but who are permanently or were temporarily associated with any of the member firms cannot be claimed as the experience of the JV, Consortium or Association or those of its members, but should only be claimed by the individual experts themselves in their presentation of their individual credentials.</p> <p>14.7 JV, Consortium or Associations are encouraged for high value, multi-sectoral requirements when the spectrum of expertise and resources required may not be available within one firm.</p>
15. Only One Proposal	<p>15.1 The Bidder (including the individual members of any Joint Venture) shall submit only one Proposal, either in its own name or as part of a Joint Venture.</p> <p>15.2 Proposals submitted by two (2) or more Bidders shall all be rejected if they are found to have any of the following:</p> <p>a) they have at least one controlling partner, director or shareholder in common; or</p> <p>b) any one of them receive or have received any direct or indirect subsidy from the other/s; or</p>

	<ul style="list-style-type: none"> c) they have the same legal representative for purposes of this RFP; or d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about, or influence on the Proposal of, another Bidder regarding this RFP process; e) they are subcontractors to each other's Proposal, or a subcontractor to one Proposal also submits another Proposal under its name as lead Bidder; or f) some key personnel proposed to be in the team of one Bidder participates in more than one Proposal received for this RFP process. This condition relating to the personnel, does not apply to subcontractors being included in more than one Proposal.
16. Proposal Validity Period	<p>16.1 Proposals shall remain valid for the period specified in the BDS, commencing on the Deadline for Submission of Proposals. A Proposal valid for a shorter period may be rejected by UNDP and rendered non-responsive.</p> <p>16.2 During the Proposal validity period, the Bidder shall maintain its original Proposal without any change, including the availability of the Key Personnel, the proposed rates and the total price.</p>
17. Extension of Proposal Validity Period	<p>17.1 In exceptional circumstances, prior to the expiration of the proposal validity period, UNDP may request Bidders to extend the period of validity of their Proposals. The request and the responses shall be made in writing, and shall be considered integral to the Proposal.</p> <p>17.2 If the Bidder agrees to extend the validity of its Proposal, it shall be done without any change in the original Proposal.</p> <p>17.3 The Bidder has the right to refuse to extend the validity of its Proposal, and in which case, such Proposal will not be further evaluated.</p>
18. Clarification of Proposal	<p>18.1 Bidders may request clarifications on any of the RFP documents no later than the date indicated in the BDS. Any request for clarification must be sent in writing in the manner indicated in the BDS. If inquiries are sent other than specified channel, even if they are sent to a UNDP staff member, UNDP shall have no obligation to respond or confirm that the query was officially received.</p> <p>18.2 UNDP will provide the responses to clarifications through the method specified in the BDS.</p> <p>18.3 UNDP shall endeavor to provide responses to clarifications in an expeditious manner, but any delay in such response shall not cause an obligation on the part of UNDP to extend the submission date of the Proposals, unless UNDP deems that such an extension is justified and necessary.</p>
19. Amendment of Proposals	<p>19.1 At any time prior to the deadline of Proposal submission, UNDP may for any reason, such as in response to a clarification requested by a Bidder, modify the RFP in the form of an amendment to the RFP. Amendments will</p>

	<p>be made available to all prospective bidders.</p> <p>19.2 If the amendment is substantial, UNDP may extend the Deadline for submission of proposal to give the Bidders reasonable time to incorporate the amendment into their Proposals.</p>
20. Alternative Proposals	<p>20.1 Unless otherwise specified in the BDS, alternative proposals shall not be considered. If submission of alternative proposal is allowed by BDS, a Bidder may submit an alternative proposal, but only if it also submits a proposal conforming to the RFP requirements. UNDP shall only consider the alternative proposal offered by the Bidder whose conforming proposal ranked the highest as per the specified evaluation method. Where the conditions for its acceptance are met, or justifications are clearly established, UNDP reserves the right to award a contract based on an alternative proposal.</p> <p>20.2 If multiple/alternative proposals are being submitted, they must be clearly marked as "Main Proposal" and "Alternative Proposal"</p>
21. Pre-Bid Conference	<p>21.1 When appropriate, a Bidder's conference will be conducted at the date, time and location specified in the BDS. All Bidders are encouraged to attend. Non-attendance, however, shall not result in disqualification of an interested Bidder. Minutes of the Bidder's conference will be disseminated on the procurement website and shared by email or on the e-Tendering platform as specified in the BDS. No verbal statement made during the conference shall modify the terms and conditions of the RFP, unless specifically incorporated in the Minutes of the Bidder's Conference or issued/posted as an amendment to RFP.</p>
C. SUBMISSION AND OPENING OF PROPOSALS	
22. Submission	<p>22.1 The Bidder shall submit a duly signed and complete Proposal comprising the documents and forms in accordance with the requirements in the BDS. The submission shall be in the manner specified in the BDS.</p> <p>22.2 The Proposal shall be signed by the Bidder or person(s) duly authorized to commit the Bidder. The authorization shall be communicated through a document evidencing such authorization issued by the legal representative of the bidding entity, or a Power of Attorney, accompanying the Proposal.</p> <p>22.3 Bidders must be aware that the mere act of submission of a Proposal, in and of itself, implies that the Bidder fully accepts the UNDP General Contract Terms and Conditions.</p>
Hard copy (manual) submission	<p>22.4 Hard copy (manual) submission by courier or hand delivery allowed or specified in the BDS shall be governed as follows:</p> <p>a) The signed Proposal shall be marked "Original", and its copies marked "Copy" as appropriate. The number of copies is indicated in the BDS. All copies shall be made from the signed original only. If there are discrepancies between the original and the copies, the original shall prevail.</p>

Email Submission	<p>b) The Technical Proposal and the Financial Proposal envelopes MUST BE COMPLETELY SEPARATE and each of them must be submitted sealed individually and clearly marked on the outside as either “TECHNICAL PROPOSAL” or “FINANCIAL PROPOSAL”, as appropriate. Each envelope SHALL clearly indicate the name of the Bidder. The outer envelopes shall:</p> <p>i. Bear the name and address of the bidder;</p> <p>ii. Be addressed to UNDP as specified in the BDS</p> <p>iii. Bear a warning that states “<i>Not to be opened before the time and date for proposal opening</i>” as specified in the BDS.</p> <p>If the envelopes and packages with the Proposal are not sealed and marked as required, UNDP shall assume no responsibility for the misplacement, loss, or premature opening of the Proposal.</p>
E-tendering submission	<p>22.5 Email submission, if allowed or specified in the BDS, shall be governed as follows:</p> <p>a) Electronic files that form part of the proposal must be in accordance with the format and requirements indicated in BDS;</p> <p>b) The Technical Proposal and the Financial Proposal files MUST BE COMPLETELY SEPARATE. The financial proposal shall be encrypted with different passwords and clearly labelled. The files must be sent to the dedicated email address specified in the BDS.</p> <p>c) The password for opening the Financial Proposal should be provided only upon request of UNDP. UNDP will request password only from bidders whose Technical Proposal has been found to be technically responsive. Failure to provide correct password may result in the proposal being rejected.</p> <p>22.6 Electronic submission through e-Tendering, if allowed or specified in the BDS, shall be governed as follows:</p> <p>a) Electronic files that form part of the proposal must be in accordance with the format and requirements indicated in BDS;</p> <p>b) The Technical Proposal and the Financial Proposal files MUST BE COMPLETELY SEPARATE and each of them must be uploaded individually and clearly labelled.</p> <p>d) The Financial Proposal file must be encrypted with a password so that it cannot be opened nor viewed until the password is provided. The password for opening the Financial Proposal should be provided only upon request of UNDP. UNDP will request password only from bidders whose technical proposal has been found to be technically responsive. Failure to provide the correct password may result in the proposal being rejected.</p>

	<p>c) Documents which are required to be in original form (e.g. Bid Security, etc.) must be sent via courier or hand delivery as per the instructions in BDS.</p> <p>d) Detailed instructions on how to submit, modify or cancel a bid in the eTendering system are provided in the eTendering system Bidder User Guide and Instructional videos available on this link: http://www.undp.org/content/undp/en/home/operations/procurement/business/procurement-notice/resources/</p>
23. Deadline for Submission of Proposals and Late Proposals	<p>23.1 Complete Proposals must be received by UNDP in the manner, and no later than the date and time, specified in the BDS. UNDP shall only recognize the date and time that the bid was received by UNDP</p> <p>23.2 UNDP shall not consider any Proposal that is submitted after the deadline for the submission of Proposals.</p>
24. Withdrawal, Substitution, and Modification of Proposals	<p>24.1 A Bidder may withdraw, substitute or modify its Proposal after it has been submitted at any time prior to the deadline for submission.</p> <p>24.2 Manual and Email submissions: A bidder may withdraw, substitute or modify its Proposal by sending a written notice to UNDP, duly signed by an authorized representative, and shall include a copy of the authorization (or a Power of Attorney). The corresponding substitution or modification of the Proposal, if any, must accompany the respective written notice. All notices must be submitted in the same manner as specified for submission of proposals, by clearly marking them as "WITHDRAWAL" "SUBSTITUTION," or "MODIFICATION"</p> <p>24.3 eTendering: A Bidder may withdraw, substitute or modify its Proposal by Canceling, Editing, and re-submitting the proposal directly in the system. It is the responsibility of the Bidder to properly follow the system instructions, duly edit and submit a substitution or modification of the Proposal as needed. Detailed instructions on how to cancel or modify a Proposal directly in the system are provided in Bidder User Guide and Instructional videos.</p> <p>24.4 Proposals requested to be withdrawn shall be returned unopened to the Bidders (only for manual submissions), except if the bid is withdrawn after the bid has been opened</p>
25. Proposal Opening	<p>25.1 There is no public bid opening for RFPs. UNDP shall open the Proposals in the presence of an ad-hoc committee formed by UNDP, consisting of at least two (2) members. In the case of e-Tendering submission, bidders will receive an automatic notification once their proposal is opened.</p>
D. EVALUATION OF PROPOSALS	
26. Confidentiality	<p>26.1 Information relating to the examination, evaluation, and comparison of Proposals, and the recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process, even after publication of the contract award.</p>

	<p>26.2 Any effort by a Bidder or anyone on behalf of the Bidder to influence UNDP in the examination, evaluation and comparison of the Proposals or contract award decisions may, at UNDP's decision, result in the rejection of its Proposal and may be subject to the application of prevailing UNDP's vendor sanctions procedures.</p>
27. Evaluation of Proposals	<p>27.1 The Bidder is not permitted to alter or modify its Proposal in any way after the proposal submission deadline except as permitted under Clause 24 of this RFP. UNDP will conduct the evaluation solely on the basis of the submitted Technical and Financial Proposals.</p> <p>27.2 Evaluation of proposals is made of the following steps:</p> <ul style="list-style-type: none"> a) Preliminary Examination b) Minimum Eligibility and Qualification (if pre-qualification is not done) c) Evaluation of Technical Proposals d) Evaluation of Financial Proposals
28. Preliminary Examination	<p>28.1 UNDP shall examine the Proposals to determine whether they are complete with respect to minimum documentary requirements, whether the documents have been properly signed, and whether the Proposals are generally in order, among other indicators that may be used at this stage. UNDP reserves the right to reject any Proposal at this stage.</p>
29. Evaluation of Eligibility and Qualification	<p>29.1 Eligibility and Qualification of the Bidder will be evaluated against the Minimum Eligibility/Qualification requirements specified in the Section 4 (Evaluation Criteria).</p> <p>29.2 In general terms, vendors that meet the following criteria may be considered qualified:</p> <ul style="list-style-type: none"> a) They are not included in the UN Security Council 1267/1989 Committee's list of terrorists and terrorist financiers, and in UNDP's ineligible vendors' list; b) They have a good financial standing and have access to adequate financial resources to perform the contract and all existing commercial commitments, c) They have the necessary similar experience, technical expertise, production capacity where applicable, quality certifications, quality assurance procedures and other resources applicable to the provision of the services required; d) They are able to comply fully with UNDP General Terms and Conditions of Contract; e) They do not have a consistent history of court/arbitral award decisions against the Bidder; and f) They have a record of timely and satisfactory performance with their clients.
30. Evaluation of Technical and Financial Proposals	<p>30.1 The evaluation team shall review and evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference and other RFP documents, applying the evaluation criteria, sub-criteria, and point system specified in the Section 4 (Evaluation Criteria). A Proposal shall be rendered</p>

	<p>non-responsive at the technical evaluation stage if it fails to achieve the minimum technical score indicated in the BDS. When necessary and if stated in the BDS, UNDP may invite technically responsive bidders for a presentation related to their technical proposals. The conditions for the presentation shall be provided in the bid document where required.</p> <p>30.2 In the second stage, only the Financial Proposals of those Bidders who achieve the minimum technical score will be opened for evaluation. The Financial Proposals corresponding to Technical Proposals that were rendered non-responsive shall remain unopened, and, in the case of manual submission, be returned to the Bidder unopened. For emailed Proposals and e-tendering submissions, UNDP will not request for the password of the Financial Proposals of bidders whose Technical Proposal were found not responsive.</p> <p>30.3 The evaluation method that applies for this RFP shall be as indicated in the BDS, which may be either of two (2) possible methods, as follows: (a) the lowest priced method which selects the lowest evaluated financial proposal of the technically responsive Bidders; or (b) the combined scoring method which will be based on a combination of the technical and financial score.</p> <p>30.4 When the BDS specifies a combined scoring method, the formula for the rating of the Proposals will be as follows:</p> <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p><u>Rating the Technical Proposal (TP):</u></p> <p style="text-align: center;">$TP\ Rating = (Total\ Score\ Obtained\ by\ the\ Offer / Max.\ Obtainable\ Score\ for\ TP) \times 100$</p> <p><u>Rating the Financial Proposal (FP):</u></p> <p style="text-align: center;">$FP\ Rating = (Lowest\ Priced\ Offer / Price\ of\ the\ Offer\ Being\ Reviewed) \times 100$</p> <p><u>Total Combined Score:</u></p> <p style="text-align: center;">$Combined\ Score = (TP\ Rating) \times (Weight\ of\ TP,\ e.g.\ 70\%) + (FP\ Rating) \times (Weight\ of\ FP,\ e.g.,\ 30\%)$</p> </div>
31. Due Diligence	<p>31.1 UNDP reserves the right to undertake a due diligence exercise, also called post qualification, aimed at determining to its satisfaction, the validity of the information provided by the Bidder. Such exercise shall be fully documented and may include, but need not be limited to, all or any combination of the following:</p> <ul style="list-style-type: none"> a) Verification of accuracy, correctness and authenticity of information provided by the Bidder; b) Validation of extent of compliance to the RFP requirements and evaluation criteria based on what has so far been found by the evaluation team; c) Inquiry and reference checking with Government entities with jurisdiction on the Bidder, or with previous clients, or any other entity

	<p>that may have done business with the Bidder;</p> <p>d) Inquiry and reference checking with previous clients on the performance on on-going or contracts completed, including physical inspections of previous works, as necessary;</p> <p>e) Physical inspection of the Bidder's offices, branches or other places where business transpires, with or without notice to the Bidder;</p> <p>f) Other means that UNDP may deem appropriate, at any stage within the selection process, prior to awarding the contract.</p>
32. Clarification of Proposals	<p>32.1 To assist in the examination, evaluation and comparison of Proposals, UNDP may, at its discretion, ask any Bidder for a clarification of its Proposal.</p> <p>32.2 UNDP's request for clarification and the response shall be in writing and no change in the prices or substance of the Proposal shall be sought, offered, or permitted, except to provide clarification, and confirm the correction of any arithmetic errors discovered by UNDP in the evaluation of the Proposals, in accordance with RFP.</p> <p>32.3 Any unsolicited clarification submitted by a Bidder in respect to its Proposal, which is not a response to a request by UNDP, shall not be considered during the review and evaluation of the Proposals.</p>
33. Responsiveness of Proposal	<p>33.1 UNDP's determination of a Proposal's responsiveness will be based on the contents of the Proposal itself. A substantially responsive Proposal is one that conforms to all the terms, conditions, TOR and other requirements of the RFP without material deviation, reservation, or omission.</p> <p>33.2 If a Proposal is not substantially responsive, it shall be rejected by UNDP and may not subsequently be made responsive by the Bidder by correction of the material deviation, reservation, or omission.</p>
34. Nonconformities, Repairable Errors and Omissions	<p>34.1 Provided that a Proposal is substantially responsive, UNDP may waive any non-conformities or omissions in the Proposal that, in the opinion of UNDP, do not constitute a material deviation.</p> <p>34.2 UNDP may request the Bidder to submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities or omissions in the Proposal related to documentation requirements. Such omission shall not be related to any aspect of the price of the Proposal. Failure of the Bidder to comply with the request may result in the rejection of its Proposal.</p> <p>34.3 For Financial Proposal that has been opened, UNDP shall check and correct arithmetical errors as follows:</p> <p>a) if there is a discrepancy between the unit price and the line item total that is obtained by multiplying the unit price by the quantity, the unit price shall prevail and the line item total shall be corrected, unless in the opinion of UNDP there is an obvious misplacement of the decimal point in the unit price; in which case the line item total as quoted shall govern and the unit price shall be corrected;</p>

	<p>b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and</p> <p>c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail.</p> <p>34.4 If the Bidder does not accept the correction of errors made by UNDP, its Proposal shall be rejected.</p>
E. AWARD OF CONTRACT	
35.Right to Accept, Reject, Any or All Proposals	35.1 UNDP reserves the right to accept or reject any Proposal, to render any or all of the Proposals as non-responsive, and to reject all Proposals at any time prior to award of contract, without incurring any liability, or obligation to inform the affected Bidder(s) of the grounds for UNDP's action. UNDP shall not be obliged to award the contract to the lowest priced offer.
36.Award Criteria	36.1 Prior to expiration of the proposal validity, UNDP shall award the contract to the qualified Bidder based on the award criteria indicated in the BDS.
37.Debriefing	37.1 In the event that a Bidder is unsuccessful, the Bidder may request a debriefing from UNDP. The purpose of the debriefing is to discuss the strengths and weaknesses of the Bidder's submission, in order to assist the Bidder in improving its future proposals for UNDP procurement opportunities. The content of other proposals and how they compare to the Bidder's submission shall not be discussed.
38.Right to Vary Requirements at the Time of Award	38.1 At the time of award of Contract, UNDP reserves the right to vary 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.
39.Contract Signature	39.1 Within fifteen (15) days from the date of receipt of the Contract, the successful Bidder shall sign and date the Contract and return it to UNDP. Failure to do so may constitute sufficient grounds for the annulment of the award, and forfeiture of the Proposal Security, if any, and on which event, UNDP may award the Contract to the Second Ranked Bidder or call for new Proposals.
40.Contract Type and General Terms and Conditions	40.1 The types of Contract to be signed and the applicable UNDP Contract General Terms and Conditions, as specified in BDS, can be accessed at http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html
41.Performance Security	41.1 40.1 A performance security, if required in BDS, shall be provided in the amount specified in BDS and form available at https://popp.undp.org/layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_

		<p>POPP DOCUMENT LIBRARY/Public/PSU Solicitation Performance%20Guarantee%20Form.docx&action=default within fifteen (15) days of the contract signature by both parties. Where a performance security is required, the receipt of the performance security by UNDP shall be a condition for rendering the contract effective.</p>
42. Bank Guarantee for Advanced Payment	42.1	<p>Except when the interests of UNDP so require, it is UNDP's preference to make no advance payment(s) (i.e., payments without having received any outputs). If an advance payment is allowed as per BDS, and exceeds 20% of the total contract price, or USD 30,000, whichever is less, the Bidder shall submit a Bank Guarantee in the full amount of the advance payment in the form _____ available _____ at https://popp.undp.org/layouts/15/WopiFrame.aspx?sourcedoc=/UNDP POPP DOCUMENT LIBRARY/Public/PSU Contract%20Management%20Payment%20and%20Taxes Advanced%20Payment%20Guarantee%20Form.docx&action=default</p>
43. Liquidated Damages	43.1	<p>If specified in BDS, UNDP shall apply Liquidated Damages resulting from the Contractor's delays or breach of its obligations as per the Contract.</p>
44. Payment Provisions	44.1	<p>Payment will be made only upon UNDP's acceptance of the work performed. The terms of payment shall be within thirty (30) days, after receipt of invoice and certification of acceptance of work issued by the proper authority in UNDP with direct supervision of the Contractor. Payment will be effected by bank transfer in the currency of contract.</p>
45. Vendor Protest	45.1	<p>UNDP's vendor protest procedure provides an opportunity for appeal to those persons or firms not awarded a contract through a competitive procurement process. In the event that a Bidder believes that it was not treated fairly, the following link provides further details regarding UNDP vendor _____ protest _____ procedures: http://www.undp.org/content/undp/en/home/operations/procurement/business/protest-and-sanctions.html</p>
46. Other Provisions	46.1 46.2 46.3	<p>46.1 In the event that the Bidder offers a lower price to the host Government (e.g. General Services Administration (GSA) of the federal government of the United States of America) for similar services, UNDP shall be entitled to same lower price. The UNDP General Terms and Conditions shall have precedence.</p> <p>46.2 UNDP is entitled to receive the same pricing offered by the same Contractor in contracts with the United Nations and/or its Agencies. The UNDP General Terms and Conditions shall have precedence.</p> <p>46.3 The United Nations has established restrictions on employment of (former) UN staff who have been involved in the procurement process as per bulletin ST/SGB/2006/15 http://www.un.org/en/ga/search/view_doc.asp?symbol=ST/SGB/2006/15&referer</p>

Section 3. Bid Data Sheet

The following data for the services to be procured shall complement, supplement, or amend the provisions in the Request for Proposals. In the case of a conflict between the Instructions to Bidders, the Data Sheet, and other annexes or references attached to the Data Sheet, the provisions in the Data Sheet shall prevail.

BDS No.	Ref. to Section. 2	Data	Specific Instructions / Requirements
1	7	Language of the Proposal	English
2		Submitting Proposals for Parts or sub-parts of the TOR (partial bids)	Not Allowed
3	20	Alternative Proposals	Shall not be considered
4	21	Pre-proposal conference	Will not be conducted as such However, at the request of bidders, Skype conference can be conducted to clarify the queries, in case email response is not adequate. Skype: sidig.mohamed@undp.org
5	10	Proposal Validity Period	90 days
6	14	Bid Security	1) Required in the amount of USD 10,000 in the name of: “Resident Representative UNDP Sudan” <ul style="list-style-type: none"> ▪ Bank Guarantee (See Section 8 for template) ▪ Cashier’s Check / Certified Check from a reputable Bank The original bid security must be hand delivered/or sent by Courier by off-shore bidders to UNDP Procurement office before the bid closing date, at: United Nations Development Programme (UNDP)

			House No. 7, Block No. 5, Gama'a Avenue, Khartoum, Sudan Bidder Shall upload Scanned Copy of Bid Security as part of their Bid Submission 2) validity bid security must be valid for 90 days as per the proposal validity
7	41	Advanced Payment upon signing of contract	N/A
8	42	Liquidated Damages	Will be imposed as follows: Percentage of contract price per day of delay: 0.3% Max. number of days of delay 21 days, UNDP may terminate the contract at its discretion.
9	40	Performance Security	<input checked="" type="checkbox"/> Not Required. However, at the stage of actual call-off, if single contract value happens to be more than USD 500,000.00, performance security MUST be submitted by the winning bidder before signing the contract.
10	18	Currency of Proposal	<input checked="" type="checkbox"/> United States Dollars (US\$) <input checked="" type="checkbox"/> Any other convertible currency Method for Currency Conversion: UN Operational Exchange Rate prevailing on: Bid Opening Date
11	31	Deadline for submitting requests for clarifications/ questions	5 days before the proposal submission deadline
12	31	Contact Details for submitting clarifications/questions	inquiry.procurement.sd@undp.org Email sent to this address will be responded by the procurement professionals

13	18, 19 and 21	Manner of Disseminating Supplemental Information to the RFP and responses or clarifications to Bidders queries	Posted directly to e-Tendering https://etendering.partneragencies.org
14	23	Deadline for Submission	28 August 2018 @ 14:00 Hours GMT (+2) (Sudan, Khartoum local time)
14	22	Allowable Manner of Submitting Proposals	e-Tendering Portal [All bidders must submit their proposals using the e-Tendering System]
15	22	Proposal Submission Address	https://etendering.partneragencies.org Event ID: SDN10- 0000002614
16	22	Electronic submission and e-Tendering requirements	<ul style="list-style-type: none"> Format: PDF files, excels etc. File names must be maximum 60 characters long and must not contain any letter or special character other than from Latin alphabet/keyboard. All files must be free of viruses and not corrupted. Max. File Size per transmission: N/A
17	27 36	Evaluation Method for the Award of Contract	Combined Scoring Method, using the 70%-30% distribution for technical and financial proposals respectively The minimum technical score required to pass is 70%.
18		Expected date for commencement of Contract	September 16, 2018
19		Maximum expected duration of LTA/contract	3 years
20	35	UNDP will award the contract to:	One Proposer Only
21	39	Type of Contract	Long term Agreement- LTA

22	39	UNDP Contract Terms and Conditions that will apply	UNDP General Terms and Conditions for Professional Services See Form I attached to this RFP
23		Other Information Related to the RFP	<p>1.The auditing firm is required to audit International NGOs (INGOs) or any other DIM Projects as assigned by UNDP;</p> <p>2. Vendors suspended by UN/UNDP, World Bank or those in the UN Sanctioned List are not eligible to be awarded with UNDP Contract</p> <p>3. Price Proposals shall be password protected. Passwords for the Price /Financial Proposals shall be provided only by the technically qualified bidders. Once the technical evaluation is complete, UNDP will notify the technically qualified bidders to disclose the password.</p>

Section 4. Evaluation Criteria

Preliminary Examination Criteria:

Proposals will be examined to determine whether they are complete and submitted in accordance with RFP requirements as per below criteria on a Yes/No basis:

- Appropriate signatures [by authorized representatives of the bidder];
- Power of Attorney [in case the authorized representative is not available to sign the bid document]
- Minimum documents provided [as requested in Form B]
- Technical and Financial Proposals prepared separately and submit using e-Tendering Portal;
- Bid Validity (90 days from the date of submission)
- Bid Security submitted as per RFP requirements with compliant validity period [as per BDS]

Minimum Eligibility and Qualification Criteria

Eligibility and Qualification will be evaluated on Pass/Fail basis.

If the Proposal is submitted as a Joint Venture/Consortium/Association, each member should meet minimum criteria, unless otherwise specified in the criterion.

Subject	Criteria	Document Submission requirement
ELIGIBILITY		
Legal Status	Vendor is a legally registered entity.	Form B: Bidder Information Form
Eligibility	Vendor is not suspended, nor debarred, nor otherwise identified as ineligible by any UN Organization or the World Bank Group or any other international Organization in accordance with ITB clause 3.	Form A: Technical Proposal Submission Form
Conflict of Interest	No conflicts of interest in accordance with ITB clause 4.	Form A: Technical Proposal Submission Form
Bankruptcy	Not declared bankruptcy, not involved in bankruptcy or receivership proceedings, and there is no judgment or pending legal action against the vendor that could impair its operations in the foreseeable future.	Form A: Technical Proposal Submission Form
Others	Evidence for Affiliation with International Auditing Body	
	JV partners or any other bidder, as an individual entity, MUST not have the same shareholders or Owners	NA

QUALIFICATION		
History of Non-Performing Contracts¹	Non-performance of a contract did not occur as a result of contractor default for the last 5 years.	Form D: Qualification Form
Litigation History	No consistent history of court/arbitral award decisions against the Bidder for the last 5 years.	Form D: Qualification Form
Previous Experience	Minimum seven (7) year experience and corporate specialization in Auditing	Form D: Qualification Form
	Minimum 10 Audits of the same nature conducted in the last 2 years. <i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i>	Form D: Qualification Form
Financial Standing	Minimum annual turnover of USD1 million for the years 2015,2016 & 2017. <i>(For JV /Consortium/Association, all Parties cumulatively should meet requirement).</i>	Form D: Qualification Form
	Bidder must demonstrate the current soundness of its financial standing and indicate its prospective long-term profitability. <i>(For JV/Consortium/Association, all Parties cumulatively should meet requirement).</i>	Form D: Qualification Form
Liquidity	Current Ratio must be 1 or above (taken from current assets and current liability)	Form D: Qualification Form

¹ Non-performance, as decided by UNDP, shall include all contracts where (a) non-performance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the contractor. Non-performance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism. Non-performance must be based on all information on fully settled disputes or litigation, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Bidder have been exhausted.

Technical Evaluation Criteria

Summary of Technical Proposal Evaluation Forms		Points Obtainable
1.	Bidder's qualification, capacity and experience	400
2.	Proposed Methodology, Approach and Implementation Plan	300
3.	Management Structure and Key Personnel	300
	Total	1,000

Section 1. Bidder's qualification, capacity and experience		Points obtainable
1.1	Reputation of Organization and Staff Credibility / Reliability / Industry Standing 1.1.1 Years of establishment; 1.1.2 Number of years in the Audit Services 1.1.3 Number and types of clients served; 1.1.4 Awards and Recognitions achieved by staff/or company; 1.1.5 Client Performance Evaluation;	50
1.2	General Organizational Capability which is likely to affect implementation: management structure, financial stability and project financing capacity, project management controls, extent to which any work would be subcontracted 1.2.1 Number of staff possessed by Organization; 1.2.2 Number of Audit staff in the Audit Firm at any given time; 1.2.3 Number of Branches or regional offices, 1.2.4 Years of experience in the similar project; 1.2.5 Annual Turnover; 1.2.6 Liquidity Position; 1.2.7 Strength of project management support 1.2.8 Project financing capacity 1.2.9 Project management controls 1.2.10 Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialized skills.)	200
1.3	Relevance of specialized knowledge and experience on similar engagements done in the region/country 1.3.1 Number of audits of the same nature conducted in the last 2 years 1.3.2 Experience in Projects Auditing in the Region (regional presence in middle east/Africa region);	120

	1.3.3 Volume of projects audited in the last year (minimum \$1million) 1.3.4 Work for UNDP/ major multilateral/ or bilateral programme	
1.4	Quality assurance procedures and risk mitigation measures 1.4.1 Compliance to international standards for Audit ISA or INTOSAI	30
Total Section 1		400

Section 2. Proposed Methodology, Approach and Implementation Plan		Points obtainable
2.1	Understanding of the requirement: Have the important aspects of the task been addressed in sufficient detail? Are the different components of the project adequately weighted relative to one another? 2.1.1 Sequential presentation of tasks /activities and the planning logical, realistic and promise efficient implementation to meet the TOR Deliverables; 2.1.2 Relevance and practicality of the Proposed Work Implementation Plan/Timeline in terms of coverage of the scope of the services, time and people allocated	100
2.2	Description of the Offeror's approach and methodology for meeting or exceeding the requirements of the Terms of Reference 2.2.1 Details on how the audit service shall be organized, controlled and delivered	100
2.3	Conceptual framework adopted for the task	25
2.4	Scope of task well defined and correspond to the TOR	50
2.5	Demonstration of ability to plan, integrate and effectively conduct the audit services for the execution of the contract	25
Total Section 2		300

Section 3. Management Structure and Key Personnel			Points obtainable
3.	Management of Structure and Qualifications of key personnel proposed		
3.1 a	Audit Manager (Overseas)		100
	- Education Qualification [Certified Auditor (CA), full marks; other than CA 0 points]	25	
	- Years of Professional as well as Management Experience [10 years and over full marks, less 0 points] Specific Experience relevant to the assignment	25	
	- Language Qualifications	25	

	- Application of either ISA or INTOSA audit standards in the previous auditing [if yes, full marks, if no 5 points]	25	
3.2 b	Audit Team Leader (Field)		100
	- Education Qualification [Certified Auditor (CA) , full marks; other than CA 0 points]	25	
	- Years of Professional as well as Management Experience [10 years and over full marks, less 0 points] Specific Experience relevant to the assignment	25	
	- Language Qualifications	25	
	- Application of either ISA or INTOSA audit standards in the previous auditing [if yes, full marks, if no 5 points]	25	
3.2 c	Auditors (Field)		100
	- Education Qualification [Certified Auditor (CA) , full marks; other than CA 0 points]	25	
	- Years of filed audit experience as an audit team member [7 -years and over full marks, less 0 points]	25	
	- Language Qualifications	25	
	- Application of either ISA or INTOSA audit standards in the previous auditing [if yes, full marks, if no 5 points]	25	
Total Section 3			300

Section 5. Terms of Reference

Provision of Audit Services

TERMS OF REFERENCE FOR AUDIT OF NGOs' PROJECTS 2017 EXPENSES, UNDP Sudan

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Background

Background on SHF Projects:

The Sudan Humanitarian Fund (SHF) is a pooled funding mechanism established in 2005 for humanitarian activities in Sudan. Under the overall authority of the Humanitarian Coordinator (HC), the SHF is intended to give the HC greater ability to target funds to the most critical humanitarian needs, encourage early donor contributions and enable a rapid response to unforeseen circumstances.

Only humanitarian projects included in the *UN and Partners Work Plan for Sudan* (the Work Plan) are eligible for SHF funding. The Work Plan outlines the annual strategic and operational plan for the UN and partners' assistance in Sudan and is developed in consultation with national, regional and local authorities. It is divided into seven planning regions and one national program, each covering up to twelve sectors with four cross cutting issues that all sectors are expected to integrate into their programming.

Both the Work Plan and the SHF help advance humanitarian aid reforms as proposed in the Secretary-General's report, *In Larger Freedom* (2005), such as strengthened response capacity, more predictable and timely funding to organizations, strengthened coordination, as well as donors' endorsement of Good Humanitarian Donor ship (GHD) principles.

The SHF is administered by the Multi-Partner Trust Fund Office (MPTF Office) of the United Nations Development Programme (UNDP) in accordance with its financial regulations and rules.

The UNDP serves as the Administrative Agent (AA) and is responsible for concluding Standard Administrative Arrangement (SAA) with donors and Memorandum of Understanding (MOU) with Participating UN Organizations. It receives, administers and manages contributions from Donors. It disburses these funds to the Participating UN Organizations in accordance with the decisions of the HC. The AA also maintains a Rapid Response Reserve as directed by the HC. Finally, the AA prepares and submits financial reports on the SHF account to the HC, each donor that has contributed to the SHF, as well as the Advisory Group.

Background on DCPSF Project:

The Darfur Community Peace and Stability Fund (DCPSF) has been established on 24 October 2007 to promote peace building and reconciliation in Darfur through the implementation of community-based recovery and development activities. Under the overall authority of DCPSF Steering Committee, chaired by the UN Resident Coordinator (RC), the DCPSF is a pooled funding mechanism intended to channel funds towards the most critical needs and encourage early donor contributions.

The UN and its partners will apply to this fund to support priority programs and projects promoting peace and stability in Darfur. The scope of the DCPSF will focus on, though is not limited to, the following areas:

- Support Peace Building at the Local Level

- Expansion of Basic Social Service Delivery
- Enhancing Livelihoods of Communities
- Improving Governance and the Rule of Law

Priority programs and projects of the DCPSF will be implemented by a range of organizations such as UN Organizations, the International Organization for Migration (IOM), Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs).

The [Multi-Partner Trust Fund Office \(MPTF Office\)](#) of the United Nations Development Programme (UNDP) serves as the Administrative Agent (AA) and is responsible for concluding Standard Administrative Arrangements (SAA) with donors and Memorandums of Understanding (MOU) with Participating UN Organizations. It receives, administers and manages contributions from Donors. It disburses these funds to the Participating UN Organizations in accordance with the decisions of the DCPSF Steering Committee through its Chair. Finally, the AA prepares and submits financial reports and statements on the DCPSF account to the DCPSF Steering Committee and to each donor that has contributed to the DCPSF.

Purpose/Objective of the TOR

This TOR is directed at the audit of special purpose financial statements, which are referred to as Combined Delivery Reports (CDRs) which must be part of the contents of the audit report. The list of NGOs' projects to be audited will be attached to the TOR (see indicative list of project in annex 11).

Once the bidding process is completed, UNDP will enter into Long Term Agreement (LTA) with the most responsive Offeror as the audit services will be required intermittently from time to time. The duration and attributes of LTA will be mentioned in the Request for Proposal (RFP) of which this ToR is part and parcel.

A. Project Management

Contact addresses, physical location address and name of NGOs audit focal points will be provided by the Fund Management Unit in UNDP Sudan Country Office.

B. Consultations with concerned parties

Prior to the start of audit work, the Audit Firm will be required to consult and agree with the UNDP Country Office Fund Management Unit (FMU) and the NGOs on the planning of field work. Further, upon completion of the draft audit reports and management letters, the auditor will be required to meet with the UNDP country office representatives from the Compliance, Performance, and Resources Management Team, the Operation Division and Fund Management Unit to debrief them on the major findings from the audit and its recommendations for future improvements as well as to seek their feedback thereon.

C. Description of Financial Reports to be audited

The Fund Management Unit will provide the **Financial Statements**, including the **Statement of Cash Position** and the **Statement of Assets and Equipment** purchased by SHF/DCPSF fund, with year-end inventory listing.

Description of the Combined Delivery Report and Supporting Schedules – Important Changes

The report to be audited is referred to as the Combined Delivery Report (CDR). This report is prepared by UNDP, using an in-house accounting software package called ATLAS (a web-based system). The CDR serves as the official financial statement that must be certified by the auditors:

- The NGOs' Project financial statements, if certified, must be reconciled with the expenses appearing in the CDR. This reconciliation must be included as part of the contents of the audit report
- If the CDR includes expenses out of the audit scope, including other NGOs, UNDP support services and UN agencies expenses, It should be reconciled to highlight these expenses and such reconciliation must be included in the audit report as per annex 12 ;
- The reconciled CDRs should be signed by the NGOs, Auditor and UNDP and must be attached to the audit reports.

As described in more detail below, the CDR combines expenses from three disbursement sources for a calendar year. Refer to the section below on changes to the CDR since the adoption of the International Public Sector Accounting Standards (IPSAS) by UNDP effective 1 January 2012. The three disbursement sources include:

1. Implementing partner (either Government or NGO)

UNDP procedures require that where funds are advanced to the executing agency, the agency must submit to the UNDP country office, on a quarterly basis, a financial report including: (1) the status of the advance; (2) a list of the disbursements made since the previous financial report; and (3) a request for a new advance. The UNDP country office enters the disbursements in ATLAS through the year as the financial reports are received. These implementing partner disbursements are recorded in the Government expenses column in the CDR.

2. UNDP (country office, headquarters and other country offices)

Disbursements made by UNDP from its own bank accounts are entered in ATLAS by the UNDP country office. These UNDP disbursements are recorded in the *UNDP* expense column in the CDR. These disbursements may be classified as either *direct payments* or *UNDP support services*. This distinction, while very important for audit purposes, is not apparent from the CDR and can only be provided by the UNDP country office as a supporting schedule. A brief description of each category is provided below.

- a) **Direct Payments** - This is where the implementing partner is responsible for the expenses but requested UNDP to effect payment to the vendor/consultant on its behalf. The implementing partner is accountable for the disbursement and maintains all supporting documentation. UNDP simply effects payments on the basis of properly authorized requests and gives the implementing partner a copy of the related disbursement voucher as evidence that payment was made.
- b) **UNDP Support Services** - This is where the NGO and UNDP have agreed that UNDP will

provide support services to the project and signed a Letter of Agreement. These support services must be described in the Letter of Agreement. UNDP is fully responsible and accountable for these expenses and, accordingly, maintains all supporting documentation for the disbursement. These expenses are outside the scope of audit and, therefore, will not be reviewed by the auditors. This scope limitation should not be used as a reason for issuing a qualified audit opinion on the CDR. Where there is no signed Letter of Agreement for UNDP Support Services or a CPAP with the respective clauses of the LOA for UNDP Support Services, the audit should also cover the UNDP expenses under CO support. The CO must include this information in the TOR/contract for the auditors.

3. *UN agencies*

The UN agency reports its expenses to UNDP and to the government. The UNDP country office enters the expenses in ATLAS. These UN agency expenses are recorded in the UN Agencies expense column in the CDR. Note: Any expenses under this column are outside the auditors' scope of audit. UN entities are audited under their own audit arrangement, following the 'Single Audit' principle and are not covered by UNDP's audit regime.

At the end of the year, after receiving the fourth quarter financial report from the implementing partner and the year-end expense report from the UN agency, UNDP prepares the CDR and submits it to the implementing partner for signature. UNDP will provide the auditor with the signed CDR together with the following supporting documentation.

1. The Quarterly Financial Reports submitted by the implementing partner.
2. A list of the Direct Payments processed by UNDP at the request of the implementing partner.
3. A list of the Disbursement made by UNDP as part of support services provided to the implementing partner.

Changes to the CDRs for FY2014 expenses

With the adoption of the International Public Sector Accounting Standards (IPSAS) by UNDP effective 1 January 2012, the CDR is now prepared in two sections, the first section containing the total expense information as explained above (by Implementing Partner, UNDP and UN Agencies); and the second section showing the following information:

- Outstanding NEX advances;
- Un-depreciated Fixed Assets;
- Inventory;
- Prepayments;
- Commitments;

In addition to the verification of the total project expense reflected in the CDR, the auditors will now be responsible for validating certain areas of the information appearing in the Funds Utilization section of the CDR as shown above.

Outstanding NEX advances – If there is an amount appearing under this category, the auditors should reconcile it to the cash at hand at the project level. In principle, this amount should represent the balance of any advances transferred to the implementing partner minus the total expenses reported in the quarterly financial reports submitted by the implementing partner to

UNDP.

Un-depreciated Fixed Assets – There could be cases where fixed assets that belong to or are used by the project are under UNDP's control (i.e. in situations where UNDP is providing support services to the project and there is no signed Letter of Agreement, as an example). If there is an amount appearing on the CDR under this category, the auditors should investigate and determine that these assets are project related or not and, if project related, should perform the same audit procedures to validate the assets as those undertaken for the certification of the Statement of Assets and Equipment. Please refer to the Programme and Operations Policies and Procedures (POPP) section on "Administrative Services/Asset Management/Property Plan and Equipment/Furniture and Equipment Acquisition and Maintenance" for information regarding the custody/control/ownership of assets.

Inventory – Similar to the case of Un-depreciated Fixed Assets, there may be situations where certain items of inventory that were acquired for the project are temporarily under UNDP's control/custody. If there is an amount under this category, the auditors should determine the nature of the inventory and whether or not it is intended for the project. If it is determined that the inventory is project related, then the same audit procedures for the certification of the Statement of Assets and Equipment should be applied. Please refer to the aforementioned section of the POPP on asset management as well as the section on "Financial Resources/Inventory Management" for additional guidance as necessary.

Prepayments – The auditors should validate any amount appearing under this category, i.e. determine what it represents and if it is in any way project related.

Commitments – Any amounts appearing under this category would be provided for informational purposes only and, therefore, the auditors would **not be required** to undertake any audit procedures related to the verification or validation of same.

D. Audit Services Required/ Deliverables

The following are the services required by the Auditor:

- The Auditor is required to audit the NGOs' projects as per the attached list (locations of projects Annex 10,) contact addresses will be availed by FMU.
- That the audit will be carried out in accordance with either ISA2 or INTOSAI.
- That the audit period is 1 January to 31 December of the FY year 2017
- That the scope of the audit is limited to the implementing partner expenses, which are defined as including: (1) all disbursements listed in the quarterly financial reports submitted by the implementing partner; and (2) the direct payments processed by UNDP at the request

² · International Standards of Auditing (ISA) published by the International Auditing Practices Committee of the International Federation of Accountants

of the implementing partner.

- That the auditor is required to state in the audit report if the audit was not in conformity with any of the above and indicate the alternative standards or procedures followed.
- That the auditor is required to express an opinion as to the overall financial situation of the project for the period 1 January to 31 December for the FY 2018 and will certify:
 1. The statement of expenses (the CDR) for the period from 1 January to 31 December for the FY 2018;
 2. The statement of cash position (cash and bank balances of the project) reported by the projects as at 31 December for the FY 2018; and
 3. The statement of assets and equipment held by the project as at 31 December 2018.
- That the auditor is required to, as applicable, report in monetary value, the net financial impact of any modified audit opinion (modified opinions can be qualified, adverse, or disclaimer) on the statement of expenses (Combined Delivery Report (CDR)) where applicable. This should also include prior year non- resolved Net Financial Impact (NFI).
- It is expected that the auditor/audit firm is required to submit a draft audit report by **15th March 2019** and a final signed audit report with signed UNDP statements by **30th March of the 2019** which may slightly vary depending on the date of contract commencement.

Audit opinions must be one of the following: (a) qualified (negative), (b), unqualified (favourable), (c) adverse (negative), or (d) disclaimer (negative). If the audit opinion is other than “unqualified” (favourable) the audit report **must** describe both the nature and amount of the possible effects on the financial statements.

The report should also make a reference to the section of the Management Letter with regard to the related audit observation number and the action taken or planned to be taken to address and conclusively correct the issues underlying the qualification. A definition of audit opinions is provided in Annex 4.

E. The Audit Report and Management Letter

The TOR has clearly should indicated the expected contents of the Audit Report and Management Letter and the topics/areas to be covered by the auditors as outlined below:

Audit Report – **VERY IMPORTANT**

The audit report should clearly indicate the auditor’s opinion (Refer to Annex 3 for a sample Audit Report). This would include at least the following:

- That it is a special purpose and confidential report;
- The audit standards that were applied (ISAs, or national standards that comply with one of the ISA in all material respects);
- The period covered by the audit opinion;
- The amount of expenses audited;
- The amount of the net financial impact of the modified audit opinion on the CDR, if modified;

- The reason(s) resulting in the issuance of a modified audit opinion, qualified, adverse or disclaimer opinion (the reason(s) must be also included in the management letter as an audit observation(s)

(a) A Financial Audit to express an opinion on the project's financial statements that includes:

- Expression of an opinion on whether the statement of expenses presents fairly the expense incurred by the project over a specified period in accordance with UNDP accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of the Government or UNDP; and (iv) supported by properly approved vouchers and other supporting documents. **The Combined Delivery Report (CDR) is the mandatory and official statement of expenses to be certified.** Other forms of statement of expenses that may be prepared by a project office are not accepted.
- Whether the result of the prior year's audits resulting in modified audit opinions on the UNDP CDR had conclusive actions to properly address an audit qualification in the previous year audit and the related Net Financial Impact (NFI). If there is a lack of conclusive actions, the auditors must take into account the possible effect of a prior year modified opinion that has not been properly corrected or resolved.

Note: Consequently, a previous year modified opinion that has not been properly resolved may cause the auditors to issue a modified opinion in their current year audit report. If proper attention is not paid to this aspect, the risk could be a significant accumulation of unresolved modified opinions from previous years.

- Expression of an opinion on the value and existence of the project's statement of assets and equipment as at a given date. This statement must include all assets and equipment available as at 31 December 2014, and not only those purchased in a given period. Where a NGO project does not have any assets or equipment, it will not be necessary to express such an opinion, however, this should be disclosed in the audit report.
- Express an opinion on the value and existence of the cash held by the project as at a given date, i.e. 31 December 2014. Where a dedicated project bank account is opened and used solely for the cash transactions of a NGO project, e.g. if the project is in a remote location. The Audit Firm is required to express an opinion on the Statement of Cash Position where a dedicated bank account for the NGO project has been established and/or the project holds petty cash. Where the project does not hold any cash, this should be disclosed in the audit report.

The Financial Audit will be conducted in accordance with International Standards of Auditing (ISA).

(b) An audit to assess and express an opinion on the project's internal controls and systems.

The deliverable will be an audit report similar to a long form management letter that covers the internal control weaknesses identified and the audit recommendations to address them.

The management letter should be attached to the audit report and cover the following topics/issues:

- A general review of a project's progress and timeliness in relation to progress milestones

and the planned completion date, both of which should be stated in the project document or Annual Work Plan (AWP). This is not intended to address whether there has been compliance with specific covenants relating to specific performance criteria or outputs. However, general compliance with broad covenants such as implementing the project with economy and efficiency might be commented upon but not with the legal force of an audit opinion.

- An assessment of a project's internal control system with equal emphasis on: (i) the effectiveness of the system in providing the project management with useful and timely information for the proper management of the project; and (ii) the general effectiveness of the internal control system in protecting the assets and resources of the project.
- A description of any specific internal control weaknesses noted in the financial management of the project and the audit procedures followed to address or compensate for the weaknesses. **Recommendations to resolve/eliminate the internal control weaknesses noted should be included.**

The audit of internal controls and systems will be conducted in accordance with the International Standards for Audit (ISA).

The **Management Letter** should also include the following:

- Effective audit observations/recommendations (guidelines in [Annex 10](#));
- The categorization of audit observations by risk severity: High, Medium, or Low. Definitions of these categories are given in [Annex 6](#);
- Management comments/response to audit observations and recommendations (project management and/or UNDP, as applicable); and
- Indication of observations that affect the audit opinion (when qualified, adverse or disclaimer opinion is given).

More detailed guidance for the above general categories is provided below.

Review of project progress

As part of the general review of project progress, specific steps could include the following:

- Review annual and quarterly work plans, quarterly and annual financial reports, and requests for direct payments and assess in terms of their timeliness and their compliance with the project document or the AWP, and the UNDP Programme Operations Policies and Procedures (POPP) on Results Management.
- Review the annual project report prepared by the implementing partner and assess in terms of compliance with UNDP guidelines and whether the implementing partner met its responsibilities for monitoring described in the project document or AWP.
- Review whether the decisions and/or recommendations of the above activities have been followed through by the implementing partner.
- Review the pace of project progress and comment on the causes for delays.
- Comment on whether implementation services of the UN Agency(s) were provided in line with the project document or AWP.

Assessment of internal control:

The auditor is required to conduct a general assessment of internal controls according to established internal control standards. An example of established internal control standards is available from the Organization of Supreme Audit Institutions (INTOSAI). The INTOSAI standards are intended for use by government managers to use as a framework to establish effective internal control structures. For further information, the INTOSAI *Guidelines for Internal Control Standards* can be found on the INTOSAI Web site www.intosai.org. An overview of the standards can be found in the UNDP Contact tool (Chapter 6).

In addition to the above general assessment, additional specific steps could include the following:

- Review the expenses made by the implementing partner and assess whether they are in accordance with the project document, AWP and budgets; and are in compliance with the UNDP POPP on Results Management.
- Review the process for procurement/contracting activities and assess whether it was transparent and competitive.
- Review the use, control and disposal of non-expendable equipment and assess whether it is in compliance with UNDP POPP on Results Management; and also whether the equipment procured met the identified needs and whether its use was in line with intended purposes.
- Review the process for recruiting project personnel and consultants and assess whether it was transparent and competitive.
- Review the implementing partner accounting records and assess their adequacy for maintaining accurate and complete records of receipts and disbursements of cash; and for supporting the preparation of the quarterly financial report.
- Review the records of requests for direct payments and ensure that they were signed by authorized government officials.

Recommendations for improvement:

Recommendations should be directed to a specific entity so there is no confusion regarding who is responsible for implementation. The response of the entity should be included in the management letter, immediately following the recommendation.

Also, the auditor may wish to comment on “good practices” (if any) that were developed by the implementing partner that should be shared with other project personnel.

Available Facilities and Right of Access:

All records belonging to the project including project cooperation agreements will be available at NGOs Head Quarters in Khartoum; auditors would have full and complete access to all records related to NGOs project (including books of account, legal agreements, minutes of committee meetings, bank records, invoices and contracts etc.) under the audit during the audit exercise.

Prior Year unresolved Net Financial Impact (NFI):

1. Following the International Audit Standard (ISA) 450 and ISA 710 that came into effect on December 2010 there is an additional requirement regarding previous years modified audit opinions³ This

³ A “modified” audit opinion means either a qualified opinion, a disclaimer opinion or an adverse opinion.

audit standard requires that auditors, when expressing an opinion on this year's statements, take into account the possible effect of a prior year modified opinion that has not been properly corrected or resolved.

2. Consequently, unresolved previous years modified opinions lead to a modified opinion in the auditor's current year audit report. If proper attention is not paid to this aspect, the risk could be a significant accumulation of unresolved modified opinions from previous years that would lead the UN BoA to modify their audit opinion on UNDP's financial statements.

Other TOR requirements as per 2017 call for NGOs audit letter

3. In addition to the above requirement, some of the other important requirements that are an integral part the TOR for NGO audits are highlighted below as a reminder:
 - a) Auditors must sign, express an opinion, and quantify (i.e. indicate the amount) the net financial impact on each of the following:
 - (i) UNDP Combined Delivery Report (CDR) as at 31 December 2018. The auditors must clearly indicate in their audit report the net financial impact (NFI) for each project and, as applicable, the reasons for which they rendered an unfavorable audit opinion (qualified, adverse or disclaimer) and provide the net financial impact amount. The issues and reasons for the qualification must also be raised by the auditors as an audit observation in their management letter;
 - (ii) Statement of cash position reported by the project as at 31 December 2018 (including petty cash and bank account balances): If the project does not maintain a separate bank account and does not maintain petty cash, an audit opinion would not be applicable. In this respect, the auditors are required to include this information on the opinion page of the audit report;
 - (iii) Statement of assets and equipment held by the project as at 31 December 2018. If the project does not hold any assets or equipment, the auditors are required to include this information on the opinion page of the audit report;

Note: Audit opinions must be one of the following: (a) unqualified, (b) qualified, (c) adverse, or (d) disclaimer. If the audit opinion is other than "unqualified", the audit report must describe both the nature and amount of the possible effects on the financial statements (net financial impact). A definition of audit opinions is provided in the attached Annex 6.

- - b) Auditors must identify the risks associated with their audit issues and categorize by risk severity:

High, Medium, or Low. Definitions of these categories are given in Annex Z;

- c) Auditors must sign the updated status of action plans for the prior year audit (FY2017) recommendations as recorded in the CARDS system (CARDS report R2000); and
- d) The TORs include guidelines on formulating audit findings and on determining the materiality of findings. Country Offices should share these guidelines with the NGO auditors who are expected to refer to them when preparing their audit reports.

ANNEX 1: AUDIT SERVICES REQUIRED

The scope of audit services shall be in accordance with International Standards for Audit (ISA) and cover the overall management of the project's implementation, monitoring and supervision. The audit work should include the review of work plans, progress reports, project resources, project budgets, project expenses, project delivery, recruitment, operational and financial closing of projects (if applicable) and disposal or transfer of assets. To this effect, the scope of the audit shall cover the following areas as they are performed at the level of the project:

Human resources

The audit work shall cover the competitiveness, transparency and effectiveness of the recruitment and hiring of personnel and include performance appraisal, attendance control, calculation of salaries and entitlements, payroll preparation and payment, and management of personnel records.

Finance

The audit work shall cover the adequacy of the accounting and financial operations and reporting systems. These include budget control, cash management, certification and approving authority, receipt of funds, and disbursement of funds, recording of all financial transactions in expense reports, records maintenance and control.

Procurement

The audit work shall cover the competitiveness, transparency and effectiveness of the procurement activities of the project in order to ensure that the equipment and services purchased meet the requirement of either the NGO or UNDP as stated in the Project Partnership Agreement and Project Cooperation Agreement between UNDP and NGO and include the following:

- As applicable, delegations of authorities, procurement thresholds, call for bids and proposals, evaluation of bids and proposals and approval/signature of contracts and purchase orders;
- Receiving and inspection procedures to determine the conformity of equipment with the agreed specifications and, when applicable, the use of independent experts to inspect the delivery of highly technical and expensive equipment;
- Evaluation of the procedures established to mitigate the risk of purchasing equipment that do not meet specifications or is later proven to be defective;
- Management and control over the variation orders.

The audit work in the area of procurement shall also cover the use of consulting firms and the adequacy of procedures to obtain fully qualified and experienced personnel and assessment of their work before final payment is made.

Asset Management

The audit work shall cover equipment (typically vehicles and office equipment) purchased for use of the project. The procedures for receipt, storage, and disposal shall also be reviewed.

Cash Management

The audit work shall cover all cash funds held by the project and review procedures for safeguarding of cash.

General Administration

The audit work shall cover travel activities, vehicle management, shipping services, office premises and lease management, office communications and IT systems, and records maintenance.

Note: The above scope shall cover those transactions performed at the level of the project to include direct payments made by the UNDP country office at the request of the project.

ANNEX 2: QUALIFICATIONS OF AN AUDITOR

1. The auditors will be engaged through an Audit firm contracted by UNDP through the competitive bidding exercise. The firm must have registration Certificate and previous auditing experience of minimum of 12 years. The selected firm is required to provide an Audit Manager (Audit Principal); an Audit Team Leader and Auditors to conduct the auditing under the scope of this ToR. Audit Manager is the main contact point in Auditing firm concerning the overall management of audit work as well as management of the contract with UNDP. Below are the minimum required qualifications for each category of expert required:

Audit Firm	Years of Experience	
Seven years of experience in core auditing business as required by TOR		
Audit Staff Category	Education Qualification	Years of Experience in Auditing International or bilateral organizations
Audit Manager	Chartered Accountancy (CA) from the recognized University; MBA is preferable but not a requirement	Minimum 10 years of experience in managing the works of Auditors involved in auditing of multi-national or international organizations applying ISA or INTOSAI Audit standards
Audit Team Leader	Chartered Accountancy (CA) from the recognized University	Minimum 10 year of work experience as Team Leader of the Field Audit Team conducting the Audit of 5 different clients at a time. Hands on experience to apply ISA or INTOSAI Audit standards
Auditors (Field Work)	Chartered Accountancy (CA) from the recognized University	Minimum 7 years of experience as Field Auditors conducting the Audit of an international organization or multi-national organizations, capable of applying ISA or INTOSAI Audit standards. Previous work experience in Sudan would be an added advantage.

2. The auditor should be experienced in applying either ISA or INTOSAI audit standards, whichever is applicable for the audit. The auditor team must employ Audit Principal, and Key Staff proposed for the field Work. All the staff proposed should have appropriate professional qualifications and suitable experience with ISA or INTOSAI standards, including experience in auditing the accounts of entities comparable in size and complexity to the entity being audited;

3. Observation of Impartiality and Independence

In providing the audit services UNDP, Auditors must be completely impartial and independent from all aspects of management or financial interests in the entity being audited;

- The auditor should not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as director for, or have any financial or close business relationships with any senior participant in the management of the entity;
- Auditor shall bear in mind at all times of any existing statutory requirements relating to independence and to require an auditor to disclose any relationship that might possibly compromise his/her independence.

Curriculum vitae (CVs) should be provided to the client by the principal of the firm of auditors who would be responsible for signing the opinion, together with the CVs of Team Leader, and key personnel proposed as part of the audit team. CVs should include details on audits carried out by the applicable staff, including on-going assignments indicating capability and capacity to undertake the audit.

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Auditor's report to:

***The National Project Director and
The Resident Representative***

Format for Financial Certifications

I. Sample Certification for Statement of Expenses (UNDP CDR)

REPORT OF THE INDEPENDENT AUDITORS TO UNDP [insert project name] (Refer to ISA 700)

We have audited the accompanying Statement of expenditure ("the statement") of the project [insert project and project number(s)], [insert official title of project] for the period [insert period covered].

Management is responsible for the preparation of the statement for <name/title> project and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project's preparation of the statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Clean Opinion: Option 1: (Unmodified)

In our opinion, the attached statement of expense presents fairly, in all material respects, the expense of [insert amount in US\$] incurred by the project [insert official title of project] for the period [insert period covered] in accordance with agreed upon accounting policies [if needed add - and the note to the statement] and were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant UNDP regulations and rules, policies and procedures; and (iv) supported by properly approved vouchers and other supporting documents.

Modified Opinions (Refer to ISA 705)

Option 2: (Qualified opinion)

In our opinion, the attached statement of expense, except for the reasons indicated above in paragraphs (1), (2), (3), etc., [there should be a separate Basis for Qualified Opinion Paragraph where the basis for Qualified opinion is clearly explained] presents fairly in all material respects the expense of [insert amount in US\$] incurred by the project [insert

official title of project] for the period [insert period covered] in accordance with UNDP accounting policies [if needed add: and the note to the statement].

Option 3: (Adverse opinion)

In our opinion, based on the significance of the matter discussed in paragraph (1), (2), (3) etc. [there should be a separate Basis for Adverse Opinion Paragraph where the basis for adverse opinion is clearly explained] the statement of expense does not give a true and fair view of the expense of [insert amount in US\$] incurred by the project [insert official title of project] for the period from [insert period covered].

Option 4: (Disclaimer of opinion)

Because of the significance of the matter described in paragraph (1),(2), (3), etc. [there should be a separate Basis for Disclaimer of Opinion Paragraph where the basis for disclaimer of opinion is clearly explained] we were unable to obtain sufficient appropriate evidence to provide a basis for an audit opinion. Accordingly we are unable to express an opinion on the statement of expense of [insert amount in US\$] incurred by the project [insert official title of project] and audited by us for the period from [insert period covered].

Emphasis of Matter [if applicable] (Refer to ISA 706)

We draw attention to Note [insert number] to the statement of expense which describes the uncertainty related to the [insert the issue]. Our opinion is not qualified in respect of this matter.

Auditor's Name and Signature

Date of the auditor's report

Auditor's address

II. Sample Certification for Statement of Assets (Refer to ISA 700)

We have audited the accompanying statement of assets ("the statement") of the project number [insert project and project number(s)], [insert official title of project] as at [insert date].

Management is responsible for the preparation of the statement for <name/title> project and for such internal control as management determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project's preparation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Option 1: (Unmodified)

In our opinion, the attached statement of assets presents fairly, in all material respects, the balance of inventory of the project [insert official title of project] amounting to [insert amount in \$US] as at [insert date].in accordance with UNDP accounting policies [if needed add: set out in the note to the schedule].

Modified Opinions (Refer to ISA 705) Option 2: (Qualified opinion)

In our opinion, the attached statement of assets, except for the reasons indicated above in paragraphs (1), (2), (3), etc., [there should be a separate Basis for Qualified Opinion Paragraph where the basis for Qualified opinion is clearly explained] presents fairly in all material respects the balance of inventory of [insert amount in US\$] incurred by the project [insert official title of project] as at [insert date] in accordance with agreed upon accounting policies [if needed add: set out in the note to the schedule].

Option 3: (Adverse opinion)

In our opinion, based on the significance of the matter discussed in paragraph (1), (2), (3) etc. [there should be a separate Basis for Adverse Opinion Paragraph where the basis for adverse opinion is clearly explained] the statement of assets does not give a true and fair view of the expense of [insert amount in US\$] incurred by the project [insert official title of project] and audited by us as at [insert date].

Option 4: (Disclaimer of opinion)

Because of the significance of the matter described in paragraph (1),(2), (3), etc. [there should be a separate Basis for Disclaimer of Opinion Paragraph where the basis for disclaimer of opinion is clearly explained] we were unable to obtain sufficient appropriate evidence to provide a basis for an audit opinion. Accordingly we are unable to express an opinion on the statement of assets of [insert amount in US\$] incurred by the project [insert official title of project] and audited by us as at [insert date].

Emphasis of Matter [if applicable] (Refer to ISA 706)

We draw attention to Note [insert number] to the statement of assets which describes the uncertainty related to the [insert the issue]. Our opinion is not qualified in respect of this matter.

Auditor's Name and Signature

Date of the auditor's report

Auditor's address

III. Sample Certification of Statement of Cash Position (Statement of Cash Position is required only if there is separate bank account for each of the projects and/or petty cash) (Refer to ISA 700)

We have audited the accompanying statement of cash ("the statement") of the project number [insert project and project number(s)], [insert official title of project] as at XXX.

Management of <project name/title> project is responsible for the preparation of the statement for project and for such internal control as management determines is necessary to enable the preparation of a schedule that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those

standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project's preparation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Option 1: (Unmodified)

In our opinion, the attached Statement of cash position presents fairly, in all material respects, the cash and bank balance of the UNDP project [insert official title of project] amounting to [insert amount in \$US] as at [insert date] in accordance with the UNDP accounting policies [if needed add: set out in the note to the statement].

Modified Opinions (Refer to ISA 705) Option 2: (Qualified opinion)

In our opinion, the attached statement of cash, except for the reasons indicated above in paragraphs (1), (2), (3), etc., [there should be a separate Basis for Qualified Opinion Paragraph where the basis for Qualified opinion is clearly explained] presents fairly in all material respects the cash and bank balance amounting to [insert amount in US\$] as at [insert date] in accordance with the UNDP accounting policies [if needed add: set out in the note to the statement].

Option 3: (Adverse opinion)

In our opinion, based on the significance of the matter discussed in paragraph (1), (2), (3) etc. [there should be a separate Basis for Adverse Opinion Paragraph where the basis for adverse opinion is clearly explained] the statement of cash does not give a true and fair view of the cash and bank balance of [insert amount in US\$] audited by us as at [insert date].

Option 4: (Disclaimer of opinion)

Because of the significance of the matter described in paragraph (1),(2), (3), etc. [there should be a separate Basis for Disclaimer of Opinion Paragraph where the basis for disclaimer of opinion is clearly explained] we were unable to obtain sufficient appropriate evidence to provide a basis for an audit opinion. Accordingly we are unable to express an opinion on the statement of cash in the amount of [insert amount in US\$] audited by us as at [insert date].

Emphasis of Matter [if applicable] (Refer to ISA 706)

We draw attention to Note X to the statement of cash which describe the uncertainty related to [give explanation of the uncertainty]. Our opinion is not qualified in respect of this matter.

Auditor's Name and Signature

Date of the auditor's report

Auditor's address

Date of issuance: _____

AUDITOR'S NAME (Please print): _____

AUDITOR'S SIGNATURE: _____

STAMP AND SEAL OF AUDIT FIRM: _____

AUDIT FIRM ADDRESS: _____

AUDIT FIRM TEL. NO. _____

Note: Audit opinions must be one of the following: (a) qualified, (b), unqualified, (c) adverse, or (d) disclaimer. If the audit opinion is other than "unqualified" the audit report must describe both the nature and amount of the possible effects on the UNDP financial statement (CDR) (Amount of qualification/**Net Financial Impact**). A definition of audit opinions is provided in Annex 4.

Unqualified (Clean or positive) Opinion

An unqualified opinion should be expressed when the auditor concludes that the financial statements give a true and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting framework.

Qualified Opinion – a modified (negative) audit opinion

A qualified opinion should be expressed when the auditor concludes that an unqualified opinion cannot be expressed but that the effect of any disagreement with management, or limitation on scope is not so material and pervasive as to require an adverse opinion or a disclaimer of opinion. A qualified opinion should be expressed as being 'except for' the effects of the matter to which the qualification relates.

Disclaimer of opinion – a modified (negative) audit opinion

A *disclaimer of opinion* should be expressed when the possible effect of a limitation on scope is so material and pervasive that the auditor has not been able to obtain sufficient appropriate audit evidence and accordingly is unable to express an opinion on the financial statements.

Adverse – a modified (negative) audit opinion

An *adverse opinion* is expressed by an auditor when the financial statements are significantly misrepresented, misstated, and do not accurately reflect the expenses incurred and reported in the financial statements (**UNDP CDR**, statement of cash, statement of assets and equipment).

An *adverse opinion* is expressed when the effect of a disagreement is so material and pervasive to the financial statements that the auditor concludes that a qualification of the report is not adequate to disclose the misleading or incomplete nature of the financial statements.

Guidance on Reporting Prior Year Modified opinion not corrected

Following the International Audit Standard (ISA) 450 and ISA 710 that came into effect on December 2010 there is a requirement regarding a previous year modified audit opinion⁴ This audit standard requires that auditors, when expressing an opinion on this year's statements, to take into account the possible effect of a prior year modified opinion that has not been properly corrected or resolved.

Consequently, a previous year modified opinion that has not been properly resolved may cause the auditors to issue a modified opinion in their current year audit report. If proper attention is not paid to this aspect, the risk could be a significant accumulation of unresolved modified opinions from previous years that would lead the UN BoA to issue a modified audit opinion on UNDP financial statements.

⁴ A "modified" audit opinion means either a qualified opinion, a disclaimer opinion or an adverse opinion.

ANNEX 6: PRIORITY OF AUDIT OBSERVATIONS AND RECOMMENDATIONS

High	Action that is considered imperative to ensure that UNDP is not exposed to high risks (i.e. failure to take action could result in major consequences and issues).
Medium	Action that is considered necessary to avoid exposure to significant risks (i.e. failure to take action could result in significant consequences).
Low	Action that is considered desirable and should result in enhanced control or better value for money.

Annex-7: TEMPLATE FOR NGO AUDITORS TO REVIEW AND SIGN THE UPDATED ACTION PLANS FOR PRIOR YEAR AUDIT OBSERVATIONS AND RECOMMENDATIONS

Award no.:			Output No.:			Opinion Type:						
Obs No	Observation	Recommendation	Audit Area	Risk Severity	Proj/CO Mngt Comments	Action(s) Planned	Target Impl. Date	Action Unit	Person Responsible for Action	Updated Status	Actual Impl. Date	Description of Status Update
Award no.:			Output No.:			Opinion Type:						
Obs No	Observation	Recommendation	Audit Area	Risk Severity	Proj/CO Mngt Comments	Action(s) Planned	Target Impl. Date	Action Unit	Person Responsible for Action	Updated Status	Actual Impl. Date	Description of Status Update
Award no.:			Output No.:			Opinion Type:						
Obs No	Observation	Recommendation	Audit Area	Risk Severity	Proj/CO Mngt Comments	Action(s) Planned	Target Impl. Date	Action Unit	Person Responsible for Action	Updated Status	Actual Impl. Date	Description of Status Update

Implementing Partner (IP) Signature of IP Official: Name and title (print): Date:			UNDP Country Office Signature of UNDP Official:_____ Name and title (print): Date:			Government Auditors/Audit Firm Signature of Audit firm Official: Name and title (print): Date: Stamp and Seal of audit firm: _____		
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Note: The values for the “Updated Status” could be: Implemented, In Progress, Not Implemented, N/A or Withdrawn. “N/A” means not applicable and would be used if there is an overall change in a project’s working environment that makes last year’s audit observation no longer applicable. For example, the project has been closed. Another example for using “N/A” is a project that had its own bank account and last year’ audit recommendation called for the need to perform monthly bank reconciliation. However the following year, the auditor notes that the bank account has been closed. “Withdrawn” would be used if there is an overall change in a project’s working environment that makes last year’s audit observation and recommendation no longer valid. “Withdrawn” is very rarely used.

ANNEX 8: TEMPLATE FOR AUDIT DATA AND OBSERVATIONS

The information in the four tables below should be completed by the NGO auditors and signed. The CO can obtain the electronic version of the word document and copy and paste the information in CARDS for each project/project audit report.

Table 1 - Template for NGO auditors to report on the audit of the UNDP CDR

UNDP Combined Delivery Report (CDR) as at 31 December 2013							
1	Project No.	Output No.	Amount audited and certified (US\$)	Audit opinion (unqualified, qualified, adverse, disclaimer)	Total amount of qualification of audit opinion (if qualified, adverse or disclaimer opinion)	Reason(s) for qualification of audit opinion and breakdown of NFI amount (US	Observation(s) that had impact on qualification of audit opinion (list observation number(s) and page of audit report/management letter)

Table 2 - Template for NGO auditors to report on the audit of the statement of cash position

Statement of Cash Position				
Project No.	Output No.	Value of Cash Position Statement as at 31 December 2010 (US\$)	Audit Opinion - Statement of Cash Position	Total amount of qualification - Statement of Cash Position (US\$)

Table 3 – Template for NGO auditors to report on the audit of the statement of assets and equipment

Statement of assets and equipment				
Project	Output No.	Value of Assets and equipment as at 31	Audit Opinion - Statement of Assets and	Total amount of qualification on the

Table 4 - Template for NGO auditors to report on current year audit observations and recommendations

Project No.	Project No.	Observ. No	Audit Observation	Recommendation	Audit Area	Risk Severity	Project/CO Mngmt. Comments

Name and position of Auditor: _____

Signature of Auditor: _____ Date: _____

Name and stamp of Audit Firm: _____

Parts of the note that follows are from an article in the Internal Auditor, April, 1999 by Brian M. Schwartz. The purpose of this note is to provide guidance on formulating audit observations and recommendations that are effective.

Effective audit observations should consist of four (4) common elements:

- 1) Condition;
- 2) Criteria;
- 3) Effect, potential impact or Risk; and
- 4) Recommendation.

Items 1 to 3 must be part of what constitutes an audit observation. Below are helpful tips on each of these areas.

CONDITION

The "Condition" refers to a conclusion, problem, or opportunity noted during the audit review. It directly addresses a control objective or some other standard of performance. Sample condition statements include:

- "The appropriate individual did not authorize this document."
- "The account has not been reconciled for three months."
- "The process can be streamlined to save six hours per day."

When documenting the condition, it is important to include the necessary level of detail in the description of the problem. Someone who has not participated in the audit, but has some basic understanding of the subject matter or function, should be able to comprehend any condition statement.

CRITERIA

This element describes the standard being used as the benchmark for evaluation. In other words, it depicts the ideal condition. The criteria may reference a specific policy, procedure, or government regulation. At other times, the criteria may simply be a matter of common sense or prudent business practice. For example, a criteria statement might state that "Per policy #1234, all loans greater than \$100,000 must be approved by the board of directors;" or "Payroll processing responsibilities should be segregated to control the authorization of master file changes."

EFFECT, POTENTIAL IMPACT OR RISK

The effect statement describes the particular risk that could exist (the potential impact or risk) or that has already existed (the effect) as a result of the condition or problem. Basically, it answers the question, "so what?" Effect statements often discuss the potential for loss, noncompliance, or customer dissatisfaction created by the problem.

Management is likely to zero in on the information provided in this aspect of the audit observation, as it allows them to see how the condition will negatively impact their activities. As a result, the effect statement often serves as the catalyst for a positive change.

One note of caution is in order - the risk suggested by the effect statement should not be overblown or exaggerated. While auditors are responsible for pointing out risks associated with control breakdowns, the effect statement should remain reasonable, plausible and should not be worded as if the world were coming to an end. If auditees are to take the audit observation seriously and respect what an auditor has to say, an auditor talks about risk in realistic, not exaggerated, terms.

Risk Levels

In addition to explaining the and giving details about the “Effect, potential impact or risk” in the text of an audit observation, UNDP requires that the auditor also identifies the risk level in the audit report by using one of the following 3 pre-established risk levels:

High high risks	Action that is considered imperative to ensure that UNDP is not exposed to (i.e. failure to take action could result in major consequences and issues).
Medium failure to	Action that is considered necessary to avoid exposure to significant risks (i.e. take action could result in significant consequences).
Low better	Action that is considered desirable and should result in enhanced control or value for money.

RECOMMENDATION

This aspect suggests how the situation might be remedied. An effective recommendation directly relates to and targets the cause. It isn't enough to state in general terms that management should fix the problem; the recommendation statement should also explain how remediation is to be achieved.

A good recommendation maintains the proper balance between the risk presented and the cost to control it. Before making a recommendation, the auditor should consider the following questions:

Does the recommendation solve the problem and eliminate or reduce the risk?

- Can the recommendation be implemented within the current environment?
- Is the recommendation cost-effective?
- Will the recommendation act as a temporary bandage or a permanent solution?

Examples of effective recommendations include monthly or quarterly physical inventories of all assets and equipment with reconciliation to appropriate records.

ADDITIONAL TIPS

Whenever possible, similar findings should be combined into one form so that the case for implementing the recommendation is strengthened.

Playing devil's advocate can be an extremely helpful exercise. After completing the audit observation and recommendation, auditors should place themselves in the auditees' shoes and challenge/question the validity of the issue. If the issue cannot stand up to this exercise, it probably should not be included in the audit report.

Below are some highlights from the Statement of Auditing Standards (SAS) 220 – Audit Materiality. These are meant to provide guidance to the auditors in determining the materiality of observations for reporting purposes and as they might affect the audit opinion. The auditors should refer to SAS 220 for more details.

The purpose of the SAS is to establish standards and provide guidance on the concept of materiality and its relationship with audit risk.

Auditors should consider materiality and its relationship with audit risk when conducting an audit (SAS 220.1)

A matter is material if knowledge of the matter would reasonably influence the economic decisions of users taken on the basis of the financial statements. Materiality may be considered in the context of the financial statements as a whole, any individual statements within the financial statements or individual items included within the financial statements.

Materiality depends on the nature and size of the item or error judged in the particular circumstances. Since materiality has both qualitative and quantitative aspects, it is not capable of any general mathematical definition.

Auditors should plan and perform the audit so as to provide them with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. (SAS 220.2)

The assessment of what is material is a matter of professional judgment.

Auditors would consider the possibility of misstatements of relatively small amounts that, cumulatively, could have a material effect on the financial statements. For example, an error in a month end procedure could be an indication of a potential material misstatement if that error is repeated each month.

In evaluating the fair presentation of the financial statements, auditors should assess whether the aggregate of uncorrected misstatements that have been identified during the audit is material (SAS 220.4).

ANNEX 11: LIST OF PROJECTS

Indicative List of 2017 Audit for Bidder to Quote their Prices for 2018 and 3 years LTA

(All supporting documents required for the audit will be available at NGOs HQ in Khartoum @time of audit) *

S/N	NGO Name	Project Title Per Contract	Project ID	Estimated Project Expenditures (USD)
1.	Catholic Relief Services	Providing comprehensive nutrition interventions to vulnerable and conflict affected communities in Jebel Marra	97233	200,137
2.	Norwegian Church Aid	Integrated Emergency Nutrition interventions for malnourished children, pregnant and lactating women among conflict affected IDPs and Host communities in Bilel and Zalingei localities South and Central Darfur States	97233	103,630
3.	Welthungerhilfe/German Agro Action	SALAM – PHASE 2 – Sustainable Agro Pastoral Livelihoods and Conflict Mitigation in Kutum and Alfasher Locality, North Darfur	99691	280,808
4.	Adventist Development and Relief Agency	Support for Development, Peace and Capacity Building Initiatives in Kereinik Locality - West Darfur	99691	450,250
5.	Oxfam America	Conflict Prevention and Peace Building Project in Saraf omra and Al Seiref localities of North Darfur State	99691	312,162
6.	Plan International	Community - Led Peaceful Coexistence in Kutum and Alwaha Localities in North Darfur	99691	404,399
7.	Practical Action	Community based conflict reduction and peace building in Kebkabiya, North Darfur-Phase 2	99691	380,093
8.	Adventist Development and Relief Agency	Essential Emergency Education for newly displaced IDP girls and boys by Blue Nile Consortium	100314	216,302
9.	Catholic Relief Services	Ensuring Access to Quality and Protective Education to IDPs Most At Risk in Central Darfur, Nertiti Locality	100314	290,612
10.	Friends of Peace and Development	Provide and sustain emergency Education and response services for vulnerable populations including new arrival IDPs, returnees and host communities in Kutum locality, North Darfur	100314	190,332
11.	Danish Refugee Council	Emergency food security and livelihoods assistance for extremely vulnerable, conflict-affected households in North and West Jebel Marra.	100315	154,886
12.	Darfur Development and Reconstruction Agency	Improvement of Food Security of Conflict and Climate affected IDPs and Host Communities in Mallet and Kuttum Localities in North Darfur State.	100315	117,359
13.	Vétérinaires sans Frontières Germany	Emergency Food security and livelihood support for the DPs and destitute vulnerable host communities' in North Darfur, Central Darfur, East Darfur and South Kordofan States.	100315	1,238,334
14.	Global Aid Hand	Continue supporting life-saving health services for the most vulnerable population in Abyei PCA area (Correct Concept Note)	100316	173,115

15.	International Medical Corps	Integrated Health and Nutrition Humanitarian Support to Conflict Affected and Vulnerable Populations living in Targeted localities of South, Central and West Darfur States.	100316	383,310
16.	Islamic Relief WorldWide	Provision of primary Healthcare services for the newly displaced conflict affected people in Nertiti Locality Central Darfur state	100316	57,581
17.	Norwegian Church Aid	Provision of Sustained Integrated Emergency Primary Health Care Services to IDPs and Host Communities affected by the recurrent crisis in Nertiti, Zalingei and Bilel localities in Central and South Darfur States.	100316	138,697
18.	World Relief	Support for Primary Health Care Services for Vulnerable Groups in Kerenik and Geneina Localities in West Darfur	100316	196,615
19.	Norwegian Church Aid	ESNFI support for IDPs in Nitega and Nertiti, in South and Central Darfur	100317	75,354
20.	Almanar Voluntary Organization	Improving access to quality preventive and curative care of acute malnutrition in populations affected by conflict in Tadamon Locality South Kordofan State	100318	216,302
21.	International Aid Services	Well Being and El Nino Mitigation through Nutrition Consortium Intervention in Sinkat and Sewaken, Red Sea State	100318	557,248
22.	Sudanese Red Crescent Society	Consortium Emergency Health, Nutrition , FSL and WASH to mitigate Elnino Impact in Kassala and Gdaref states.	100318	748,630
23.	Kuwaiti Patients Helping Fund	Management of Acute Malnutrition in Dar El Salam & Galab in North Darfur .	100318	100,226
24.	Panhealth Care Organisation	provision of life saving and preventive activities for vulnerable communities in Al Tadmoon locality in South Kordofan State targeting 8 villages (Alazrag , Raiba, Om rakoba , Alhafera , Lukkit , Torat Om Jabir , Algibailat and Om Ginawa)	100318	135,130
25.	Relief International	NUTRITION SUPPORT TO CONFLICT AFFECTED POPULATION IN NORTH DARFUR, SUDAN.	100318	216,400
26.	World Vision International	Sustainable nutrition for conflict affected population in South Darfur	100318	165,117
27.	World Vision International	Sustainable essential nutrition for vulnerable and conflict affected population in Blue Nile	100318	117,960
28.	CARE International Switzerland	International Partner Support to National Partner Consortium Lead	100319	83,645
29.	Global Aid Hand	Enhancing the Social Wellbeing of IDPS, Refugees and Host Populations in South Kordofan through a comprehensive Multi-Sector Social Services package- Pilot Consortium	100319	1,602,832
30.	JASMAR	Emergency lifesaving through land release, mine clearance, non-technical, technical survey, spot tasks and Road verification operations to promote free and safe movement to newly IDPs, returnees, at risk populations and humanitarian actors in landmine/ERW	100319	285,972
31.	Alsalam Organization for Rehabilitation	Improve access to protection assistance and basic services for south Sudanese refugees in Kharasana area in West Kordofan state.	100320	345,572

32.	CARE International Switzerland	Emergency WASH and Nutrition response to conflict affected people in Kalma camp and Kass, South Darfur: Building Communities' Resilience, Facilitating Durable Solutions and Providing Comprehensive Nutrition Services	100323	262,422
33.	Cooperazione Internazionale	Multi-sector intervention to strengthen basic services and promote sustainable return and reintegration of returnees in Um Baru locality	100323	44,017
34.	Triangle Génération Humanitaire	Provide and extend life-saving WASH assistance to new refugee-returnees, IDP returnees and IDPs in Um Dukhun locality in Central Darfur.	100323	193,159
35.	United Methodist Committee on Relief	Water Supply Trucking to the South Sudanese Refugees in Khor Omer IDP Camp	100323	64,697
36.	Women Organization for Development & Capacity Building	Improving safe access to quality WASH services to 43,467 new IDPs and protracted in Central Darfur,	100323	162,390
37.	World Relief	Improving access to safe water supply and sanitation for under-served and vulnerable communities of Kulbus locality, West Darfur	100323	133,609
38.	CARE International Switzerland	International Partner Support to National Partner Consortium Lead	100324	335,175
39.	Concern Worldwide	Prvision of Emergency Heath and Nurtition Service for Vulnerable people in Meyrum locality	100324	176,058
40.	El Ruhama for Development	Strengthening protection of vulanerable and conflict affected women, men, boys and girls in South Darfur State, Beliel Locality through Women Center	100324	60,000
41.	Global Aid Hand	Strengthening and enhancing Social Protection for South Sudanese refugees men, women, girls and boys in Al Nimir camp East Darfur.	100324	270,132
42.	Global Aid Hand	Enhance Social protection Mechanisms for South Sudanese women, men, girls and boys affected by South Sudan conflict in Beliel, South Darfur and El Meriam West Kordofan	100324	394,342
43.	Islamic Relief WorldWide	Emergency Response Project for South Sudan Refugee in El Mirriam of Muglad locality West Kordofan state	100324	150,004
44.	Norwegian Church Aid	Provision of sustained Integrated Emergency Primary Health Care and Nutrition Services to newly arrived South Sudanese Rfugees Affected by the current Crisis in South Sudan and Host communitites Bilel Locality, South Carfur State.	100324	63,752
45.	Organization for Voluntary Humanitarian Assistance Programme	Social Services and community support to vulnerable new IDPs with special needs from Jebel Marra in South Darfur	100324	271,673
46.	People Organization for Development and Rehabilitation	Improved emergency shelter in Kass for newly displaced IDPs	100324	126,638
47.	United Methodist Committee on Relief	Provision of emergency, lifesaving and time critical WASH response to the South Sudanese Refugees in Khor Omer IDP Camp	100324	228,873
48.	Total			12,857,951.00

Note:

The list of the NGOs/Project provided is not the exhaustive one, there may be some changes during the entire period of LTA, and UNDP will communicate such a change to the contracted audit firm in advance.

ANNEX 12: Reconciliation of Combined Delivery Report by Output

Period: _____

Project ID and Title: _____

Output ID and Title: _____

Description	Amount (USD)
Total Combined Delivery Report for Output	
Less: Expenses made by UNDP	
Less: Expenses made by other NGOs and UN Agencies out of Audit scope	
Total Expenses subject for audit (see below details by NGO)	

Detailed Audited Amount by NGO

NGO Name	Project Name	Contract No.	Amount (USD)

Section 6: Returnable Bidding Forms / Checklist

This form serves as a checklist for preparation of your Proposal. Please complete the Returnable Bidding Forms in accordance with the instructions in the forms and return them as part of your Proposal submission. No alteration to format of forms shall be permitted and no substitution shall be accepted.

Before submitting your Proposal, please ensure compliance with the Proposal Submission instructions of the BDS 22.

Technical Proposal:

Have you duly completed all the Returnable Bidding Forms?	
▪ Form A: Technical Proposal Submission Form	<input type="checkbox"/>
▪ Form B: Bidder Information Form	<input type="checkbox"/>
▪ Form C: Joint Venture/Consortium/ Association Information Form (<i>if applicable</i>)	<input type="checkbox"/>
▪ Form D: Qualification Form	<input type="checkbox"/>
▪ Form E: Format of Technical Proposal	<input type="checkbox"/>
▪ Form H: Proposal Security Form	<input type="checkbox"/>
Have you provided the required documents to establish compliance with the evaluation criteria in Section 4?	<input type="checkbox"/>

Financial Proposal:

▪ Form F: Financial Proposal Submission Form	<input type="checkbox"/>
▪ Form G: Financial Proposal Form	<input type="checkbox"/>

Form A: Technical Proposal Submission Form

Name of Bidder:	[Insert Name of Bidder]	Date:	Select date
RFP reference:	[Insert RFP Reference Number]		

We, the undersigned, offer to provide the services for [Insert Title of services] in accordance with your Request for Proposal No. [Insert RFP Reference Number] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal and our Financial Proposal sealed under a separate envelope.

We hereby declare that our firm, its affiliates or subsidiaries or employees, including any JV/Consortium /Association members or subcontractors or suppliers for any part of the contract:

- a) is not under procurement prohibition by the United Nations, including but not limited to prohibitions derived from the Compendium of United Nations Security Council Sanctions Lists;
- b) have not been suspended, debarred, sanctioned or otherwise identified as ineligible by any UN Organization or the World Bank Group or any other international Organization;
- c) have no conflict of interest in accordance with Instruction to Bidders Clause 4;
- d) do not employ, or anticipate employing, any person(s) who is, or has been a UN staff member within the last year, if said UN staff member has or had prior professional dealings with our firm in his/her capacity as UN staff member within the last three years of service with the UN (in accordance with UN post-employment restrictions published in ST/SGB/2006/15);
- e) have not declared bankruptcy, are not involved in bankruptcy or receivership proceedings, and there is no judgment or pending legal action against them that could impair their operations in the foreseeable future;
- f) undertake not to engage in proscribed practices, including but not limited to corruption, fraud, coercion, collusion, obstruction, or any other unethical practice, with the UN or any other party, and to conduct business in a manner that averts any financial, operational, reputational or other undue risk to the UN and we embrace the principles of the United Nations Supplier Code of Conduct and adhere to the principles of the United Nations Global Compact.

We declare that all the information and statements made in this Proposal are true and we accept that any misinterpretation or misrepresentation contained in this Proposal may lead to our disqualification and/or sanctioning by the UNDP.

We offer to provide services in conformity with the Bidding documents, including the UNDP General Conditions of Contract and in accordance with the Terms of Reference

Our Proposal shall be valid and remain binding upon us for the period of time specified in the Bid Data Sheet.

We understand and recognize that you are not bound to accept any Proposal you receive.

I, the undersigned, certify that I am duly authorized by [Insert Name of Bidder] to sign this Proposal and bind it should UNDP accept this Proposal.

Name: _____

Title: _____

Date: _____

Signature: _____

[Stamp with official stamp of the Bidder]

Form B: Bidder Information Form

Legal name of Bidder	[Complete]
Legal address	[Complete]
Year of registration	[Complete]
Bidder's Authorized Representative Information	Name and Title: [Complete] Telephone numbers: [Complete] Email: [Complete]
Are you a UNGM registered vendor?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, [insert UGNM vendor number]
Are you a UNDP vendor?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, [insert UNDP vendor number]
Countries of operation	[Complete]
No. of full-time employees	[Complete]
Quality Assurance Certification (e.g. ISO 9000 or Equivalent) (If yes, provide a Copy of the valid Certificate):	[Complete]
Does your Company hold any accreditation such as ISO 14001 related to the environment? (If yes, provide a Copy of the valid Certificate):	[Complete]
Does your Company have a written Statement of its Environmental Policy? (If yes, provide a Copy)	[Complete]
Contact person UNDP may contact for requests for clarification during Proposal evaluation	Name and Title: [Complete] Telephone numbers: [Complete] Email: [Complete]
Please attach the following documents:	<ul style="list-style-type: none"> ▪ Company Profile, which should not exceed fifteen (15) pages, including printed brochures and product catalogues relevant to the goods/services being procured; ▪ (Valid) Certificate of Business Registration, including the article of incorporation; ▪ Official Letter of Appointment as local representative, if Bidder is submitting a Bid on behalf of an entity located outside the country; ▪ Power of Attorney in case authorized representative is not available for bid signature; ▪ (Original) Bid Security; ▪ List of previous contracts, including contract value, in accordance with Form D; ▪ Statement of Satisfactory Performance from the Top 3 Clients with Contract Value over USD100,000 last 3 years; ▪ Audited Financial Reports for the last 3 years (2015,2016 &2017), including Balance Sheet and P/L Account; ▪ CVs of the proposed Team Members (Audit Manager, Team Leader, and Field Auditors) in accordance with Format for CV of Key Personnel (form E); ▪ Legally formed JV Agreement (should be provided either with the bid, or before signing the contract).

Form C: Joint Venture/Consortium/Association Information Form

Name of Bidder:	[Insert Name of Bidder]	Date:	Select date
RFP reference:	[Insert RFP Reference Number]		

To be completed and returned with your Proposal if the Proposal is submitted as a Joint Venture/Consortium/Association. If a single entity submits the proposal it is NOT required.

No	Name of Partner and contact information (address, telephone numbers, fax numbers, e-mail address)	Proposed proportion of responsibilities (in %) and type of services to be performed
1	[Complete]	[Complete]
2	[Complete]	[Complete]
3	[Complete]	[Complete]

Name of leading partner (with authority to bind the JV, Consortium, Association during the RFP process and, in the event a Contract is awarded, during contract execution)	[Complete]
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We have attached a copy of the below document signed by every partner, which details the likely legal structure of and the confirmation of joint and severable liability of the members of the said joint venture:

☐ Letter of intent to form a joint venture OR ☐ JV/Consortium/Association agreement

We hereby confirm that if the contract is awarded, all parties of the Joint Venture/Consortium/Association shall be jointly and severally liable to UNDP for the fulfillment of the provisions of the Contract.

Name of partner:

Signature: _____

Date: _____

Name of partner:

Signature: _____

Date: _____

Name of partner:

Signature: _____

Date: _____

Name of partner:

Signature: _____

Date: _____

Form D: Qualification Form

Name of Bidder:	[Insert Name of Bidder]	Date:	Select date
RFP reference:	[Insert RFP Reference Number]		

If JV/Consortium/Association, to be completed by each partner.

Historical Contract Non-Performance

<input type="checkbox"/> Contract non-performance did not occur for the last 3 years			
<input type="checkbox"/> Contract(s) not performed for the last 3 years			
Year	Non- performed portion of contract	Contract Identification	Total Contract Amount (current value in US\$)
		Name of Client: Address of Client: Reason(s) for non-performance:	

Litigation History (including pending litigation)

<input type="checkbox"/> No litigation history for the last 3 years			
<input type="checkbox"/> Litigation History as indicated below			
Year of dispute	Amount in dispute (in US\$)	Contract Identification	Total Contract Amount (current value in US\$)
		Name of Client: Address of Client: Matter in dispute: Party who initiated the dispute: Status of dispute: Party awarded if resolved:	

Previous Relevant Experience

Please list only previous similar assignments successfully completed in the last 3 years.

List only those assignments for which the Bidder was legally contracted or sub-contracted by the Client as a company or was one of the Consortium/JV partners. Assignments completed by the Bidder's individual experts working privately or through other firms cannot be claimed as the relevant experience of the Bidder, or that of the Bidder's partners or sub-consultants, but can be claimed by the Experts themselves in their CVs. The Bidder should be prepared to substantiate the claimed experience by presenting copies of relevant documents and references if so requested by UNDP.

Project name & Country of Assignment	Client & Reference Contact Details	Contract Value	Period of activity and status	Types of activities undertaken

Bidders may also attach their own Project Data Sheets with more details for assignments above.

☐ Attached are the Statements of Satisfactory Performance from the Top 3 (three) Clients or more.

Financial Standing

Annual Turnover for the last 3 years	Year	USD
	Year	USD
	Year	USD
Latest Credit Rating (if any), indicate the source	N/A	

Financial information (in US\$ equivalent)	Historic information for the last 3 years		
	2015	2016	2017
	<i>Information from Balance Sheet</i>		
Total Assets (TA)			
Total Liabilities (TL)			
Current Assets (CA)			
Current Liabilities (CL)			
	<i>Information from Income Statement</i>		
Total / Gross Revenue (TR)			
Profits Before Taxes (PBT)			
Net Profit			
Current Ratio			

- ☐ Attached are copies of the audited financial statements (balance sheets, including all related notes, and income statements) for the years required above complying with the following condition:
- Must reflect the financial situation of the Bidder or party to a JV, and not sister or parent companies;
 - Historic financial statements must be audited by a certified public accountant;
 - Historic financial statements must correspond to accounting periods already completed and audited. No statements for partial periods shall be accepted.

Form E: Format of Technical Proposal

Name of Bidder:	[Insert Name of Bidder]	Date:	Select date
RFP reference:	[Insert RFP Reference Number]		

The Bidder's proposal should be organized to follow this format of Technical Proposal. Where the bidder is presented with a requirement or asked to use a specific approach, the bidder must not only state its acceptance, but also describe how it intends to comply with the requirements. Where a descriptive response is requested, failure to provide the same will be viewed as non-responsive.

SECTION 1: Bidder's qualification, capacity and expertise

- 1.1 Brief description of the organization, including the year and country of incorporation, and types of activities undertaken.
- 1.2 General organizational capability which is likely to affect implementation: management structure, financial stability and project financing capacity, project management controls, extent to which any work would be subcontracted (if so, provide details).
- 1.3 Relevance of specialized knowledge and experience on similar engagements done in the region/country.
- 1.4 Quality assurance procedures and risk mitigation measures.
- 1.5 Organization's commitment to sustainability.

SECTION 2: Proposed Methodology, Approach and Implementation Plan

This section should demonstrate the bidder's responsiveness to the TOR by identifying the specific components proposed, addressing the requirements, providing a detailed description of the essential performance characteristics proposed and demonstrating how the proposed approach and methodology meets or exceeds the requirements. All important aspects should be addressed in sufficient detail and different components of the project should be adequately weighted relative to one another.

- 2.1 A detailed description of the approach and methodology for how the Bidder will achieve the Terms of Reference of the project, keeping in mind the appropriateness to local conditions and project environment. Details how the different service elements shall be organized, controlled and delivered.
- 2.2 The methodology shall also include details of the Bidder's internal technical and quality assurance review mechanisms.
- 2.3 Explain whether any work would be subcontracted, to whom, how much percentage of the work, the rationale for such, and the roles of the proposed sub-contractors and how everyone will function as a team.
- 2.4 Description of available performance monitoring and evaluation mechanisms and tools; how they shall be adopted and used for a specific requirement.
- 2.5 Implementation plan including a Gantt Chart indicating the detailed sequence of activities that will be undertaken and their corresponding timing.
- 2.6 Demonstrate how you plan to integrate sustainability measures in the execution of the contract.

- 2.7 Any other comments or information regarding the project approach and methodology that will be adopted.**

SECTION 2A: Bidder's Comments and Suggestions on the Terms of Reference

Provide comments and suggestions on the Terms of Reference, or additional services that will be rendered beyond the requirements of the TOR, if any.

SECTION 3: Management Structure and Key Personnel

- 3.1 Describe the overall management approach toward planning and implementing the project. Include an organization chart for the management of the project describing the relationship of key positions and designations. Provide a spreadsheet to show the activities of each personnel and the time allocated for his/her involvement.**
- 3.2 Provide CVs for key personnel that will be provided to support the implementation of this project using the format below. CVs should demonstrate qualifications in areas relevant to the Scope of Services.**

Format for CV of Proposed Key Personnel

Name of Personnel	[Insert]
Position for this assignment	[Insert]
Nationality	[Insert]
Language proficiency	[Insert]
Education/Qualifications	<p><i>[Summarize college/university and other specialized education of personnel member, giving names of schools, dates attended, and degrees/qualifications obtained.]</i></p> <p>[Insert]</p>
Professional certifications	<p><i>[Provide details of professional certifications relevant to the scope of services]</i></p> <ul style="list-style-type: none"> ▪ Name of institution: [Insert] ▪ Date of certification: [Insert]
Employment Record/Experience	<p><i>[List all positions held by personnel (starting with present position, list in reverse order), giving dates, names of employing organization, title of position held and location of employment. For experience in last five years, detail the type of activities performed, degree of responsibilities, location of assignments and any other information or professional experience considered pertinent for this assignment.]</i></p> <p>[Insert]</p>
References	<p><i>[Provide names, addresses, phone and email contact information for two (2) references]</i></p> <p>Reference 1: [Insert]</p> <p>Reference 2: [Insert]</p>

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe my qualifications, my experiences, and other relevant information about myself.

Signature of Personnel

Date (Day/Month/Year)

Form F: Financial Proposal Submission Form

Name of Bidder:	[Insert Name of Bidder]	Date:	Select date
RFP reference:	[Insert RFP Reference Number]		

We, the undersigned, offer to provide the services for [Insert Title of services] in accordance with your Request for Proposal No. [Insert RFP Reference Number] and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal and our Financial Proposal sealed under a separate envelope.

Our attached Financial Proposal is for the sum of [Insert amount in words and figures].

Our Proposal shall be valid and remain binding upon us for the period of time specified in the Bid Data Sheet.

We understand you are not bound to accept any Proposal you receive.

Name: _____

Title: _____

Date: _____

Signature: _____

[Stamp with official stamp of the Bidder]

Form G: Financial Proposal Form

Name of Bidder:	[Insert Name of Bidder]	Date:	Select date
RFP reference:	[Insert RFP Reference Number]		

The Bidder is required to prepare the Financial Proposal following the below format and submit it following the instruction given for the e-Tendering, i.e. do not provide the password until requested by UNDP. Any Financial information provided in the Technical Proposal shall lead to Bidder's disqualification.

The Financial Proposal should be aligned with the requirements in the Terms of Reference and the Bidder's Technical Proposal.

Currency of the proposal: [Insert Currency]

The **Financial Proposal** must provide Unit cost grouped in a manner described in the following range of expenditures as depicted in the table-A:

Table (A): Audit Services					
a		b	c	d	e = c * d
Range of Expected Expenditure (US\$)	Expected Number of Audits in 3 years	Average no of Projects for the last 3 years	Weightage	*Quoted Price & Currency:	Comparable Price [Quoted Price times weightage]
< \$50,000	3	25	0.079		No need to fill
> \$50,000 < \$75,000	3	43	0.136		No need to fill
> \$75,000 < \$150,000	3	116	0.366		No need to fill
> \$150,000 < \$300,000	3	95	0.300		No need to fill
> \$300,000 < \$500,000	3	28	0.087		No need to fill
> \$500,000	3	10	0.032		No need to fill
Total	18	320	1.00		

The above Unit price shall take into consideration of all likely cost to be incurred by the Audit firm e.g. staff remuneration, Travel Cost (Living allowance, ticket), Printing and Stationery, or any other costs that may be associated in performing the contract.

Contracts for Services will be issued from the LTA for each call-off over the validity of LTA duration based on the audit need.

The following template MUST be used to derive the **Unit Cost** for **each expenditure range** depicted in the above table (table-A) in order to demonstrate the relevance and reasonableness of the quoted Unit Price:

Table-B: PLEASE PREPARE THIS TABLE 1 EACH FOR 6 DIFFERENT EXPENDITURE RANGE:							
	(a)	(b)	(c) = a * b	(d)		(e)	(f) = c + d + e
Cost Element/Structure	Per Day Remunerat ion (Currency)	Proposed Period of engagement (days)	Total Remuner ation	Travel Expenses		Other Costs (please specify)	Total Amount (please select currency)
1. Staff Cost (Personnel Services):				Living Allowanc e	Ticket		
1.1 Audit Manager (overseas)				N/A	N/A		
1.2 Audit Team Leader (Field)							
1.3.1 Auditor 1 (Field)							
1.3.2 Auditor 2 (Field)							
1.3.3.....							
Subtotal Professional Fees:							
2. Operating Expenditures:							
2.1 Stationery and Reproduction	lump sum	-	-	-	-	-	
2.2 Any Other Costs (please specify)	Lump sum						
Subtotal Operating Expenditures:							
Grand Total							

Please note that Unit Price Quoted for each band in Table-A MUST be equal to Grand Total Quoted in Table-B.

Form H: Form of Proposal/Bid Security

**Proposal Security must be issued using the official letterhead of the Issuing Bank.
Except for indicated fields, no changes may be made on this template.**

To: UNDP

[Insert contact information as provided in Data Sheet]

WHEREAS **[Name and address of Bidder]** (hereinafter called "the Bidder") has submitted a Proposal to UNDP dated **Click here to enter a date.** to execute Services **[Insert Title of Services]** (hereinafter called "the Proposal"):

AND WHEREAS it has been stipulated by you that the Bidder shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security in the event that the Bidder:

- a) Fails to sign the Contract after UNDP has awarded it;
- b) Withdraws its Proposal after the date of the opening of the Proposals;
- c) Fails to comply with UNDP's variation of requirement, as per RFP instructions; or
- d) Fails to furnish Performance Security, insurances, or other documents that UNDP may require as a condition to rendering the contract effective.

AND WHEREAS we have agreed to give the Bidder such this Bank Guarantee:

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Bidder, up to a total of **[amount of guarantee] [in words and numbers]**, such sum being payable in the types and proportions of currencies in which the Price Proposal is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of **[amount of guarantee as aforesaid]** without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

This guarantee shall be valid up to 30 days after the final date of validity of bids.

SIGNATURE AND SEAL OF THE GUARANTOR BANK

Signature: _____

Name: _____

Title: _____

Date: _____

Name of Bank _____

Address _____

[Stamp with official stamp of the Bank]

Form I: Form of Contract & General Terms and Conditions

United Nations Development Programme



Empowered lives.
Resilient nations.

Contract for Goods and/or Services

Between the United Nations Development Programme and [insert name of the Contractor]

1. Country Where Goods Will be Delivered and/or Services Will be Provided:	
2. UNDP <input type="checkbox"/> Request for Quotation <input type="checkbox"/> Request for Proposal <input type="checkbox"/> Invitation to Bid <input type="checkbox"/> direct contracting Number and Date:	
3. Contract Reference (e.g. Contract Award Number):	
4. Long Term Agreement: [Yes]	
5. Subject Matter of the Contract: <input type="checkbox"/> goods <input type="checkbox"/> services <input type="checkbox"/> goods and services	
6. Type of Services:	
7. Contract Starting Date:	8. Contract Ending Date:
9. Total Contract Amount: [insert currency and amount in figures and words]	
9a. Advance Payment: [insert currency and amount in figures and words or indicate "not applicable"]	
10. Total Value of Goods and/or Services: <input type="checkbox"/> below US\$50,000 (Services only) – UNDP General Terms and Conditions for Institutional (de minimis) Contracts apply <input type="checkbox"/> below US\$50,000 (Goods or Goods and Services) – UNDP General Terms and Conditions for Contracts apply <input type="checkbox"/> equal to or above US\$50,000 (Goods and/or Services) – UNDP General Terms and Conditions for Contracts apply	
11. Payment Method: <input type="checkbox"/> fixed price <input type="checkbox"/> cost reimbursement	
12. Contractor's Name: Address: Country of incorporation: Website:	
13. Contractor's Contact Person's Name: Title: Address: Telephone number: Fax:	

Email:
14. UNDP Contact Person's Name: Title: Address: Telephone number: Fax: Email:
15. Contractor's Bank Account to which payments will be transferred: Beneficiary: Account name: Account number: Bank name: Bank address: Bank SWIFT Code: Bank Code: Routing instructions for payments:

This Contract consists of the following documents, which in case of conflict shall take precedence over one another in the following order:

1. This face sheet ("Face Sheet").
2. UNDP Special Conditions **[delete if not applicable]**.
3. [UNDP General Terms and Conditions for Contracts]
4. Terms of Reference (TORs) and Schedule of Payments, incorporating the description of services, deliverables and performance targets, time frames, schedule of payments, and total contract amount.
5. The Contractor's Technical Proposal and Financial Proposal, dated **[insert date]**, as clarified by the agreed minutes of the negotiations meeting, dated **[insert date]**; these documents not attached hereto but known to and in the possession of the Parties, and forming an integral part of this Contract.
6. Discount Prices **[to be used in cases where the Contractor is engaged on the basis of an LTA; delete if not applicable]**.

All the above, hereby incorporated by reference, shall form the entire agreement between the Parties (the "Contract"), superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

This Contract shall enter into force on the date of the last signature of the Face Sheet by the duly authorized representatives of the Parties, and terminate on the Contract Ending Date indicated on the Face Sheet. This Contract may be amended only by written agreement between the duly authorized representatives of the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have on behalf of the Parties hereto signed this Contract at the place and on the day set forth below.

For UNDP		For the Contractor	
Signature:		Signature:	
Name:		Name:	
Title:		Title:	
Date:		Date:	

GENERAL TERMS AND CONDITIONS FOR CONTRACTS

This Contract is between the United Nations Development Programme, a subsidiary organ of the United Nations established by the General Assembly of the United Nations (hereinafter “UNDP”), on the one hand, and a company or organization indicated in the Face Sheet of this Contract (hereinafter the “Contractor”), on the other hand.

1. LEGAL STATUS OF THE PARTIES: UNDP and the Contractor shall be referred to as a “Party” or, collectively, “Parties” hereunder, and:

1.1 Pursuant, *inter alia*, to the Charter of the United Nations and the Convention on the Privileges and Immunities of the United Nations, the United Nations, including its subsidiary organs, has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfillment of its purposes.

1.2 The Contractor shall have the legal status of an independent contractor *vis-à-vis* UNDP, and nothing contained in or relating to the Contract shall be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent. The officials, representatives, employees, or subcontractors of each of the Parties shall not be considered in any respect as being the employees or agents of the other Party, and each Party shall be solely responsible for all claims arising out of or relating to its engagement of such persons or entities.

2. OBLIGATIONS OF THE CONTRACTOR:

2.1 The Contractor shall deliver the goods described in the Technical Specifications for Goods (hereinafter the “Goods”) and/or perform and complete the services described in the Terms of Reference and Schedule of Payments (hereinafter the “Services”), with due diligence and efficiency, and in accordance with this Contract. The Contractor shall also provide all technical and administrative support needed in order to ensure the timely and satisfactory delivery of the Goods and/or performance of the Services.

2.2 To the extent that the Contract involves any purchase of the Goods, the Contractor shall provide UNDP with written evidence of the delivery of the Goods. Such evidence of delivery shall, at the minimum, consist of an invoice, a certification of conformity, and other supporting shipment documentation as may otherwise be specified in the Technical Specifications for Goods.

2.3 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the deliverables and reports foreseen under this Contract, in accordance with the highest industry and professional standards.

2.4 All time limits contained in this Contract shall be deemed to be of the essence in respect of the performance of the delivery of the Goods and/or the provision of the Services.

3. LONG TERM AGREEMENT: If the Contractor is engaged by UNDP on the basis of a long-term agreement (“LTA”) as indicated in the Face Sheet of this Contract, the following conditions shall apply:

3.1 UNDP does not warrant that any quantity of Goods and/or Services shall be ordered during the term of the LTA.

3.2 Any UNDP business unit, including, but not limited to, a Headquarters unit, a Country Office or a Regional Centre, as well as any United Nations entity, may benefit from the retainer and order Goods and/or Services from the Contractor hereunder.

3.3 The Contractor shall provide the Services and/or deliver the Goods, as and when requested by UNDP and reflected in a Purchase Order, which shall be subject to the terms and conditions stipulated in this Contract. For the avoidance of doubt, UNDP shall acquire no legal obligations towards the Contractor unless and until a Purchase Order is issued.

3.4 The Goods and/or Services shall be at the Discount Prices annexed hereto. The prices shall remain in effect for a period of three years from the Starting Date stated in the Face Sheet of this Contract.

3.5 In the event of any advantageous technical changes and/or downward pricing of the Goods and/or Services during the term of the retainer, the Contractor shall notify UNDP immediately. UNDP shall consider the impact of any such event and may request an amendment to the retainer.

3.6 The Contractor shall report semi-annually to UNDP on the Goods delivered and/or Services provided, unless otherwise specified in the Contract. Each report should be submitted to the UNDP Contact Person indicated in as indicated in the Face Sheet hereto, as well as to a UNDP business unit that has placed a Purchase Order for the Goods and/or Services during the reporting period.

3.7 The LTA shall remain in force for the maximum period of two years and may be extended by UNDP for one additional year by mutual agreement of the Parties.

4. PRICE AND PAYMENT:

4.1 FIXED PRICE: If Fixed Price is chosen as a payment method pursuant to the Face Sheet of this Contract, in full consideration for the complete and satisfactory delivery of the Goods and/or provision of the Services, UNDP shall pay the Contractor a fixed amount indicated in the Face Sheet of this Contract.

4.1.1 The amount stated in the Face Sheet of this Contract is not subject to any adjustment or revision because of price or currency fluctuations, or the actual costs incurred by the Contractor in the performance of the Contract.

4.1.2 UNDP shall effect payments to the Contractor in the amounts and pursuant to the schedule of payments set forth in the Terms of Reference and Schedule of Payments, upon completion by the Contractor of the corresponding deliverable(s) and upon acceptance by UNDP of the original invoices submitted by the Contractor to the UNDP Contact Person indicated in the Face Sheet of this Contract, together with whatever supporting documentation that may be required by UNDP:

4.1.3 Invoices shall indicate a deliverable completed and the corresponding amount payable

4.1.4 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor or provision of the Services.

4.2 COST REIMBURSEMENT: If Cost Reimbursement is chosen as a payment method pursuant to the Face Sheet of this Contract, in full consideration for the complete and satisfactory delivery of the Goods and/or provision of the Services under this Contract, UNDP shall pay the Contractor an amount not exceeding the total amount stated in the Face Sheet of this Contract. 4.2.1 The said amount is the maximum total amount of reimbursable costs under this Contract. The breakdown of costs contained in the Financial Proposal, referred to in the Face Sheet to this Contract shall specify the maximum amount per each cost category that is reimbursable under this Contract. The Contractor shall specify in its invoices or financial reports (as required by UNDP) the amount of the actual reimbursable costs incurred in the delivery of the Goods and/or the provision of the Services. 4.2.2 The Contractor shall not provide the Services and/or deliver the Goods or equipment, materials and supplies that may result in any costs in excess of the amount stated in the Face Sheet of this Contract, or of the maximum amount per each cost category specified in the breakdown of costs contained in the Financial Proposal, without the prior written agreement of the UNDP Contact Person. 4.2.3 The Contractor shall submit original invoices or financial reports (as required by UNDP) for the Goods delivered in accordance with the Technical Specifications for Goods and/or the Services provided in accordance with the schedule set forth in the Terms of Reference and Schedule of Payments. Such invoices or financial reports shall indicate a deliverable or deliverables completed and the corresponding amount payable. They shall be submitted to the UNDP Contact Person, together with whatever supporting documentation of the actual costs incurred that is required in the Financial Proposal, or may be required by UNDP. 4.2.4 UNDP shall effect payments to the Contractor upon completion by the Contractor of the deliverable(s) indicated in the original invoices or financial reports (as required by UNDP) and upon acceptance of these invoices or financial reports by UNDP. Such payments shall be subject to any specific conditions for reimbursement specified in the breakdown of costs contained in the Financial Proposal. 4.2.5 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's delivery of the Goods and/or performance of the Services.

5. ADVANCE PAYMENT:

5.1 if an advance payment is due to the Contractor pursuant to the Face Sheet of this Contract, the Contractor shall submit an original invoice for the amount of that advance payment upon signature of this Contract by the Parties.

5.2 If an advance payment representing 20% or more of the total contract value, or amounting to US\$30,000 or more, is to be made by UNDP upon signature of the Contract by the Parties, such payment shall be contingent upon receipt and acceptance by UNDP of a bank guarantee or a certified cheque for the full amount of the advance payment, valid for the duration of the Contract, and in a form acceptable to UNDP.

6. SUBMISSION OF INVOICES AND REPORTS:

6.1 all original invoices, financial reports and any other reports and supporting documentation required under this Contract shall be submitted by mail by the Contractor to UNDP Contact Person. Upon request of the Contractor, and subject to approval by UNDP, invoices and financial reports may be submitted to UNDP by fax or email.

6.2 All reports and invoices shall be submitted by the Contractor to the UNDP Contact Person specified in the Face Sheet of this Contract.

7. TIME AND MANNER OF PAYMENT:

7.1 Invoices shall be paid within thirty (30) days of the date of their acceptance by UNDP. UNDP shall make every effort to accept an original invoice or advise the Contractor of its non-acceptance within a reasonable time from receipt.

7.2 Where the Services are to be provided, in addition to an invoice, the Contractor shall submit to UNDP a report, describing in detail the Services provided under the Contract during the period of time covered in each report.

8. RESPONSIBILITY FOR EMPLOYEES: To the extent that the Contract involves the provision of the Services to UNDP by the Contractor's officials, employees, agents, servants, subcontractors and other representatives (collectively, the Contractor's "personnel"), the following provisions shall apply:

8.1 The Contractor is responsible for and shall assume all risk and liabilities relating to its personnel and property.

8.2 The Contractor shall be responsible for the professional and technical competence of the personnel it assigns to perform work under the Contract and will select reliable and competent individuals who will be able to effectively perform the obligations under the Contract and who, while doing so, will respect the local laws and customs and conform to a high standard of moral and ethical conduct.

8.3 Such Contractor personnel shall be professionally qualified and, if required to work with officials or staff of UNDP, shall be able to do so effectively. The qualifications of any personnel whom the Contractor may assign or may propose to assign to perform any obligations under the Contract shall be substantially the same, or better, as the qualifications of any personnel originally proposed by the Contractor.

8.4 At the option of and in the sole discretion of UNDP:

8.4.1 the qualifications of personnel proposed by the Contractor (*e.g.*, a curriculum vitae) may be reviewed by UNDP prior to such personnel's performing any obligations under the Contract;

8.4.2 Any personnel proposed by the Contractor to perform obligations under the Contract may be interviewed by qualified staff or officials of UNDP prior to such personnel's performing any obligations under the Contract; and,

8.4.3 In cases in which, pursuant to Article 8.4.1 or 8.4.2, above, UNDP has reviewed the qualifications of such Contractor's personnel, UNDP may reasonably refuse to accept any such personnel.

8.5 Requirements specified in the Contract regarding the number or qualifications of the Contractor's personnel may change during the course of performance of the Contract. Any such change shall be made only following written notice of such proposed change and upon written agreement between the Parties regarding such change, subject to the following:

8.5.1 UNDP may, at any time, request, in writing, the withdrawal or replacement of any of the Contractor's personnel, and such request shall not be unreasonably refused by the Contractor.

8.5.2 Any of the Contractor's personnel assigned to perform obligations under the Contract shall not be withdrawn or replaced without the prior written consent of UNDP, which shall not be unreasonably withheld.

8.5.3 The withdrawal or replacement of the Contractor's personnel shall be carried out as quickly as possible and in a manner that will not adversely affect the performance of obligations under the Contract.

8.5.4 All expenses related to the withdrawal or replacement of the Contractor's personnel shall, in all cases, be borne exclusively by the Contractor.

8.5.5 Any request by UNDP for the withdrawal or replacement of the Contractor's personnel shall not be considered to be a termination, in whole or in part, of the Contract, and UNDP shall not bear any liability in respect of such withdrawn or replaced personnel.

8.5.6 If a request for the withdrawal or replacement of the Contractor's personnel is *not* based upon a default by or failure on the part of the Contractor to perform its obligations in accordance with the Contract, the misconduct of the

personnel, or the inability of such personnel to reasonably work together with UNDP officials and staff, then the Contractor shall not be liable by reason of any such request for the withdrawal or replacement of the Contractor's personnel for any delay in the performance by the Contractor of its obligations under the Contract that is substantially the result of such personnel's being withdrawn or replaced.

8.6 Nothing in Articles 8.3, 8.4 and 8.5, above, shall be construed to create any obligations on the part of UNDP with respect to the Contractor's personnel assigned to perform work under the Contract, and such personnel shall remain the sole responsibility of the Contractor.

8.7 The Contractor shall be responsible for requiring that all personnel assigned by it to perform any obligations under the Contract and who may have access to any premises or other property of UNDP shall:

8.7.1 Undergo or comply with security screening requirements made known to the Contractor by UNDP, including but not limited to, a review of any criminal history;

8.7.2 When within UNDP premises or on UNDP property, display such identification as may be approved and furnished by UNDP security officials, and that upon the withdrawal or replacement of any such personnel or upon termination or completion of the Contract, such personnel shall immediately return any such identification to UNDP for cancellation.

8.8 Within one working day after learning that any of Contractor's personnel who have access to any UNDP premises have been charged by law enforcement authorities with an offense other than a minor traffic offense, the Contractor shall provide written notice to inform UNDP about the particulars of the charges then known and shall continue to inform UNDP concerning all substantial developments regarding the disposition of such charges.

8.9 All operations of the Contractor, including without limitation, storage of equipment, materials, supplies and parts, within UNDP premises or on UNDP property shall be confined to areas authorized or approved by UNDP. The Contractor's personnel shall not enter or pass through and shall not store or dispose of any of its equipment or materials in any areas within UNDP premises or on UNDP property without appropriate authorization from UNDP.

8.10 The Contractor shall (i) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the Services are being provided; and (ii) assume all risks and liabilities related to the Contractor's security, and the full implementation of the security plan.

8.11 UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this contract. Notwithstanding the foregoing, the Contractor shall remain solely responsible for the security of its personnel and for UNDP's property in its custody as set forth in paragraph 8.10 above.

9. ASSIGNMENT:

9.1 Except as provided in Article 9.2, below, the Contractor may not assign, transfer, pledge or make any other disposition of the Contract, of any part of the Contract, or of any of the rights, claims or obligations under the Contract except with the prior written authorization of UNDP. Any such unauthorized assignment, transfer, pledge or other disposition, or any attempt to do so, shall not be binding on UNDP. Except as permitted with respect to any approved subcontractors, the Contractor shall not delegate any of its obligations under this Contract, except with the prior written consent of UNDP. Any such unauthorized delegation, or attempt to do so, shall not be binding on UNDP.

9.2 The Contractor may assign or otherwise transfer the Contract to the surviving entity resulting from a reorganization of the Contractor's operations, *provided that*:

9.2.1 Such reorganization is not the result of any bankruptcy, receivership or other similar proceedings; *and*,

9.2.2 Such reorganization arises from a sale, merger, or acquisition of all or substantially all of the Contractor's assets or ownership interests; *and*,

9.2.3 The Contractor promptly notifies UNDP about such assignment or transfer at the earliest opportunity; *and*,

9.2.4 The assignee or transferee agrees in writing to be bound by all of the terms and conditions of the Contract, and such writing is promptly provided to UNDP following the assignment or transfer.

10. SUBCONTRACTING: In the event that the Contractor requires the services of subcontractors to perform any obligations under the Contract, the Contractor shall obtain the prior written approval of UNDP. UNDP shall be entitled,

in its sole discretion, to review the qualifications of any subcontractors and to reject any proposed subcontractor that UNDP reasonably considers is not qualified to perform obligations under the Contract. UNDP shall have the right to require any subcontractor's removal from UNDP premises without having to give any justification therefor. Any such rejection or request for removal shall not, in and of itself, entitle the Contractor to claim any delays in the performance, or to assert any excuses for the non-performance, of any of its obligations under the Contract, and the Contractor shall be solely responsible for all services and obligations performed by its subcontractors. The terms of any subcontract shall be subject to, and shall be construed in a manner that is fully in accordance with, all of the terms and conditions of the Contract.

11. PURCHASE OF GOODS: To the extent that the Contract involves any purchase of the Goods, whether in whole or in part, and unless specifically stated otherwise in the Contract, the following conditions shall apply to such purchases under the Contract:

11.1 DELIVERY OF GOODS: The Contractor shall hand over or make available the Goods, and UNDP shall receive the Goods, at the place for the delivery of the Goods and within the time for delivery of the Goods specified in the Contract. The Contractor shall provide to UNDP such shipment documentation (including, without limitation, bills of lading, airway bills, and commercial invoices) as are specified in the Contract or, otherwise, as are customarily utilized in the trade. All manuals, instructions, displays and any other information relevant to the Goods shall be in the English language unless otherwise specified in the Contract. Unless otherwise stated in the Contract (including, but not limited to, in any "INCOTERM" or similar trade term), the entire risk of loss, damage to, or destruction of the Goods shall be borne exclusively by the Contractor until physical delivery of the Goods to UNDP in accordance with the terms of the Contract. Delivery of the Goods shall not be deemed in itself as constituting acceptance of the Goods by UNDP.

11.2 INSPECTION OF THE GOODS: If the Contract provides that the Goods may be inspected prior to delivery, the Contractor shall notify UNDP when the Goods are ready for pre-delivery inspection. Notwithstanding any pre-delivery inspection, UNDP or its designated inspection agents may also inspect the Goods upon delivery in order to confirm that the Goods conform to applicable specifications or other requirements of the Contract. All reasonable facilities and assistance, including, but not limited to, access to drawings and production data, shall be furnished to UNDP or its designated inspection agents at no charge therefor. Neither the carrying out of any inspections of the Goods nor any failure to undertake any such inspections shall relieve the Contractor of any of its warranties or the performance of any obligations under the Contract.

11.3 PACKAGING OF THE GOODS: The Contractor shall package the Goods for delivery in accordance with the highest standards of export packaging for the type and quantities and modes of transport of the Goods. The Goods shall be packed and marked in a proper manner in accordance with the instructions stipulated in the Contract or, otherwise, as customarily done in the trade, and in accordance with any requirements imposed by applicable law or by the transporters and manufacturers of the Goods. The packing, in particular, shall mark the Contract or Purchase Order number and any other identification information provided by UNDP as well as such other information as is necessary for the correct handling and safe delivery of the Goods. Unless otherwise specified in the Contract, the Contractor shall have no right to any return of the packing materials.

11.4 TRANSPORTATION & FREIGHT: Unless otherwise specified in the Contract (including, but not limited to, in any "INCOTERM" or similar trade term), the Contractor shall be solely liable for making all transport arrangements and for payment of freight and insurance costs for the shipment and delivery of the Goods in accordance with the requirements of the Contract. The Contractor shall ensure that UNDP receives all necessary transport documents in a timely manner so as to enable UNDP to take delivery of the Goods in accordance with the requirements of the Contract.

11.5 WARRANTIES: Unless otherwise specified in the Contract, in addition to and without limiting any other warranties, remedies or rights of UNDP stated in or arising under the Contract, the Contractor warrants and represents that:

11.5.1 The Goods, including all packaging and packing thereof, conform to the technical specifications, are fit for the purposes for which such Goods are ordinarily used and for any purposes expressly made known in writing in the Contract, and shall be of even quality, free from faults and defects in design, material, manufacturer and workmanship;

11.5.2 If the Contractor is not the original manufacturer of the Goods, the Contractor shall provide UNDP with the benefit of all manufacturers' warranties in addition to any other warranties required to be provided under the Contract;

11.5.3 The Goods are of the quality, quantity and description required by the Contract, including when subjected to conditions prevailing in the place of final destination;

11.5.4 The Goods are free from any right of claim by any third-party, including claims of infringement of any intellectual property rights, including, but not limited to, patents, copyright and trade secrets;

11.5.5 The Goods are new and unused;

11.5.6 All warranties will remain fully valid following any delivery of the Goods and for a period of not less than one (1) year following acceptance of the Goods by UNDP in accordance with the Contract;

11.5.7 During any period in which the Contractor's warranties are effective, upon notice by UNDP that the Goods do not conform to the requirements of the Contract, the Contractor shall promptly and at its own expense correct such non-conformities or, in case of its inability to do so, replace the defective Goods with Goods of the same or better quality or, at its own cost, remove the defective Goods and fully reimburse UNDP for the purchase price paid for the defective Goods; and,

11.5.8 The Contractor shall remain responsive to the needs of UNDP for any services that may be required in connection with any of the Contractor's warranties under the Contract.

11.6 ACCEPTANCE OF GOODS: Under no circumstances shall UNDP be required to accept any Goods that do not conform to the specifications or requirements of the Contract. UNDP may condition its acceptance of the Goods upon the successful completion of acceptance tests as may be specified in the Contract or otherwise agreed in writing by the Parties. In no case shall UNDP be obligated to accept any Goods unless and until UNDP has had a reasonable opportunity to inspect the Goods following delivery. If the Contract specifies that UNDP shall provide a written acceptance of the Goods, the Goods shall not be deemed accepted unless and until UNDP in fact provides such written acceptance. In no case shall payment by UNDP in and of itself constitute acceptance of the Goods.

11.7 REJECTION OF GOODS: Notwithstanding any other rights of, or remedies available to UNDP under the Contract, in case any of the Goods are defective or otherwise do not conform to the specifications or other requirements of the Contract, UNDP, at its sole option, may reject or refuse to accept the Goods, and within thirty (30) days following receipt of notice from UNDP of such rejection or refusal to accept the Goods, the Contractor shall, in sole option of UNDP:

11.7.1 Provide a full refund upon return of the Goods, or a partial refund upon a return of a portion of the Goods, by UNDP; *or,*

11.7.2 Repair the Goods in a manner that would enable the Goods to conform to the specifications or other requirements of the Contract; *or,*

11.7.3 Replace the Goods with Goods of equal or better quality; *and,*

11.7.4 Pay all costs relating to the repair or return of the defective Goods as well as the costs relating to the storage of any such defective Goods and for the delivery of any replacement Goods to UNDP.

11.8 In the event that UNDP elects to return any of the Goods for the reasons specified in Article 11.7, above, UNDP may procure the Goods from another source. In addition to any other rights or remedies available to UNDP under the Contract, including, but not limited to, the right to terminate the Contract, the Contractor shall be liable for any additional cost beyond the balance of the Contract price resulting from any such procurement, including, *inter alia*, the costs of engaging in such procurement, and UNDP shall be entitled to compensation from the Contractor for any reasonable expenses incurred for preserving and storing the Goods for the Contractor's account.

11.9 TITLE: The Contractor warrants and represents that the Goods delivered under the Contract are unencumbered by any third party's title or other property rights, including, but not limited to, any liens or security interests. Unless otherwise expressly provided in the Contract, title in and to the Goods shall pass from the Contractor to UNDP upon delivery of the Goods and their acceptance by UNDP in accordance with the requirements of the Contract.

11.10 EXPORT LICENSING: The Contractor shall be responsible for obtaining any export license required with respect to the Goods, products, or technologies, including software, sold, delivered, licensed or otherwise provided to UNDP under the Contract. The Contractor shall procure any such export license in an expeditious manner. Subject to and without any waiver of the privileges and immunities of UNDP, UNDP shall lend the Contractor all reasonable assistance required for obtaining any such export license. Should any Governmental entity refuse, delay or hinder the

Contractor's ability to obtain any such export license, the Contractor shall promptly consult with UNDP to enable UNDP to take appropriate measures to resolve the matter.

12. INDEMNIFICATION:

12.1 The Contractor shall indemnify, defend, and hold and save harmless, UNDP, and its officials, agents and employees, from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any third party against UNDP, including, but not limited to, all litigation costs and expenses, attorney's fees, settlement payments and damages, based on, arising from, or relating to:

12.1.1 allegations or claims that the possession of or use by UNDP of any patented device, any copyrighted material, or any other goods, property or services provided or licensed to UNDP under the terms of the Contract, in whole or in part, separately or in a combination contemplated by the Contractor's published specifications therefor, or otherwise specifically approved by the Contractor, constitutes an infringement of any patent, copyright, trademark, or other intellectual property right of any third party; *or*,

12.1.2 any acts or omissions of the Contractor, or of any subcontractor or anyone directly or indirectly employed by them in the performance of the Contract, which give rise to legal liability to anyone not a party to the Contract, including, without limitation, claims and liability in the nature of a claim for workers' compensation.

12.2 The indemnity set forth in Article 12.1.1, above, shall not apply to:

12.2.1 A claim of infringement resulting from the Contractor's compliance with specific written instructions by UNDP directing a change in the specifications for the goods, property, materials, equipment or supplies to be or used, or directing a manner of performance of the Contract or requiring the use of specifications not normally used by the Contractor; *or*

12.2.2 A claim of infringement resulting from additions to or changes in any goods, property, materials equipment, supplies or any components thereof furnished under the Contract if UNDP or another party acting under the direction of UNDP made such changes.

12.3 In addition to the indemnity obligations set forth in this Article 12, the Contractor shall be obligated, at its sole expense, to defend UNDP and its officials, agents and employees, pursuant to this Article 12, regardless of whether the suits, proceedings, claims and demands in question actually give rise to or otherwise result in any loss or liability.

12.4 UNDP shall advise the Contractor about any such suits, proceedings, claims, demands, losses or liability within a reasonable period of time after having received actual notice thereof. The Contractor shall have sole control of the defense of any such suit, proceeding, claim or demand and of all negotiations in connection with the settlement or compromise thereof, except with respect to the assertion or defense of the privileges and immunities of UNDP or any matter relating thereto, for which only UNDP itself is authorized to assert and maintain. UNDP shall have the right, at its own expense, to be represented in any such suit, proceeding, claim or demand by independent counsel of its own choosing.

12.5 In the event the use by UNDP of any Goods, property or Services provided or licensed to UNDP by the Contractor, in whole or in part, in any suit or proceeding, is for any reason enjoined, temporarily or permanently, or is found to infringe any patent, copyright, trademark or other intellectual property right, or in the event of a settlement, is enjoined, limited or otherwise interfered with, then the Contractor, at its sole cost and expense, shall, promptly, either:

12.5.1 Procure for UNDP the unrestricted right to continue using such Goods or Services provided to UNDP;

12.5.2 Replace or modify the Goods and/or or Services provided to UNDP, or part thereof, with the equivalent or better Goods and/or Services, or part thereof, that is non-infringing; *or*,

12.5.3 refund to UNDP the full price paid by UNDP for the right to have or use such Goods, property or Services, or part thereof.

13. INSURANCE AND LIABILITY:

13.1 The Contractor shall pay UNDP promptly for all loss, destruction, or damage to the property of UNDP caused by the Contractor's personnel or by any of its subcontractors or anyone else directly or indirectly employed by the Contractor or any of its subcontractors in the performance of the Contract.

13.2 Unless otherwise provided in the Contract, prior to commencement of performance of any other obligations under the Contract, and subject to any limits set forth in the Contract, the Contractor shall take out and shall maintain for the entire term of the Contract, for any extension thereof, and for a period following any termination of the Contract reasonably adequate to deal with losses:

13.2.1 Insurance against all risks in respect of its property and any equipment used for the performance of the Contract;

13.2.2 workers' compensation insurance, or its equivalent, or employer's liability insurance, or its equivalent, with respect to the Contractor's personnel sufficient to cover all claims for injury, death and disability, or any other benefits required to be paid by law, in connection with the performance of the Contract;

13.2.3 liability insurance in an adequate amount to cover all claims, including, but not limited to, claims for death and bodily injury, products and completed operations liability, loss of or damage to property, and personal and advertising injury, arising from or in connection with the Contractor's performance under the Contract, including, but not limited to, liability arising out of or in connection with the acts or omissions of the Contractor, its personnel, agents, or invitees, or the use, during the performance of the Contract, of any vehicles, boats, airplanes or other transportation vehicles and equipment, whether or not owned by the Contractor; *and*,

13.2.4 Such other insurance as may be agreed upon in writing between UNDP and the Contractor.

13.3 The Contractor's liability policies shall also cover subcontractors and all defense costs and shall contain a standard "cross liability" clause.

13.4 The Contractor acknowledges and agrees that UNDP accepts no responsibility for providing life, health, accident, travel or any other insurance coverage which may be necessary or desirable in respect of any personnel performing services for the Contractor in connection with the Contract.

13.5 Except for the workers' compensation insurance or any self-insurance program maintained by the Contractor and approved by UNDP, in its sole discretion, for purposes of fulfilling the Contractor's requirements for providing insurance under the Contract, the insurance policies required under the Contract shall:

13.5.1 Name UNDP as an additional insured under the liability policies, including, if required, as a separate endorsement under the policy;

13.5.2 Include a waiver of subrogation of the Contractor's insurance carrier's rights against UNDP;

13.5.3 provide that UNDP shall receive written notice from the Contractor's insurance carrier not less than thirty (30) days prior to any cancellation or material change of coverage; *and*,

13.5.4 Include a provision for response on a primary and non-contributing basis with respect to any other insurance that may be available to UNDP.

13.6 The Contractor shall be responsible to fund all amounts within any policy deductible or retention.

13.7 Except for any self-insurance program maintained by the Contractor and approved by UNDP for purposes of fulfilling the Contractor's requirements for maintaining insurance under the Contract, the Contractor shall maintain the insurance taken out under the Contract with reputable insurers that are in good financial standing and that are acceptable to UNDP. Prior to the commencement of any obligations under the Contract, the Contractor shall provide UNDP with evidence, in the form of certificate of insurance or such other form as UNDP may reasonably require, that demonstrates that the Contractor has taken out insurance in accordance with the requirements of the Contract. UNDP reserves the right, upon written notice to the Contractor, to obtain copies of any insurance policies or insurance program descriptions required to be maintained by the Contractor under the Contract. Notwithstanding the provisions of Article 13.5.3, above, the Contractor shall promptly notify UNDP concerning any cancellation or material change of insurance coverage required under the Contract.

13.8 The Contractor acknowledges and agrees that neither the requirement for taking out and maintaining insurance as set forth in the Contract nor the amount of any such insurance, including, but not limited to, any deductible or retention relating thereto, shall in any way be construed as limiting the Contractor's liability arising under or relating to the Contract.

14. ENCUMBRANCES AND 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 UNDP against any monies due to the Contractor or that may become due for any work done or against any goods supplied or materials furnished under the Contract, or by reason of any other claim or demand against the Contractor or UNDP.

15. EQUIPMENT FURNISHED BY UNDP TO THE CONTRACTOR: Title to any equipment and supplies that may be furnished by UNDP to the Contractor for the performance of any obligations under the Contract shall rest with UNDP, and any such equipment shall be returned to UNDP at the conclusion of the 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, and the Contractor shall be liable to compensate UNDP for the actual costs of any loss of, damage to, or degradation of the equipment that is beyond normal wear and tear.

16. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

16.1 Except as is otherwise expressly provided in writing in the Contract, 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 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. The Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for UNDP.

16.2 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, UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to 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.

16.3 At the request of 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 UNDP in compliance with the requirements of the applicable law and of the Contract.

16.4 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 UNDP, shall be made available for use or inspection by 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.

17. PUBLICITY, AND USE OF THE NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS: The Contractor shall not advertise or otherwise make public for purposes of commercial advantage or goodwill that it has a contractual relationship 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 the United Nations in connection with its business or otherwise without the written permission of UNDP.

18. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION: Information and data that is considered proprietary by either Party or 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:

18.1 The Recipient shall:

18.1.1 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*,

18.1.2 use the Discloser's Information solely for the purpose for which it was disclosed.

18.2 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 18, the Recipient may disclose Information to:

18.2.1 Any other party with the Discloser's prior written consent; *and*,

18.2.2 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:

18.2.2.1 A corporate entity in which the Party owns or otherwise controls, whether directly or indirectly, over fifty percent (50%) of voting shares thereof; *or*,

18.2.2.2 Any entity over which the Party exercises effective managerial control; *or*,

18.2.2.3 For the United Nations, a principal or subsidiary organ of the United Nations established in accordance with the Charter of the United Nations.

18.3 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 UNDP sufficient prior notice of a request for the disclosure of Information in order to allow UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

18.4 UNDP may disclose Information to the extent as required pursuant to the Charter of the United Nations, or pursuant to resolutions or regulations of the General Assembly or rules promulgated thereunder.

18.5 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.

18.6 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.

19. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS:

19.1 In the event of and as soon as possible after the occurrence of any cause constituting *force majeure*, the affected Party shall give notice and full particulars in writing to the other Party, of such occurrence or cause if the affected Party is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under the Contract. The affected Party shall also notify the other Party of any other changes in condition or the occurrence of any event which interferes or threatens to interfere with its performance of the Contract. Not more than fifteen (15) days following the provision of such notice of *force majeure* or other changes in condition or occurrence, the affected Party shall also submit a statement to the other Party of estimated expenditures that will likely be incurred for the duration of the change in condition or the event of *force majeure*. On receipt of the notice or notices required hereunder, the Party not affected by the occurrence of a cause constituting *force majeure* shall take such action as it reasonably considers to be appropriate or necessary in the circumstances, including the granting to the affected Party of a reasonable extension of time in which to perform any obligations under the Contract.

19.2 If the Contractor is rendered unable, wholly or in part, by reason of *force majeure* to perform its obligations and meet its responsibilities under the Contract, UNDP shall have the right to suspend or terminate the Contract on the same terms and conditions as are provided for in Article 20, "Termination," except that the period of notice shall be seven (7) days instead of thirty (30) days. In any case, UNDP shall be entitled to consider the Contractor permanently unable to perform its obligations under the Contract in case the Contractor is unable to perform its obligations, wholly or in part, by reason of *force majeure* for any period in excess of ninety (90) days.

19.3 *Force majeure* as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, *provided that* such acts arise from causes beyond the control and without the fault or negligence of the Contractor. The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in areas in which 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.

20. TERMINATION:

20.1 Either Party may terminate the Contract for cause, in whole or in part, upon thirty (30) days' notice, in writing, to the other Party. The initiation of conciliation or arbitral proceedings in accordance with Article 23 "Settlement of Disputes," below, shall not be deemed to be a "cause" for or otherwise to be in itself a termination of the Contract.

20.2 UNDP may terminate the Contract at any time by providing written notice to the Contractor in any case in which the mandate of UNDP applicable to the performance of the Contract or the funding of UNDP applicable to the Contract is curtailed or terminated, whether in whole or in part. In addition, unless otherwise provided by the Contract, upon sixty (60) day's advance written notice to the Contractor, UNDP may terminate the Contract without having to provide any justification therefor.

20.3 In the event of any termination of the Contract, upon receipt of notice of termination that has been issued by UNDP, the Contractor shall, except as may be directed by UNDP in the notice of termination or otherwise in writing:

20.3.1 Take immediate steps to bring the performance of any obligations under the Contract to a close in a prompt and orderly manner, and in doing so, reduce expenses to a minimum;

20.3.2 Refrain from undertaking any further or additional commitments under the Contract as of and following the date of receipt of such notice;

20.3.3 place no further subcontracts or orders for materials, services, or facilities, except as UNDP and the Contractor agree in writing are necessary to complete any portion of the Contract that is not terminated;

20.3.4 Terminate all subcontracts or orders to the extent they relate to the portion of the Contract terminated;

20.3.5 transfer title and deliver to UNDP the fabricated or un-fabricated parts, work in process, completed work, supplies, and other material produced or acquired for the portion of the Contract terminated;

20.3.6 deliver all completed or partially completed plans, drawings, information, and other property that, if the Contract had been completed, would be required to be furnished to UNDP thereunder;

20.3.7 Complete performance of the work not terminated; *and*,

20.3.8 Take any other action that may be necessary, or that UNDP may direct in writing, for the minimization of losses and for the protection and preservation of any property, whether tangible or intangible, related to the Contract that is in the possession of the Contractor and in which UNDP has or may be reasonably expected to acquire an interest.

20.4 In the event of any termination of the Contract, UNDP shall be entitled to obtain reasonable written accountings from the Contractor concerning all obligations performed or pending in accordance with the Contract. In addition, UNDP shall not be liable to pay the Contractor except for those Goods satisfactorily delivered and/or Services satisfactorily provided to UNDP in accordance with the requirements of the Contract, but only if such Goods or Services were ordered, requested or otherwise provided prior to the Contractor's receipt of notice of termination from UNDP or prior to the Contractor's tendering of notice of termination to UNDP.

20.5 UNDP may, without prejudice to any other right or remedy available to it, terminate the Contract forthwith in the event that:

20.5.1 The Contractor is adjudged bankrupt, or is liquidated, or becomes insolvent, or applies for a moratorium or stay on any payment or repayment obligations, or applies to be declared insolvent;

20.5.2 The Contractor is granted a moratorium or a stay, or is declared insolvent;

20.5.3 The Contractor makes an assignment for the benefit of one or more of its creditors;

20.5.4 A Receiver is appointed on account of the insolvency of the Contractor;

20.5.5 The Contractor offers a settlement in lieu of bankruptcy or receivership; *or*,

20.5.6 UNDP reasonably determines that the Contractor has become subject to a materially adverse change in its financial condition that threatens to substantially affect the ability of the Contractor to perform any of its obligations under the Contract.

20.6 Except as prohibited by law, the Contractor shall be bound to compensate UNDP for all damages and costs, including, but not limited to, all costs incurred by UNDP in any legal or non-legal proceedings, as a result of any of the events specified in Article 20.5, above, and resulting from or relating to a termination of the Contract, even if the Contractor is adjudged bankrupt, or is granted a moratorium or stay or is declared insolvent. The Contractor shall immediately inform UNDP of the occurrence of any of the events specified in Article 20.5, above, and shall provide UNDP with any information pertinent thereto.

20.7 The provisions of this Article 20 are without prejudice to any other rights or remedies of UNDP under the Contract or otherwise.

21. NON-WAIVER OF RIGHTS: The failure by either Party to exercise any rights available to it, whether under the Contract or otherwise, shall not be deemed for any purposes to constitute a waiver by the other Party of any such right or any remedy associated therewith, and shall not relieve the Parties of any of their obligations under the Contract.

22. NON-EXCLUSIVITY: Unless otherwise specified in the Contract, UNDP shall have no obligation to purchase any minimum quantities of goods or services from the Contractor, and UNDP shall have no limitation on its right to obtain goods or services of the same kind, quality and quantity described in the Contract, from any other source at any time.

23. SETTLEMENT OF DISPUTES:

23.1 AMICABLE SETTLEMENT: The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the 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 Conciliation Rules then obtaining of the United Nations Commission on International Trade Law ("UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.

23.2 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 23.1, 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. 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") and Article 34 ("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.

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

25. TAX EXEMPTION:

25.1 Article II, 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 restrictions, 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 exemptions of UNDP from such taxes, restrictions, duties, or charges, the Contractor shall immediately consult with UNDP to determine a mutually acceptable procedure.

25.2 The Contractor authorizes UNDP to deduct from the Contractor's invoices any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties, or charges under written protest. In that event, the Contractor shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized, and UNDP shall reimburse the Contractor for any such taxes, duties, or charges so authorized by UNDP and paid by the Contractor under written protest.

26. MODIFICATIONS:

26.1 No modification or change in this Contract shall be valid and enforceable against UNDP unless executed in writing by the duly authorized representatives of the Parties.

26.2 If the Contract shall be extended for additional periods in accordance with the terms and conditions of the Contract, the terms and conditions applicable to any such extended term of the Contract shall be the same terms and conditions as set forth in the Contract, unless the Parties shall have agreed otherwise pursuant to a valid amendment concluded in accordance with Article 26.1, above.

26.3 The terms or conditions of any supplemental undertakings, licenses, or other forms of agreement concerning any Goods or Services provided under the Contract shall not be valid and enforceable against UNDP nor in any way shall constitute an agreement by UNDP thereto unless any such undertakings, licenses or other forms are the subject of a valid amendment concluded in accordance with Article 26.1, above.

27. AUDITS AND INVESTIGATIONS:

27.1 Each invoice paid by UNDP shall be subject to a post-payment audit by auditors, whether internal or external, of UNDP or by other authorized and qualified agents of UNDP at any time during the term of the Contract and for a period of three (3) years following the expiration or prior termination of the Contract.

27.2 UNDP may conduct investigations relating to any aspect of the Contract or the award thereof, the obligations performed under the Contract, and the operations of the Contractor generally relating to performance of the Contract at any time during the term of the Contract and for a period of three (3) years following the expiration or prior termination of the Contract.

27.3 The Contractor shall provide its full and timely cooperation with any such inspections, post-payment audits or investigations. Such cooperation shall include, but shall not be limited to, the Contractor's obligation to make available its personnel and any relevant documentation for such purposes at reasonable times and on reasonable conditions

and to grant to UNDP access to the Contractor's premises at reasonable times and on reasonable conditions in connection with such access to the Contractor's personnel and relevant documentation. The Contractor shall require its agents, including, but not limited to, the Contractor's attorneys, accountants or other advisers, to reasonably cooperate with any inspections, post-payment audits or investigations carried out by UNDP hereunder.

27.4 UNDP shall be entitled to a refund from the Contractor for any amounts shown by such audits or investigations to have been paid by UNDP other than in accordance with the terms and conditions of the Contract. The Contractor also agrees that, where applicable, donors to UNDP whose funding is the source of, in whole or in part, the funding for the procurement of Goods and/or Services which are the subject of this Contract, shall have direct recourse to the Contractor for the recovery of any funds determined by UNDP to have been used in violation of or inconsistent with this Contract.

28. LIMITATION ON ACTIONS:

28.1 Except with respect to any indemnification obligations in Article 12, above, or as are otherwise set forth in the Contract, any arbitral proceedings in accordance with Article 23.2, above, arising out of the Contract must be commenced within three years after the cause of action has accrued.

28.2 The Parties further acknowledge and agree that, for these purposes, a cause of action shall accrue when the breach actually occurs, or, in the case of latent defects, when the injured Party knew or should have known all of the essential elements of the cause of action, or in the case of a breach of warranty, when tender of delivery is made, except that, if a warranty extends to future performance of the goods or any process or system and the discovery of the breach consequently must await the time when such goods or other process or system is ready to perform in accordance with the requirements of the Contract, the cause of action accrues when such time of future performance actually begins.

29. ESSENTIAL TERMS: The Contractor acknowledges and agrees that each of the provisions in Articles 30 to 36 hereof constitutes an essential term of the Contract and that any breach of any of these provisions shall entitle UNDP to terminate the Contract or any other contract with UNDP immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind. In addition, nothing herein shall limit the right of UNDP to refer any alleged breach of the said essential terms to the relevant national authorities for appropriate legal action.

30. SOURCE OF INSTRUCTIONS: The Contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of its obligations under the Contract. Should any authority external to UNDP seek to impose any instructions concerning or restrictions on the Contractor's performance under the Contract, the Contractor shall promptly notify UNDP and provide all reasonable assistance required by UNDP. The Contractor shall not take any action in respect of the performance of its obligations under the Contract that may adversely affect the interests of UNDP or the United Nations, and the Contractor shall perform its obligations under the Contract with the fullest regard to the interests of UNDP.

31. STANDARDS OF CONDUCT: The Contractor warrants that it has not and shall not offer any direct or indirect benefit arising from or related to the performance of the Contract, or the award thereof, to any representative, official, employee or other agent of UNDP. The Contractor shall comply with all laws, ordinances, rules and regulations bearing upon the performance of its obligations under the Contract. In addition, in the performance of the Contract, the Contractor shall comply with the Standards of Conduct set forth in the Secretary General's Bulletin ST/SGB/2002/9 of 18 June 2002, entitled "Regulations Governing the Status, Basic Rights and Duties of Officials other than Secretariat Officials, and Expert on Mission" and ST/SGB/2006/15 of 26 December 2006 on "Post-employment restrictions", and shall also comply with and be subject to the requirements of the following documents then in force at the time of signature of the Contract:

31.1 The UN Supplier Code of Conduct;

31.2 UNDP Policy on Fraud and other Corrupt Practices ("UNDP Anti-fraud Policy");

31.3 UNDP Office of Audit and Investigations (OAI) Investigation Guidelines;

31.4 UNDP Social and Environmental Standards (SES), including the related Accountability Mechanism;

31.5 UNDP Vendor Sanctions Policy; and

31.6 All security directives issued by UNDP.

The Contractor acknowledges and agrees that it has read and is familiar with the requirements of the foregoing documents which are available online at www.undp.org or at <http://www.undp.org/content/undp/en/home/operations/procurement/business/>. In making such acknowledgement, the Contractor represents and warrants that it is in compliance with the requirements of the foregoing, and will remain in compliance throughout the term of this Contract.

32. OBSERVANCE OF THE LAW: The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the Contract. In addition, the Contractor shall maintain compliance with all obligations relating to its registration as a qualified vendor of goods or services to UNDP, as such obligations are set forth in UNDP vendor registration procedures.

33. CHILD LABOR: The Contractor represents and warrants that neither it, its parent entities (if any), nor any of the Contractor's subsidiary or affiliated entities (if any) 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.

34. MINES: The Contractor represents and warrants that neither it, its parent entities (if any), nor any of the Contractor's subsidiaries or affiliated entities (if any) is engaged in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines.

35. SEXUAL EXPLOITATION:

35.1 In the performance of the Contract, the Contractor shall comply with the Standards of Conduct set forth in the Secretary-General's bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse." In particular, the Contractor shall not engage in any conduct that would constitute sexual exploitation or sexual abuse, as defined in that bulletin.

35.2 The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by its employees or any other persons engaged and controlled 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 reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favors or activities, or from engaging any sexual activities that are exploitive or degrading to any person.

35.3 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.

36. ANTI-TERRORISM: The Contractor agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received under the Contract is used to provide support to individuals or entities associated with terrorism and that recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to Resolution 1267 (1999). The list can be accessed via https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list. This provision must be included in all sub-contracts or sub-agreements entered into under the Contract.