

INDIVIDUAL CONSULTANT PROCUREMENT NOTICE

Date: 31 July 2018

Country:	Serbia
Description of the assignment:	International Consultant in Agribusiness – Export Promotion and Trade
Period of assignment/services:	1 September 2018 – 25 December 2018
Contract Type:	Individual Contract or Reimbursable Loan Agreement

Proposal should be submitted at the following address:

<http://www.rs.undp.org/content/serbia/en/home/operations/jobs/> no later than 14 August 2018.

Any request for clarification must be sent by standard electronic communication to the e-mail vacancy.rs@undp.org. The procuring UNDP entity will respond by standard electronic mail and will send response, including an explanation of the query without identifying the source of inquiry, to all consultants.

1. BACKGROUND

The United Nations Development Programme (UNDP) in Serbia and the Ministry of Agriculture, Forestry and Water Management implement the “Aid for Trade - Support to Productive Capacities in the Agro-industrial Sector” project, financed by the Government of the Russian Federation. The main objective of the project is to promote inclusive growth through strengthening the productive capacities and enhancement of competitiveness within the agribusiness sector in Serbia. Within two main components project aims to assist farmers and processors to improve their productive capacities and increase knowledge on market export information, as well as to strengthen cooperatives and farmers associations to participate in relevant decision-making process. Focus is also given to promotion of exporting potentials through supporting participation of producers and processors in international and regional food and agriculture fairs and promotional events. Finally, project will support optimization of national legal and regulatory framework in order to facilitate an enabling environment for export opportunities.

Agriculture is one of the most important economic branches in the Republic of Serbia, considering the availability of natural and human resources. Economic structure that is mainly dependent on agriculture has a significant impact on the structure, volume and tendencies in foreign trade of Serbia. The Republic of Serbia has 3.44 million hectares (ha) of arable land. Approximately 90% of arable land is privately owned and 10% belongs to the government. According to the Serbian Agriculture Census from 2012, there are 631,525 registered agricultural entities of which approximately 99.6% are family households and 0.4% are legal entities. The average plot of utilized agricultural area per farm in Serbia is 5.4 ha, which is about one third of the EU-27 average (14.5 ha). The utilized agricultural land (UUA) makes up about 43% of the total surface of Serbia, and in its structure, fields and gardens constitute up to 73%, meadows and pastures 21% and permanent crops around 6%. Majority of agricultural households are on less than 20 ha (96%), which is 55% of total UUA.

Agriculture in Serbia is an engine for development of rural areas. Agriculture's contribution to Serbia's GDP is around 11.9% in 2016 (7.7% agriculture, forestry and fishery; 3.3% food industry, 1% other). This high participation in the country's GDP has mostly resulted from Serbia's fertile land and natural conditions for agricultural production, as well as the continued importance of the rural economy to Serbia's population and delays in structural reforms in other sectors of the economy. Agriculture and food processing is a sector where Serbia has a clear comparative advantage. Agriculture and food industry is one of the strongest points of the Serbian economy. Trade balance of agricultural products is in constant surplus. In 2016, Serbia exported € 2,9 bn of agriculture products, which is 12% higher than in 2015, making it one of the few industry sectors recording a trade surplus (over €1,6 bn). In 2016, the total value of Serbia's agricultural production was \$5.3 billion, which is 15% higher than in 2015, mostly because of good weather conditions and record sized yields for most crops including corn, wheat, soya, sunflower, sugar beet, vegetables and fruit production. Serbia's livestock production represents approximately 34% of the total value of Serbia's agricultural production. Proportionally, Serbia's livestock sector is mostly divided as follows: pigs (41%), cows (40%), poultry (14%), and sheep (5%). The food processing industry remains an attractive sector for investment, given the country's natural resources and traditional production.

Serbia is a member of the Central European Free Trade Agreement (CEFTA) since September 2007 and is currently negotiating membership of the World Trade Organisation (WTO). Through its unique benefit of

Free Trade Agreement with Russian Federation customs union on one side, and EU on the other, Serbia is the only country in Europe which benefits from custom free export for food products to both markets. Serbia is the biggest exporter of foodstuff among CEFTA countries and the only net exporter. In the food production and in the food-processing subsectors exports account respectively for about 25% and 35% of total Serbia turnover.

Serbia climate is between a continental climate in the north and a more Adriatic climate in the south. With more than 270 sunny days on average, Serbia produces a lot of red varieties of apples, different kinds of grapes, plums, peaches, pears and berries. Serbian sour cheery is almost irreplaceable in processing industry throughout Europe. Serbia is widely using fruits for processing: plums, berries, sour cherries, apples, pears, grapes, peaches, apricots, for a variety of products such as jams, juices, jellies, compotes etc. All kinds of vegetables and cereals are very common in traditional Serbian dishes. However, quality of production is characterized by a low technological level, including old and traditional orchards and vineyards, old varieties, inexistence of irrigation systems, inadequate plant protection, inadequate protection from hail, old machinery and equipment for plant protection and harvesting.

Serbia has the potential for production and processing of high quality and healthy products and development of conventional, integral and organic agricultural production for the needs of the domestic market and export.

Fruit production is one of the key sub-sectors of Serbia's economic development. With around 62.000 tons produced and export revenues amounting to \$230 million, Serbia was the largest exporter of raspberries globally and the first exporter of apples to Russian Federation in 2016. Serbia exports more than 108 million euros of apples annually. Massive apple orchards are expanding across Serbia, especially in Vojvodina with premium melioration systems, trendy varieties and expensive anti-hail nets. With a Ferrero investment on Serbian market, vigorous potential is recognized for high intensive hazelnut production. Ideal climate for vegetable production makes Serbia the main vegetable exporter and supplier of the South-Eastern Europe. The most popular vegetables produced in Serbia are: paprika (pepper), cabbage, tomato and potato.

40% of the land in vegetable production is attributed to small holdings below 5 ha. Most of these grow tomatoes, peppers, beans, cabbage, watermelon, melon, onions and garlic, peas etc. This production is for direct consumption, internal use and industrial processing. On large farms, the most commonly grown vegetables are peas (30%), peppers (9%) and string beans (7%) and production is primarily organized for the processing industry. Pepper production is oriented towards pasteurized pepper in different forms: shredded, cooked and roasted. Majority of red pepper is used for production of aromatic spices, but also for preparing a traditional Serbian winter dish called "Ajvar".

Approximately 60% of Serbia's agricultural land is used for cereal crop production including corn, wheat, barley, sunflowers, soya, and sugar beets. The major agricultural land is in the northern part of the country, the Autonomous Province of Vojvodina which covers 25% of the Serbia's territory and 45% of arable land of the entire country. Production of cereals in Serbia is one the biggest components of agricultural output, with a share of around 68% of the total arable land. According to FAO statistics, Serbia falls into the group of the top 15 countries of sugar beet producers in Europe, and in top 25 in the world. Maize is the most represented crop with over 1.2 million ha sown, followed by wheat with around half million ha. This represents a share of 25% of the agriculture production value for maize and wheat with share of 6.6%. Cereal sector is among sectors with the highest value of the primary production, which additionally increases by further processing. Serbia is the biggest regional producer of cereals and,

according to FAO data, it is the world's 19th largest maize producer and the 35th largest wheat producer.

The livestock sector is dominated by large numbers of farms, traditionally managed in low-intensity farming systems. They are characterized as self-sustainable, using native, locally adapted breeds. Small and medium sized farms are still the main suppliers of livestock products on the national market, except poultry, and they are facing a decrease in total livestock production. Meat processing is registered on 4,709 agricultural holdings in 2012, out of which more than 50% is in West Serbia and Sumadija region, and 28% in South and East Serbia. From May 2017, Serbian meat producers can apply for the "Serbian quality – Srpski Kvalitet" label - the country's first national quality label - to set their products apart in the market.

Serbia has favorable climate, geographic position and other relevant preconditions for cultivation of organic food. On more than 15,000 hectares of agricultural land, Serbian organic production mostly consists of fruits and field crops, with constant growth of cereals and oilseeds production. Most of these products are exported to the EU and US market, but also there is high demand on the domestic market. Demand for organically grown producers exists in many countries, and Serbia with 2,000 producers of organic food, has excellent ecoclimatic and technical conditions to cultivate, in addition to berries and fruits that are traditionally grown, also organic cereals and oilseeds.

Serbia's agri-food exports to the world consist mainly of grains, sugar, fruits and vegetables, confectionary products and beverages. In terms of value, the most represented export products are grain and grain products (\$752 million), processed fruits and vegetables (\$520 million), edible sunflower and soy oil (\$240 million), refined sugar (\$166 million), wheat flour products (\$110 million) and confectionary products (\$104 million). Serbia's total agri-food imports were valued at \$1.6 billion, some 10.1% lower than in 2015. Agri-food imports represent approximately 8.6% of Serbia's total imports and are composed mainly of European and CEFTA value added foods and beverages. Serbia registered an agri-food trade surplus of \$1.3 billion, or 2.4 % higher than in 2015.

As an attractive investment location, Serbia offers competitive operating costs, customs free access and financial benefits, while investment security is fully guaranteed through the Law on investments. Through its unique benefit of Free Trade Agreement with Russian Federation, customs union on one side, and EU on the other, Serbia is the only country in Europe which offers custom free export for food products to both abundant markets. .

2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED

ANALYTICAL WORK

Scope of Work

Under the supervision of UNDP Serbia Portfolio Manager, the Consultant is responsible for delivering the following:

- **Analysis of current trade between Serbia and the Russian Federation in agribusiness and food-processing industry**

The Consultant shall prepare the analysis that will include trends and volumes of trade between Serbia and Russian Federation, with strong focus on import of Russian Federation from Serbia in the field of agribusiness and food-processing industry products with added-value. The analysis shall comprise main

products that are traded, future perspectives and trends, especially for high value-added products, niche products and HoReCa sector. The analysis shall identify Russian market demand for selected assortment of food-processing industry products from Serbian companies participating in BAS process. The Consultant will be provided with all relevant information needed for successful identification of Russian market demand (profiles of selected Serbian companies, assortment of main products with available quantities, annual turnover, number of employees, value of export, structure of the main buyers, quality standards and certificates obtained, etc.). The analysis shall also include price and volume comparison, main buyers and resellers and quality comparison. Consultant shall identify the main prospective partners in the Russian Federation (at least 10 Russian companies suitable for B2B matching process), as well as their needs in terms of volumes, quality, packaging and shipment frequency.

The analysis shall also provide an overview of the Russian and Serbian requirements and quality standards for each of the identified products. These will include import and export requirements of both producers and processors, required laboratory tests and documents, required certification export and import documents, customs regulations as well as packaging standards and standards for products (commodity specification, etc). These shall include Veterinary and Sanitary and Phyto-Sanitary (SPS) measures, as well as agricultural and manufacturing practices to meet food safety and quality requirements. Finally, analysis shall identify the main hurdles in market entry for each of the identified products, as well as guidelines and suggestions for addressing and overcoming them.

- **Presentation of analysis to Serbian agribusiness and food-processing companies participating in BAS process**

Upon approval of analysis by UNDP, Consultant shall present main findings, recommendations and conclusions to representatives of Serbian companies participating in BAS process. The presentation will be organized in a form of one day workshop in the Farmers Club premises in Belgrade, during Consultant's mission to Serbia. The agenda of the event shall comprise detailed presentation of the prepared analysis, as well as presentation of the Serbian companies' portfolios, interactive discussion, group work and Q&A session.

Exact time and date of the event will be agreed with the Consultant and companies participating in BAS process, but event shall take place no later than 31 October 2018. Costs for organization of this event (premises, catering, refreshments, translation/interpretation, invitation of participants) will be covered by UNDP.

- **Organization of Business-To-Business (B2B) matching meetings between Serbian and Russian companies in Moscow, Russian Federation**

The Consultant shall organize, support, implement and evaluate one-day B2B matching session in Moscow, Russian Federation, for at least 5 different Russian companies and at least 5 Serbian companies participating in BAS process (out of 10 participating companies). List of Russian companies selected for B2B meetings shall be approved by UNDP, while list of selected Serbian companies will be submitted to Consultant prior to organization of the B2B meeting. This B2B matching session shall result in initiation of negotiations between the Serbian and Russian companies and, consequently, business cooperation established. The Consultant will be responsible for the initiation of the communication and networking/twinning between selected Russian and Serbian companies, developing a schedule of meetings and necessary logistic support. The logistic support will include the following: suitable meeting venues (e.g. conference room in a hotel; prior UNDP approval needed), translation and interpretation during the meetings and local transport in the Russian Federation (from the hotel to the venue of the B2B meetings),

lunch and refreshments for all participants during the B2B session, as well as identification of a hotel for Serbian representatives. At least 1 UNDP CO staff is expected to participate in B2B matching. The international travel costs to/from the Russian Federation and accommodation in the Russian Federation of the Serbian companies and the UNDP CO staff are covered by the UNDP.

- **Final report with results of B2B meetings**

Upon completion of all envisaged activities, Consultant shall prepare final report comprising overview of all activities implemented and results achieved, including details of the B2B matching meetings in the Russian Federation, with a summary of the results of individual negotiations. Gallery of photos from the organized events shall also be submitted with the report.

Additional Details: This assignment will be a combination of home based and out-of-country work. The consultancy is to be spread over a period of approximately four months from 1 September 2018 to 25 December 2018. Approximately 25 working days are envisaged during this timeframe. One three-working days long mission to Serbia is envisaged during this consultancy (one day for presentation of analysis; two days for meetings with stakeholders in Serbia – ministries, development agencies, private companies, chambers of commerce and discussion with UNDP representatives related to preparation of B2B matching meetings). The Consultant shall organize one-day B2B matching meetings in Moscow, Russian Federation, for at least 5 representatives of Serbian agribusiness and food processing companies participating in BAS process and at least 5 relevant Russian companies.

The consultant will be hired by UNDP through a selective process. Once hired, the consultant will establish the contact with the relevant representatives in UNDP Country Office Serbia. For maximum one week after that, the international consultant should be in communication with CO in order to discuss in detail which basic information is to be gathered, and in what format, by when, translation needs, etc.

In this initial period also, the international consultant shall discuss with the UNDP CO the best timing for the mission to Serbia. Mission of the Consultant to Serbia shall be organized in October 2018 (3 working days), while the B2B matching meetings of Serbian companies to the Russian Federation shall be organized in the period end of November – beginning of December 2018 (one day event).

Payment for services

Payments will be based on concrete deliverables and will be paid upon the approval of the Project Manager. The Consultant shall be contracted and, upon satisfactory performance, receive payment from UNDP in the amount based on the financial proposal.

Responsibility for expenses and their reimbursement

This is a lump sum assignment. The Consultant will be responsible for all personal administrative expenses associated with undertaking this assignment including office accommodation, printing, stationary, telephone and electronic communications, report copies as well as other costs incurred in this assignment.

Deliverables and timelines

The Consultant is responsible for the following deliverables:

Deliverables	Deadline
Analysis of current trade in agribusiness and food-processing industry between Russian Federation and Serbia prepared and approved	15 October
Analysis presented to 10 Serbian agribusiness and food-processing companies participating in BAS process – one day workshop	31 October
One day B2B event in Moscow for at least 5 Serbian and 5 Russian agribusiness and food-processing companies organized	5 December
Final report including results of B2B meetings prepared and submitted to UNDP	15 December

Important notice: All deliverables have to be quality reviewed and accepted by the UNDP Portfolio Manager. None of the materials, reports, designs, brochures and articles produced under this Contract will not be used, released, and/or disseminated without prior approval by UNDP.

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

Qualifications:

- University Degree in International Economics and/or Development Studies, International Trade, Agricultural Economics, Rural Development, Business Administration or related discipline;
- Minimum ten years of professional experience in the area of agribusiness and trade;
- Minimum five years of professional experience in working with international and Russian markets and companies in the area of agribusiness and food-processing industry; experience in Serbia is considered as an asset;
- Proven experience in export promotion, access to new markets and B2B matching;
- Experience with Russian policies and quality standards in the areas of agribusiness, food-processing industry and trade;
- Proven experience in preparation of documents such as assessments, studies and guidelines in the areas of agribusiness and trade or any other area involving the application of principles and concepts of trade in agribusiness;
- Fluency in both English and Russian languages. Knowledge of Serbian language is considered as an asset.

Competencies:

- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Displays ability to synthesize research and reach empirically based conclusions on related subjects;
- Possesses knowledge of inter-disciplinary development issues;
- Proven capacity to produce reports;
- Focuses on result for the client and responds positively to feedback;
- Consistently approaches work with energy and a positive, constructive attitude;
- Excellent communication and presentation skills;
- Good team player with the ability to maintain good relationships.

4. DOCUMENTS TO BE INCLUDED WHEN SUBMITTING THE PROPOSALS.

Application Procedure

Qualified and interested candidates are asked to submit their applications via UNDP Web site: [UNDP in Serbia](#) under section “Jobs” **no later than 14 August 2018**.

Applications should include:

- P11 (PDF format) containing e-mail contacts of at least three referees (section 26 & 29). P11 may be downloaded at: <http://www.undp.org.rs/download/ic/P11.doc>
- Offeror’s Letter (PDF format) confirming Interest and availability for the Individual Contractor (IC) Assignment. Can be downloaded from the following link: <http://www.undp.org.rs/download/ic/Confirmation.docx> (only PDF will be accepted). The Offeror’s Letter shall include financial proposal specifying a total lump sum amount for the tasks specified in this announcement with a breakdown of costs.

5. FINANCIAL PROPOSAL

Lump sum contracts

The Offeror’s Letter shall include financial proposal specifying lump sum for the tasks specified in this announcement with a breakdown of costs. Instead of Tables A and B in Breakdown of Cost by Components given in the Offeror’s letter template, candidates are requested to use the following table:

Cost components	Percentage (%)	Total (USD)
Analysis of current trade in agribusiness and food-processing industry between Russian Federation and Serbia prepared and approved		
Analysis presented to 10 Serbian agribusiness and food-processing companies participating in BAS process – one day workshop, with additional two days for meetings with stakeholders in Serbia (This shall include international travel, accommodation, meals and transportation costs)		
One day B2B event in Moscow for at least 5 Serbian and 5 Russian agribusiness and food-processing companies organized		
Final report including results of B2B meetings prepared and submitted to UNDP		
TOTAL	100%	

Any travel by the individual contractor within the scope of agreed activities must first be agreed with and cleared by the Portfolio Manager.

Payments will be made upon the approval of the Portfolio Manager.

6. EVALUATION

Cumulative analysis

When using this weighted scoring method, the award of the contract should be made to the individual consultant whose offer has been evaluated and determined as:

a) Responsive/compliant/acceptable, and

b) Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

* Technical Criteria weight; 70%

* Financial Criteria weight; 30%

Only candidates obtaining a minimum of 49 points would be considered for the Financial Evaluation

Criteria	Weight	Max. Point
<u>Technical</u>		70 points
• Criteria A	Educational background: University Degree in International Economics and/or Development Studies, International Trade, Agricultural Economics, Rural Development, Business Administration or related discipline; Fluency in both English and Russian languages. Knowledge of Serbian language is considered as an asset.	10
• Criteria B	Professional experience: Minimum ten years of professional experience in the area of agribusiness and trade.	10
• Criteria C	Experience in working with international and Russian markets and companies in the area of agribusiness and food-processing industry; Experience in Serbia is considered as an asset; Proven experience in export promotion, access to new markets and B2B matching	15
• Criteria D	Experience with Russian policies and quality standards in the areas of agribusiness, food-processing industry and trade; Proven experience in preparation of documents such as assessments, studies and guidelines in the areas of agribusiness and trade or any other area involving the application of principles and concepts of trade in agribusiness	15
• Criteria E	Interview (only for shortlisted candidates) - Strong oral communication, logical flow, clear and concise articulation, honesty, confidence	20
<u>Financial</u>		30 points

ANNEX 1- TERMS OF REFERENCES (TOR)

GENERAL CONDITIONS OF CONTRACT

FOR THE SERVICES OF INDIVIDUAL CONTRACTORS



1. LEGAL STATUS: The Individual contractor shall have the legal status of an independent contractor vis-à-vis the United Nations Development Programme (UNDP), and shall not be regarded, for any purposes, as being either a “staff member” of UNDP, under the UN Staff Regulations and Rules, or an “official” of UNDP, for purposes of the Convention on the Privileges and Immunities of the United Nations, adopted by the General Assembly of the United Nations on 13 February 1946. Accordingly, nothing within or relating to the Contract shall establish the relationship of employer and employee, or of principal and agent, between UNDP and the Individual contractor. The officials, representatives, employees or subcontractors of UNDP and of the Individual contractor, if any, shall not be considered in any respect as being the employees or agents of the other, and UNDP and the Individual contractor shall be solely responsible for all claims arising out of or relating to their engagement of such persons or entities.

2. STANDARDS OF CONDUCT: In General: The Individual contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of his or her obligations under the Contract. Should any authority external to UNDP seek to impose any instructions regarding the Individual contractor’s performance under the Contract, the Individual contractor shall promptly notify UNDP and shall provide all reasonable assistance required by UNDP. The Individual contractor shall not take any action in respect of his or her performance of the Contract or otherwise related to his or her obligations under the Contract that may adversely affect the interests of UNDP. The Individual contractor shall perform his or her obligations under the Contract with the fullest regard to the interests of UNDP. The Individual contractor warrants that she or he 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 Individual contractor shall comply with all laws, ordinances, rules and regulations bearing upon the performance of his or her obligations under the Contract. In the performance of the Contract the Individual contractor shall comply with the standards of conduct set 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”. The Individual contractor must comply with all security directives issued by UNDP.

Prohibition of Sexual Exploitation and Abuse: In the performance of the Contract, the Individual 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 Individual contractor shall not engage in any conduct that would constitute sexual exploitation or sexual abuse, as defined in that bulletin.

The Individual contractor acknowledges and agrees that any breach of any of the provisions hereof shall constitute a breach of an essential term of the Contract, and, in addition to any other legal rights or remedies available to any person, shall give rise to grounds for suspension or termination of the Contract. In addition, nothing herein shall limit the right of UNDP to refer any alleged breach of the foregoing standards of conduct or any other terms of the Contract to the relevant national authorities for appropriate legal action.

3. TITLE RIGHTS, COPYRIGHTS, PATENTS AND OTHER PROPRIETARY RIGHTS: Title to any equipment and supplies that may be furnished by UNDP to the Individual contractor for the performance of any obligations under the Contract shall rest with UNDP, and any such equipment and supplies shall be returned to UNDP at the conclusion of the Contract or when no longer needed by the Individual contractor. Such equipment and supplies, when returned to UNDP, shall be in the same condition as when delivered to the Individual contractor, subject to normal wear and tear, and the Individual contractor shall be liable to compensate UNDP for any damage or degradation of the equipment and supplies that is beyond normal wear and tear.

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 Individual 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, and the Individual contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for UNDP. However, to the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Individual contractor: (a) that pre-existed the performance by the Individual

contractor of his or her obligations under the Contract, or (b) that the Individual contractor may develop or acquire, or may have developed or acquired, independently of the performance of his or her obligations under the Contract, UNDP does not and shall not claim any ownership interest thereto, and the Individual 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. At the request of UNDP, the Individual 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. 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 Individual 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 services under the Contract

4. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION: Information and data that are considered proprietary by either UNDP or the Individual contractor or that are delivered or disclosed by one of them (“Discloser”) to the other (“Recipient”) during the course of performance of the Contract, and that are designated as confidential (“Information”), shall be held in confidence and shall be handled as follows. The Recipient of such Information shall 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 the Recipient may otherwise use the Discloser’s Information solely for the purpose for which it was disclosed. The Recipient may disclose confidential Information to any other party with the Discloser’s prior written consent, as well as to the Recipient’s officials, representatives, employees, subcontractors and agents who have a need to know such confidential Information solely for purposes of performing obligations under the Contract. Subject to and without any waiver of the privileges and immunities of UNDP, the Individual contractor may disclose Information to the extent required by law, *provided that* the Individual 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. UNDP may disclose Information to the extent required pursuant to the Charter of the United Nations, resolutions or regulations of the General Assembly or its other governing bodies, or rules promulgated by the Secretary-General. 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. 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. Notwithstanding the foregoing, the Individual contractor acknowledges that UNDP may, in its sole discretion, disclose the purpose, type, scope, duration and value of the Contract, the name of the Individual contractor, and any relevant information related to the award of the Contract.

5. TRAVEL, MEDICAL CLEARANCE AND SERVICE INCURRED DEATH, INJURY OR ILLNESS: If the Individual contractor is required by UNDP to travel beyond commuting distance from the Individual contractor’s usual place of residence, and upon prior written agreement, such travel shall be at the expense of UNDP. Such travel shall be at economy fare when by air.

UNDP may require the Individual contractor to submit a “statement of good health” from a recognized physician prior to commencement of services in any offices or premises of UNDP, or before engaging in any travel required by UNDP, or connected with the performance of the Contract. The Individual contractor shall provide such a statement as soon as practicable following such request, and prior to engaging in any such travel, and the Individual contractor warrants the accuracy of any such statement, including, but not limited to, confirmation that the Individual contractor has been fully informed regarding the requirements for inoculations for the country or countries to which travel may be authorized.

In the event of death, injury or illness of the Individual contractor which is attributable to the performance of services on behalf of UNDP under the terms of the Contract while the Individual contractor is traveling at UNDP expense or is

performing any services under the Contract in any offices or premises of UNDP, the Individual contractor or the Individual contractor's dependents, as appropriate, shall be entitled to compensation equivalent to that provided under the UNDP insurance policy, available upon request.

6. PROHIBITION ON ASSIGNMENT; MODIFICATIONS: The Individual contractor may not assign, delegate, transfer, pledge or make any other disposition of the Contract, of any part thereof, or of any of the rights, claims or obligations under the Contract except with the prior written authorization of UNDP, and any attempt to do so shall be null and void. The terms or conditions of any supplemental undertakings, licenses or other forms of Contract concerning any goods or services to be provided under the Contract shall not be valid and enforceable against UNDP nor in any way shall constitute a contract by UNDP thereto, unless any such undertakings, licenses or other forms of contract are the subject of a valid written undertaking by UNDP. No modification or change in the Contract shall be valid and enforceable against UNDP unless provided by means of a valid written amendment to the Contract signed by the Individual contractor and an authorized official or appropriate contracting authority of UNDP.

7. SUBCONTRACTORS: In the event that the Individual contractor requires the services of subcontractors to perform any obligations under the Contract, the Individual contractor shall obtain the prior written approval of UNDP for any such subcontractors. UNDP may, in its sole discretion, reject any proposed subcontractor or require such subcontractor's removal without having to give any justification therefore, and such rejection shall not entitle the Individual contractor to claim any delays in the performance, or to assert any excuses for the non-performance, of any of his or her obligations under the Contract. The Individual contractor shall be solely responsible for all services and obligations performed by his or her 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.

8. USE OF NAME, EMBLEM OR OFFICIAL SEAL OF THE UNITED NATIONS: The Individual 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 Individual contractor, in any manner whatsoever, use the name, emblem or official seal of UNDP, or any abbreviation of the name of UNDP, in connection with his or her business or otherwise without the written permission of UNDP.

9. INDEMNIFICATION: The Individual 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, including, but not limited to, all litigation costs and expenses, attorney's fees, settlement payments and damages, based on, arising from, or relating to: (a) allegations or claims that the use by UNDP of any patented device, any copyrighted material or any other goods or services provided to UNDP for its use under the terms of the Contract, in whole or in part, separately or in combination, constitutes an infringement of any patent, copyright, trademark or other intellectual property right of any third party; or (b) any acts or omissions of the Individual 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.

10. INSURANCE: The Individual contractor shall pay UNDP promptly for all loss, destruction or damage to the property of UNDP caused by the Individual contractor, or of any subcontractor, or anyone directly or indirectly employed by them in the performance of the Contract. The Individual contractor shall be solely responsible for taking out and for maintaining adequate insurance required to meet any of his or her obligations under the Contract, as well as for arranging, at the Individual contractor's sole expense, such life, health and other forms of insurance as the Individual contractor may consider to be appropriate to cover the period during which the Individual contractor provides services under the Contract. The Individual contractor acknowledges and agrees that none of the insurance arrangements the Individual contractor shall, in any way, be construed to limit the Individual contractor's liability arising under or relating to the Contract.

11. ENCUMBRANCES AND LIENS: The Individual 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 Individual contractor or to 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 Individual contractor.

12. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS: In the event of and as soon as possible after the occurrence of any cause constituting *force majeure*, the Individual contractor shall give notice and full particulars in writing to UNDP of such occurrence or cause if the Individual contractor is thereby rendered unable, wholly or in part, to perform his or her obligations and meet his or her responsibilities under the Contract. The Individual contractor shall also notify UNDP of any other changes in conditions or the occurrence of any

event, which interferes or threatens to interfere with the performance of the Contract. Not more than fifteen (15) days following the provision of such notice of *force majeure* or other changes in conditions or occurrence, the Individual contractor shall also submit a statement to UNDP of estimated expenditures that will likely be incurred for the duration of the change in conditions or the event. On receipt of the notice or notices required hereunder, UNDP shall take such action as it considers, in its sole discretion, to be appropriate or necessary in the circumstances, including the granting to the Individual contractor of a reasonable extension of time in which to perform any obligations under the Contract or suspension thereof.

Force majeure as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, 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 Individual contractor. The Individual contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Individual contractor must perform in or for any areas in which UNDP is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delay 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.

13. TERMINATION: Either party may terminate the Contract, in whole or in part, upon giving written notice to the other party. The period of notice shall be five (5) days in the case of contracts for a total period of less than two (2) months and fourteen (14) days in the case of contracts for a longer period. The initiation of conciliation or arbitral proceedings, as provided below, shall not be deemed to be a "cause" for or otherwise to be in itself a termination of the Contract. UNDP may, without prejudice to any other right or remedy available to it, terminate the Contract forthwith in the event that: (a) the Individual contractor is adjudged bankrupt, or is liquidated, or becomes insolvent, applies for moratorium or stay on any payment or repayment obligations, or applies to be declared insolvent; (b) the Individual contractor is granted a moratorium or a stay or is declared insolvent; (c) the Individual contractor makes an assignment for the benefit of one or more of his or her creditors; (d) a Receiver is appointed on account of the insolvency of the Individual contractor; (e) the Individual contractor offers a settlement in lieu of bankruptcy or receivership; or (f) UNDP reasonably determines that the Individual contractor has become subject to a materially adverse change in financial condition that threatens to endanger or otherwise substantially affect the ability of the Individual contractor to perform any of the obligations under the Contract.

In the event of any termination of the Contract, upon receipt of notice of termination by UNDP, the Individual contractor shall, except as may be directed by UNDP in the notice of termination or otherwise in writing: (a) 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; (b) refrain from undertaking any further or additional commitments under the Contract as of and following the date of receipt of such notice; (c) 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; (d) complete performance of the services not terminated; and (e) take any other action that may be necessary, or that UNDP may direct in writing, for the protection and preservation of any property, whether tangible or intangible, related to the Contract that is in the possession of the Individual contractor and in which UNDP has or may be reasonably expected to acquire an interest.

In the event of any termination of the Contract, UNDP shall only be liable to pay the Individual contractor compensation on a pro rata basis for no more than the actual amount of work performed to the satisfaction of UNDP in accordance with the requirements of the Contract. Additional costs incurred by UNDP as a result of termination of the Contract by the Individual contractor may be withheld from any amount otherwise due to the Individual contractor by UNDP.

14. NON-EXCLUSIVITY: UNDP shall have no obligation respecting, and no limitations on, its right to obtain goods of the same kind, quality and quantity, or to obtain any services of the kind described in the Contract, from any other source at any time.

15. TAXATION: 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 the United Nations from such taxes, restrictions, duties or charges, the Individual contractor shall immediately consult with UNDP to determine a mutually acceptable procedure. UNDP shall have no liability for taxes, duties or other similar charges payable by the Individual contractor in respect of any amounts paid to the Individual contractor under this Contract, and the Individual contractor acknowledges that UNDP will not issue any statements of earnings to the Individual contractor in respect of any such payments.

16. AUDITS AND INVESTIGATIONS: 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. The Individual contractor acknowledges and agrees that UNDP may conduct investigations relating to any aspect of the Contract or the award thereof, and the obligations performed thereunder.

The Individual contractor shall provide full and timely cooperation with any post-payment audits or investigations hereunder. Such cooperation shall include, but shall not be limited to, the Individual contractor's obligation to make available any relevant documentation and information for the purposes of a post-payment audit or an investigation at reasonable times and on reasonable conditions. The Individual contractor shall require his or her employees, subcontractors and agents, if any, including, but not limited to, the Individual contractor's attorneys, accountants or other advisers, to reasonably cooperate with any post-payment audits or investigations carried out by UNDP hereunder.

If the findings or circumstances of a post-payment audit or investigation so warrant, UNDP may, in its sole discretion, take any measures that may be appropriate or necessary, including, but not limited to, suspension of the Contract, with no liability whatsoever to UNDP.

The Individual contractor shall refund to UNDP any amounts shown by a post-payment audit or investigation to have been paid by UNDP other than in accordance with the terms and conditions of the Contract. Such amount may be deducted by UNDP from any payment due to the Individual contractor under the Contract.

The right of UNDP to conduct a post-payment audit or an investigation and the Individual contractor's obligation to comply with such shall not lapse upon expiration or prior termination of the Contract.

17. SETTLEMENT OF DISPUTES:

AMICABLE SETTLEMENT: UNDP and the Individual contractor 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.

ARBITRATION: Any dispute, controversy or claim between the parties arising out of the Contract, or the breach, termination, or invalidity thereof, unless settled amicably, as provided above, shall be referred by either of the parties to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. For all evidentiary questions, the arbitral tribunal shall be guided by the Supplementary Rules Governing the Presentation and Reception of Evidence in International Commercial Arbitration of the International Bar Association, 28 May 1983 edition. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 32 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy or claim.

18. LIMITATION ON ACTIONS: Except with respect to any indemnification obligations in Article 9, above, or as are otherwise set forth in the Contract, any arbitral proceedings in accordance with Article 17, above, arising out of the Contract must be commenced within three (3) years after the cause of action has accrued.

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,

19. 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.