



Empowered lives.
Resilient nations.

INDIVIDUAL CONTRACTOR PROCUREMENT NOTICE

Date: **February 12, 2013**

Country: Sudan

Description of the assignment: Provision of technical support for Strengthening of the National Drug Quality Control Laboratory in Khartoum

Period of assignment/services: 13 Days

Proposal should be submitted at the following address:

Name of Office: United Nations Development Programme (UNDP)
Attention: Global Fund Programme Management Unit
UNDP Compound, House 7, Block 5, Gama'a Avenue,
P. O. Box 913,
Khartoum, Sudan
Ref: GF/IC/13/001

Or by email to: procurement.gf.sd@undp.org no later than 16:00hrs on 24 Feb 2013.

Any request for clarification must be sent in writing by standard electronic communication to the e-mail bid.queries.gf@undp.org. UNDP Global Fund Procurement section will respond in writing or by standard electronic mail and will send written copies of the response, including an explanation of the query without identifying the source of inquiry, to all prospective contractors.

1. BACKGROUND

The United Nations Development Programme (UNDP) is a key partner of the Global Fund to fight AIDS, Tuberculosis and Malaria (GF or the Global Fund) and serves as the Principal Recipient (PR) of GF grants in Sudan. In that role, UNDP is responsible for the financial and programmatic management of the Global Fund grant as well as for the procurement of pharmaceuticals, health and non-health products. The projects supported with GF grant funds provide support to the implementation of the National Programmes on HIV/AIDS, Tuberculosis and Malaria in the Republic of Sudan. The UNDP Country Office in Sudan has been undertaking the role of Principal Recipient for the Global Fund since 2005.

UNDP has established a dedicated Project Management Unit (PMU) responsible for managing the GF grants. The project is part of the UNDP Sudan Poverty, MDGs and HIV Unit. The Unit provides

quality assurance and oversight, and guidance to routine management of UNDP projects funded by GF.

The overall goal of UNDP projects funded by GF is to prevent deaths caused by the three diseases, to reduce the burden of HIV and Tuberculosis, to interrupt transmission of malaria, to reduce morbidity, and to contain and prevent malaria outbreaks. In addition, the Tuberculosis grant includes a Health System Strengthening component.

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

The purpose of the assignment is to assist the national Quality Control Laboratory of the Ministry of Health through the assessment of the current situation of the Quality Control Laboratory of pharmaceuticals, through a GAP analysis of this laboratory and the design a roadmap for ISO certification and/or WHO pre-qualification of the QC laboratory. The contractor will also provide recommendations for immediate implementation. The roadmap will include a list of activities to be implemented, a calendar and budget and suggested responsibilities and partners for the different tasks.

For detailed information, please refer to Annex 1 (the Terms of Reference)

3. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

- **Education**

Advanced university degree in pharmaceutical quality assurance (PQA).

- **Work Experience**

- At least 10 years of relevant professional work experience in PQA.
- Both national and international work experience in pharmaceutical management and quality of drugs related issues
- Experience in working in/with ISO certified or WHO pre-qualified laboratories and similar assessments and development of work plans as described above.
- Working experience and/or background knowledge of pharmaceutical quality assurance schemes and systems for pharmaceutical products.
- Working experience with Global Fund programs and the UN system is an advantage.

- **Language Proficiency**

Fluency in English

4. FINANCIAL PROPOSAL

The financial proposal will specify the daily fee, travel expenses and per diems quoted in separate line items. Payments will be made to the Individual Contractor based on the number of days worked.

All envisaged travel costs must be included in the financial proposal. This includes all travel to

Khartoum.
(kindly refer to Annex 2)

5. EVALUATION

A desk review based on CV will be undertaken. The award of a contract will be made to the individual contractor whose offer has been evaluated and determined as both:

- a) responsive/compliant/acceptable, i.e. fully meeting the TOR provided and
- b) offering the lowest price/cost
- c) Reference checks will be done on the individual contractor whose offer is the lowest priced and technically compliant.

ANNEX 1

Terms of Reference

For

Individual Contractor (IC) for providing technical support for Strengthening of the National Drug Quality Control Laboratory in Khartoum

1. Purpose of assignment:

Assist the national Quality Control Laboratory of the Ministry of Health through the assessment of the current situation of the Quality Control Laboratory of pharmaceuticals, through a GAP analysis of this laboratory and the design a roadmap for ISO certification and/or WHO pre-qualification of the QC laboratory. The contractor will also provide recommendations for immediate implementation. The roadmap will include a list of activities to be implemented, a calendar and budget and suggested responsibilities and partners for the different tasks.

2. Introduction and context:

UNDP has been interim PR for several GFATM grants in Sudan for several years. The Ministry of Health is interested to increase the capacity of the national QC laboratory and seek certification of that capacity. The Quality Assurance Plan (QAP) recently approved by the GF has a provision for assistance to the national quality control laboratory as one of the key activities in this QAP.

Further contributing towards the quality of the GF interventions in general and to the quality of pharmaceutical products in the supply chain and in order to ensure that surveillance of all

pharmaceutical commodities at arrival and post distribution within the country is facilitated, an efficient and effective testing laboratory that adheres to the international standards is required.

At this moment all QC testing for GF grants is done through international QC laboratories approved by the GF. WHO has provided support to the national QC Laboratory in the past and the current consultancy will use the existing support documents as reference for this new assessment.

It is expected that UNDP/GF support will collaborate with WHO and eventual other interested partners for the support to the national QC laboratory.

The current technical support mission will provide both analysis and technical knowhow.

3. Major Tasks to be accomplished:

The contractor will inform on the policy and ambitions of the national QC laboratory at long term in the areas of quality control of pharmaceuticals and other health commodities.

The contractor will conduct a desk assessment of the existing reports, assessments and development plans of the laboratory for QC testing of pharmaceuticals.

The contractor will conduct an exhaustive on site assessment of the National Quality Control Laboratory and shall be guided by the following key areas of focus;

- a) Assessment of the existing laboratory in relation to compliance with international standards (management system, organization, document control, equipments, qualifications, validation, personnel and operational procedures);
- b) A GAP analysis showing the detailed corrective and preventive actions needed to comply with these international standards;
- c) The definition of technical specifications for necessary and basic equipments and supplies that need to be procured for the QC lab;
- d) Analysis of the capacity development requirements for the QCL staff covering the technical and managerial aspects.

While doing the above assessment the contractor will include the following actions:

- Assess the compliance of the lab infrastructure, equipment, organizational setup, and operational procedures against ISO/IEC 17025 and WHO prequalification requirements.
- Determine the scope of tests and procedures that can be done (now and in the future) according to ISO/IEC 17025 and WHO prequalification requirements.
- Prepare a GAP analysis report and presentation showing the detailed corrective and preventive actions needed to comply with ISO/IEC 17025 and WHO prequalification requirements.
- Prepare an action plan for completing analytical instruments qualifications, which must be performed according to ISO/IEC 17025 and WHO prequalification requirements.
- Guide the development of the "Quality Manuals" needed to attain the ISO/IEC 17025:2005 accreditation and/or WHO prequalification including the technical procedures, work instructions, and relevant forms and templates.
- Produce an action plan for obtaining ISO/IEC 17025 or WHO prequalification.

The action plan will include a summary of the activities, timelines, budget, indicators for monitoring.

The plan will indicate priorities and provide a step by step approach where progressively the capacity will be developed to perform increasing QC activities.

Time permitting, the contractor will provide half day training on some specific QC related topics subjects identified during the mission.

The contractor will participate as a facilitator in the national QA/QC seminar with a focus on the areas of pharmaceutical QC and pharmacovigilance.

4. Duration and Venue:

The mission is expected to take two days preparation, 8 working days on site in Khartoum from 10-19 March. Three additional working days are available for report writing and exchanges with the partners.

5. Deliverables:

- A description of the current situation, activities and capacities of the QC lab
- A GAP analysis with regard to ISO certification and WHO pre-qualification
- The action plan / roadmap towards pre qualification showing the detailed corrective and preventive actions needed to comply with the international standards; (including a tentative budget)
- A list of available human and financial resources and equipment, and the additional resources required.
- Training presentations for the training on specific QC topics.
- Out briefing presentation with draft findings before the end of the in-country presence.
- The above combined in the end of mission report including specific observations and recommendations.

6. Qualification or specialized knowledge/experience required:

Education

Advanced university degree in pharmaceutical quality assurance (PQA).

Work Experience

- At least 10 years of relevant professional work experience in PQA.
- Both national and international work experience in pharmaceutical management and quality of drugs related issues
- Experience in working in/with ISO certified or WHO pre-qualified laboratories and similar assessments and development of work plans as described above.
- Working experience and/or background knowledge of pharmaceutical quality assurance schemes and systems for pharmaceutical products.
- Working experience with Global Fund programs and the UN system is an advantage.

Language Proficiency

Fluency in English

7. Submissions:

Word copies of the required forms to be filled can be accessed from:
intra.sd.undp.org//bids/doc/1076.doc

Proposal should be submitted at the following address:

Name of Office:	United Nations Development Programme (UNDP)
Attention:	Global Fund Programme Management Unit UNDP Compound, House 7, Block 5, Gama'a Avenue, P. O. Box 913, Khartoum, Sudan
Ref:	GF/IC/13/001

OFFEROR'S LETTER TO UNDP CONFIRMING INTEREST AND AVAILABILITY FOR THE INDIVIDUAL CONTRACTOR (IC) ASSIGNMENT

Date _____

UNDP Compound, House 7, Block 5, Gama'a Avenue,
P. O. Box 913, Khartoum, Sudan
Attn: Mrs. Maisoon Bukhari
Global Fund Programme Manager a.i.

Dear Madam:

I hereby declare that:

I have read, understood and hereby accept the Terms of Reference describing the duties and responsibilities of the assignment for **Provision of technical support for Strengthening of the National Drug Quality Control Laboratory in Khartoum** under the **UNDP Sudan Project funded by the Global Fund to fight AIDS, Tuberculosis and Malaria**;

- a) I have also read, understood and hereby accept UNDP's General Conditions of Contract for the Services of the Individual Contractors;
- b) I hereby propose my services and I confirm my interest in performing the assignment through the submission of my CV or Personal History Form (P11) which I have duly signed and attached hereto as Annex 1;
- c) In compliance with the requirements of the Terms of Reference, I hereby confirm that I am available for the entire duration of the assignment, and I shall perform the services in the manner described in my proposed approach/methodology which I have attached hereto as Annex 3
- d) I hereby propose to complete the services based on the following payment rate :

☐ A total lump sum of *[state amount in words and in numbers, indicating exact currency]*.

- e) For your evaluation, the breakdown of the abovementioned all-inclusive amount is attached hereto as Annex 2;
- f) I recognize that the payment of the abovementioned amounts due to me shall be based on my delivery of outputs within the timeframe specified in the TOR, which shall be subject to UNDP's review, acceptance and payment certification procedures;

g) This offer shall remain valid for a total period of _____ days [*minimum of 90 days*] after the submission deadline;

h) I confirm that I have no first degree relative (mother, father, son, daughter, spouse/partner, brother or sister) currently employed with any UN agency or office [*disclose the name of the relative, the UN office employing the relative, and the relationship if, any such relationship exists*];

i) If I am selected for this assignment, I shall [*pls. check the appropriate box*]:

- ☐ Sign an Individual Contract with UNDP;
- ☐ Request my employer [*state name of company/organization/institution*] to sign with UNDP a Reimbursable Loan Agreement (RLA), for and on my behalf. The contact person and details of my employer for this purpose are as follows:

j) I hereby confirm that [*check all that applies*]:

- ☐ At the time of this submission, I have no active Individual Contract or any form of engagement with any Business Unit of UNDP;
- ☐ I am currently engaged with UNDP and/or other entities for the following work :

Assignment	Contract Type	UNDP Business Unit / Name of Institution/Company	Contract Duration	Contract Amount

- ☐ I am also anticipating conclusion of the following work from UNDP and/or other entities for which I have submitted a proposal :

Assignment	Contract Type	Name of Institution/ Company	Contract Duration	Contract Amount

k) I fully understand and recognize that UNDP is not bound to accept this proposal, and I also understand and accept that I shall bear all costs associated with its preparation and submission and that UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the selection process.

- l) *If you are a former staff member of the United Nations recently separated, pls. add this section to your letter:* I hereby confirm that I have complied with the minimum break in service required before I can be eligible for an Individual Contract.
- m) I also fully understand that, if I am engaged as an Individual Contractor, I have no expectations nor entitlements whatsoever to be re-instated or re-employed as a staff member.

Full Name and Signature:

Date Signed:

Annexes *[pls. check that you have submitted the below]:*

- ☐ Duly signed P11 Form
- ☐ Breakdown of Costs Supporting the Final All-Inclusive Price as per Template
- ☐ Brief Description of Approach to Work

Word copies of the above can be downloaded from: intra.sd.undp.org//bids/doc/1076.doc

BREAKDOWN OF COSTS SUPPORTING THE ALL-INCLUSIVE FINANCIAL PROPOSAL

A. Breakdown of Cost by Components:

Cost Components	Unit Cost	Quantity	Total Rate for the Contract Duration
I. Personnel Costs			
Professional Fees			
Life Insurance			
Medical Insurance			
Communications			
Land Transportation			
Others (pls. specify)			
II. Travel Expenses to Join duty station			
Round Trip Airfares to and from duty station			
Living Allowance			
Travel Insurance			

Terminal Expenses			
Others (pls. specify)			
III. Duty Travel			
Round Trip Airfares			
Living Allowance			
Travel Insurance			
Terminal Expenses			
Others (pls. specify)			

ANNEX 3

INDIVIDUAL CONTRACTOR GENERAL TERMS AND CONDITIONS

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 Individual 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 its 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 its obligations under the Individual Contract. Should any authority external to UNDP seek to impose any instructions on the Individual Contract regarding the Individual contractor’s performance under the Individual 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 its performance of the Individual Contract or otherwise related to its obligations under the Individual Contract that may adversely affect the interests of UNDP, and the Individual contractor shall perform its obligations under the Individual Contract with the fullest regard to the interests of UNDP. The Individual contractor warrants that it has not and shall not offer any direct or indirect benefit arising from or related to the performance of the Individual 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 its obligations under the Individual Contract. In the performance of the Individual 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. Failure to comply with such security directives is grounds for termination of the Individual contractor for cause. Prohibition of Sexual Exploitation and Abuse: In the performance of the Individual 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 Individual Contract, and, in addition to any other legal rights or remedies available to any person, shall give rise to grounds for termination of the Individual Contract. In addition, nothing herein shall limit the right of UNDP to refer any alleged breach of the foregoing standards of conduct 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 Individual Contract shall rest with UNDP, and any such equipment shall be returned to UNDP at the conclusion of the Individual Contract or when no longer needed by the Individual contractor. Such equipment, 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 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 Individual 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 Individual 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 its obligations under the Individual Contract, or (b) that the Individual contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Individual Contract, UNDP does not and shall not claim any ownership interest thereto, and the Individual contractor grants to UNDP a perpetual licence 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 Individual 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 Individual 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 Individual 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 Individual 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 employees, officials, representatives and agents who have a need to know such confidential Information solely for purposes of performing obligations under the Individual 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 as 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 Individual Contract, including any extension thereof, and, unless otherwise provided in the Individual Contract, shall remain effective

following any termination of the Individual 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 care when by air.

UNDP may require the Individual contractor to submit a Statement of Good Health from a recognized physician prior to commencement of work in any offices or premises of UNDP or before engaging in any travel required by UNDP or connected with the performance of the Individual Contract. The Individual contractor shall provide such a Statement of Good Health 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 the 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 Individual Contract while the Individual contractor is traveling at UNDP expense or is performing any services under the Individual Contract in any offices or premises of UNDP, the Individual contractor or the Individual contractor's dependants, 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 Individual Contract, of any part thereof, or of any of the rights, claims or obligations under the Individual 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, licences or other forms of Individual Contract concerning any goods or services to be provided under the Individual Contract shall not be valid and enforceable against UNDP nor in any way shall constitute an Individual Contract by UNDP thereto, unless any such undertakings, licences or other forms of Individual Contract are the subject of a valid written undertaking by UNDP. No modification or change in the Individual Contract shall be valid and enforceable against UNDP unless provided by means of a valid written amendment to the Individual 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 Individual 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 its obligations under the Individual Contract. The Individual 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 Individual 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 its 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 Individual 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 Individual Contract, which give rise to legal liability to anyone not a party to the Individual 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 Individual Contract.

The Individual contractor shall be solely responsible for taking out and for maintaining adequate insurance required to meet any of its obligations under the Individual 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 Individual Contract. The Individual contractor acknowledges and agrees that none of the insurance arrangements the Individual contractor may make shall, in any way, be construed to limit the Individual contractor's liability arising under or relating to the Individual 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 Individual 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 its obligations and meet its responsibilities under the Individual 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 its performance of the Individual 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 Individual Contract.

If the Individual contractor is rendered permanently unable, wholly or in part, by reason of *force majeure* to perform its obligations and meet its responsibilities under the Individual Contract, UNDP shall have the right to suspend or terminate the Individual Contract on the same terms and conditions as are provided for below, under "Termination", except that the period of notice shall be five (5) days instead of any other period of notice. In any case, UNDP shall be entitled to consider the Individual contractor permanently unable to perform its obligations under the Individual Contract in the case of the Individual contractor's suffering any period of suspension in excess of thirty (30) days.

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 Individual 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 Individual Contract.

13. TERMINATION

Either party may terminate the Individual 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 Individual 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 Individual Contract.

UNDP may, without prejudice to any other right or remedy available to it, terminate the Individual 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; the Individual contractor makes an assignment for the benefit of one or more of its creditors; (c) a Receiver is appointed on account of the insolvency of the Individual contractor; (d) the Individual contractor offers a settlement in lieu of bankruptcy or receivership; or (e) UNDP reasonably determines that the Individual contractor has become subject to a materially adverse change in its financial condition that threatens to endanger or otherwise substantially affect the ability of the Individual contractor to perform any of its obligations under the Individual Contract.

In the event of any termination of the Individual 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 Individual 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 Individual 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 Individual Contract had been completed, would be required to be furnished to UNDP thereunder; (d) complete performance of the work 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 Individual 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 Individual 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 Individual Contract. Additional costs incurred by UNDP resulting from the termination of the Individual Contract by the Individual contractor may be withheld from any amount otherwise due to the Individual contractor from 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 Individual 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 Individual 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. AUDIT AND INVESTIGATION

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 Individual Contract and for a period of two (2) years following the expiration or prior termination of the Individual Contract. UNDP shall be entitled to a refund from the Individual contractor for any amounts shown by such audits to have been paid by UNDP other than in accordance with the terms and conditions of the Individual Contract.

The Individual contractor acknowledges and agrees that, from time to time, UNDP may conduct investigations relating to any aspect of the Individual Contract or the award thereof, the obligations performed under the Individual Contract, and the operations of the Individual contractor generally relating to performance of the Individual Contract. The right of UNDP to conduct an investigation and the Individual contractor's obligation to comply with such an investigation shall not lapse upon expiration or prior termination of the Individual Contract. The Individual 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 Individual 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 Individual contractor's premises at reasonable times and on reasonable conditions in connection with such access to the Individual contractor's personnel and relevant documentation. The Individual contractor shall require its agents, including, but not limited to, the Individual contractor's attorneys, accountants or other advisers, to reasonably cooperate with any inspections, post-payment audits or investigations carried out by UNDP hereunder.

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 Individual 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 Individual 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 Individual Contract, order the termination of the Individual 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 Individual 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 Individual 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 7, above, or as are otherwise set forth in the Individual Contract, any arbitral proceedings in accordance with Article 17 above, arising out of the Individual Contract must be commenced within three 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 Individual Contract, the cause of action accrues when such time of future performance actually begins.

19. PRIVILEGES AND IMMUNITIES

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