



REQUEST FOR PROPOSALS

RFP-BD-2019-020

Hiring firm for Digitizing transactions between micro-retailers and distributors for managing purchases, stocks, payments, and leveraging transactional data to assess credit worthiness

UN Capital Development Fund (UNCDF)
Bangladesh

15 May 2019

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Section 1. Notice of Invitation

Hiring firm for Digitizing transactions between micro-retailers and distributors for managing purchases, stocks, payments, and leveraging transactional data to assess credit worthiness

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

This RFP includes the following documents:

- Section 1 – This Notice of Invitation
- Section 2 – Instructions to Proposers (including Data Sheet)
- Section 3 – Terms of Reference
- Section 4 – Proposal Submission Form
- Section 5 – Documents Establishing the Eligibility and Qualifications of the Proposer
- Section 6 – Technical Proposal Form
- Section 7 – Financial Proposal Form
- Section 8 – Form for Proposal Security (N/A)
- Section 9 – Form for Performance Security (N/A)
- Section 10 – Form for Advanced Payment Guarantee (N/A)
- Section 11 – Contract for Professional Services, including General Terms and Conditions
- Appendix A – Instructions manual for use of the eTendering system by suppliers.
- Appendix B – Terms and Conditions for use of online eTendering system.

Your offer, comprising of a Technical and Financial Proposal, should be submitted in accordance with Section 2, through eTendering online system and by the deadline indicated in <https://etendering.partneragencies.org>.

More information on the eTendering system including Instructions Manual and Terms and Conditions for use of the online eTendering system by suppliers can be found in <http://www.undp.org/content/undp/en/home/operations/procurement/business/procurement-notice/resources/>

You are kindly requested to indicate whether your company intends to submit a Proposal by clicking on "Accept Invitation" button no later than 19 May 2019. If that is not the case, UNDP would appreciate your indicating the reason, for our records.

If you have received this RFP through a direct invitation by UNDP, transferring this invitation to another firm requires your written notification to UNDP of such transfer and the name of the company to whom the invitation was forwarded.

Should you require further clarifications, kindly communicate with the contact person identified in the attached Data Sheet as the focal point for queries on this RFP.

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

Yours sincerely,


Operations Manager
UNDP Bangladesh

Section 2: Instruction to Proposers

Definitions

- a) "Contract" refers to the agreement that will be signed by and between the UNDP and the successful proposer, all the attached documents thereto, including the General Terms and Conditions (GTC) and the Appendices.
- b) "Country" refers to the country indicated in the Data Sheet.
- c) "Data Sheet" refers to such part of the Instructions to Proposers used to reflect conditions of the tendering process that are specific for the requirements of the RFP.
- d) "Day" refers to calendar day.
- e) "Government" refers to the Government of the country that will be receiving the services provided/rendered specified under the Contract.
- f) "Instructions to Proposers" (Section 2 of the RFP) refers to the complete set of documents that provides Proposers with all information needed and procedures to be followed in the course of preparing their Proposals
- g) "NOI" (Section 1 of the RFP) refers to the Notice of Invitation sent by UNDP to Proposers.
- h) "Material Deviation" refers to any contents or characteristics of the proposal that is significantly different from an essential aspect or requirement of the RFP, and : (i) substantially alters the scope and quality of the requirements; (ii) limits the rights of UNDP and/or the obligations of the offeror; and (iii) adversely impacts the fairness and principles of the procurement process, such as those that compromise the competitive position of other offerors.
- i) "Proposal" refers to the Proposer's response to the Request for Proposal, including the Proposal Submission Form, Technical and Financial Proposal and all other documentation attached thereto as required by the RFP.
- j) "Proposer" refers to any legal entity that may submit, or has submitted, a Proposal for the provision of services requested by UNDP through this RFP.
- k) "RFP" refers to the Request for Proposals consisting of instructions and references prepared by UNDP for purposes of selecting the best service provider to perform the services described in the Terms of Reference.
- l) "Services" refers to the entire scope of tasks and deliverables requested by UNDP under the RFP.
- m) "Supplemental Information to the RFP" refers to a written communication issued by UNDP to prospective Proposers containing clarifications, responses to queries received from prospective Proposers, or changes to be made in the RFP, at any time after the release of the RFP but before



the deadline for the submission of Proposals.

- n) "Terms of Reference" (TOR) refers to the document included in this RFP as Section 3 which describes the objectives, scope of services, activities, tasks to be performed, respective responsibilities of the proposer, expected results and deliverables and other data pertinent to the performance of the range of duties and services expected of the successful proposer.

A. GENERAL

1. UNDP hereby solicits Proposals in response to this Request for Proposal (RFP). Proposers must strictly adhere to all the requirements of this RFP. No changes, substitutions or other alterations to the rules and provisions stipulated in this RFP may be made or assumed unless it is instructed or approved in writing by UNDP in the form of Supplemental Information to the RFP.
2. Submission of a Proposal shall be deemed as an acknowledgement by the Proposer that all obligations stipulated by this RFP will be met and, unless specified otherwise, the Proposer has read, understood and agreed to all the instructions in this RFP.
3. Any Proposal submitted will be regarded as an offer by the Proposer and does not constitute or imply the acceptance of any Proposal by UNDP. UNDP is under no obligation to award a contract to any Proposer as a result of this RFP.
4. UNDP implements a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical practices, and obstruction. UNDP is committed to preventing, identifying and addressing all acts of fraud and corrupt practices against UNDP as well as third parties involved in UNDP activities. (See [http://www.undp.org/about/transparencycdocs/UNDP Anti Fraud Policy English FINAL june 2011.pdf](http://www.undp.org/about/transparencycdocs/UNDP_Anti_Fraud_Policy_English_FINAL_june_2011.pdf) and http://www.undp.org/content/undp/en/home/operations/procurement/procurement_protest/ for full description of the policies)
5. In responding to this RFP, UNDP requires all Proposers to conduct themselves in a professional, objective and impartial manner, and they must at all times hold UNDP's interests paramount. Proposers must strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. All Proposers found to have a conflict of interest shall be disqualified. Without limitation on the generality of the above, Proposers, and any of their affiliates, shall be considered to have a conflict of interest with one or more parties in this solicitation process, if they:
 - 5.1 Are or have been associated in the past, with a firm or any of its affiliates which have been engaged UNDP to provide services for the preparation of the design, specifications, Terms of Reference, cost analysis/estimation, and other documents to be used for the procurement of the goods and services in this selection process;
 - 5.2 Were involved in the preparation and/or design of the programme/project related to the services requested under this RFP; or

- 5.3 Are found to be in conflict for any other reason, as may be established by, or at the discretion of, UNDP.

In the event of any uncertainty in the interpretation of what is potentially a conflict of interest, proposers must disclose the condition to UNDP and seek UNDP's confirmation on whether or not such conflict exists.

6. Similarly, the Proposers must disclose in their proposal their knowledge of the following :
- 6.1 That they are owners, part-owners, officers, directors, controlling shareholders, or they have key personnel who are family of UNDP staff involved in the procurement functions and/or the Government of the country or any Implementing Partner receiving services under this RFP; and
 - 6.2 All other circumstances that could potentially lead to actual or perceived conflict of interest, collusion or unfair competition practices.

Failure of such disclosure may result in the rejection of the proposal or proposals affected by the non-disclosure.

7. The eligibility of Proposers that are wholly or partly owned by the Government shall be subject to UNDP's further evaluation and review of various factors such as being registered as an independent entity, the extent of Government ownership/share, receipt of subsidies, mandate, access to information in relation to this RFP, and others that may lead to undue advantage against other Proposers, and the eventual rejection of the Proposal.
8. All Proposers must adhere to the UNDP Supplier Code of Conduct, which may be found at this link: <http://web.ng.undp.org/procurement/undp-supplier-code-of-conduct.pdf>

B. CONTENTS OF PROPOSAL

9. Sections of Proposal

Proposers are required to complete, sign and submit the following documents:

- 9.1 Proposal Submission Cover Letter Form (see RFP Section 4);
- 9.2 Documents Establishing the Eligibility and Qualifications of the Proposer (see RFP Section 5);
- 9.3 Technical Proposal (see prescribed form in RFP Section 6);
- 9.4 Financial Proposal (see prescribed form in RFP Section 7);
- 9.5 Proposal Security, if applicable (if required and as stated in the **Data Sheet** (DS nos. 9-11), see prescribed Form in RFP Section 8); A scanned copy of this document must be attached with your proposal in the system and the original must be sent by mail. Original must arrive no later than [insert date and time]
- 9.6 Any attachments and/or appendices to the Proposal.

10. Clarification of Proposal

- 10.1 Proposers may request clarifications of any of the RFP documents no later than the date indicated in the **Data Sheet** (DS no. 16) prior to the proposal submission date. Any request for clarification must be sent in writing via courier or through electronic means to the UNDP address indicated in the **Data Sheet** (DS no. 17). UNDP will respond in writing by uploading the document with the responses in the system (including an explanation of the query but without identifying the source of inquiry). After which, all Proposers who have accepted in the Invitation will be automatically alerted that such a clarification has been posted online.
- 10.2 UNDP shall endeavor to provide such responses to clarifications in an expeditious manner, but any delay in such response shall not cause an obligation on the part of UNDP to extend the submission date of the Proposals, unless UNDP deems that such an extension is justified and necessary.

11. Amendment of Proposals

- 11.1 At any time prior to the deadline of Proposal submission, UNDP may for any reason, such as in response to a clarification requested by a Proposer, modify the RFP in the form of a Supplemental Information to the RFP that will be uploaded in the system and made available to all Invited Proposers. All prospective Proposers (Proposers who have "accepted the Bid Invitation" in the system) will be notified that changes have occurred. through the method specified in the **Data Sheet** (DS No. 18).
- 11.2 In order to afford prospective Proposers reasonable time to consider the amendments in preparing their Proposals, UNDP may, at its discretion, extend the deadline for submission of Proposals, if the nature of the amendment to the RFP justifies such an extension.

C. PREPARATION OF PROPOSALS

12. Cost

The Proposer shall bear any and all costs related to the preparation and/or submission of the Proposal, regardless of whether its Proposal was selected or not. UNDP shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the procurement process.

13. Language

The Proposal, as well as any and all related correspondence exchanged by the Proposer and UNDP, shall be written in the language (s) specified in the **Data Sheet** (DS No 4). Any printed literature furnished by the Proposer written in a language other than the language indicated in the **Data Sheet**, must be accompanied by a translation in the preferred language indicated in the **Data Sheet**. For purposes of interpretation of the Proposal, and in the event of discrepancy or inconsistency in meaning, the version translated into the preferred language shall govern. Upon conclusion of a contract, the language of the contract shall govern the relationship between the contractor and UNDP.

14. Proposal Submission Form

The Proposer shall submit the Proposal Submission Form using the form provided in Section 4 of this RFP.

15. Technical Proposal Format and Content

Unless otherwise stated in the **Data Sheet** (DS no. 28), the Proposer shall structure the Technical Proposal as follows:

15.1 Expertise of Firm/Organization – this section should provide details regarding management structure of the organization, organizational capability/resources, and experience of organization/firm, the list of projects/contracts (both completed and on-going, both domestic and international) which are related or similar in nature to the requirements of the RFP, and proof of financial stability and adequacy of resources to complete the services required by the RFP (see RFP clause 18 and DS No. 26 for further details). The same shall apply to any other entity participating in the RFP as a Joint Venture or Consortium.

15.2 Proposed Methodology, Approach and Implementation Plan – this section should demonstrate the Proposer's response to the Terms of Reference by identifying the specific components proposed, how the requirements shall be addressed, as specified, point by point; providing a detailed description of the essential performance characteristics proposed; identifying the works/portions of the work that will be subcontracted; and demonstrating how the proposed methodology meets or exceeds the specifications, while ensuring appropriateness of the approach to the local conditions and the rest of the project operating environment. This methodology must be laid out in an implementation timetable that is within the duration of the contract as specified in the **Data Sheet** (DS nos. 29 and 30).

Proposers must be fully aware that the products or services that UNDP requires may be transferred, immediately or eventually, by UNDP to the Government partners, or to an entity nominated by the latter, in accordance with UNDP's policies and procedures. All proposers are therefore required to submit the following in their proposals:

- a) A statement of whether any import or export licences are required in respect of the goods to be purchased or services to be rendered, including any restrictions in the country of origin, use or dual use nature of the goods or services, including any disposition to end users; and
- b) Confirmation that the Proposer has obtained license of this nature in the past, and have an expectation of obtaining all the necessary licenses, should their Proposal be rendered the most responsive.

15.3 Management Structure and Key Personnel – This section should include the comprehensive curriculum vitae (CVs) of key personnel that will be assigned to support the implementation of the proposed methodology, clearly defining the roles and responsibilities vis-à-vis the proposed methodology. CVs should establish competence and demonstrate qualifications in areas relevant to the TOR.

In complying with this section, the Proposer assures and confirms to UNDP that the personnel being nominated are available for the Contract on the dates proposed. If any of the key personnel later becomes unavailable, except for unavoidable reasons such as death or medical incapacity, among other possibilities, UNDP reserves the right to consider the proposal non-responsive. Any deliberate substitution arising from unavoidable reasons, including delay in the implementation of the project of programme through no fault of the Proposer shall be made only with UNDP's acceptance of the justification for substitution, and UNDP's approval of the qualification of the replacement who shall be either of equal or superior credentials as the one being replaced.

15.4 Where the **Data Sheet** requires the submission of the Proposal Security, the Proposal Security shall be included along with the Technical Proposal. The Proposal Security may be forfeited by UNDP, and reject the Proposal, in the event of any or any combination of the following conditions:

- a) If the Proposer withdraws its offer during the period of the Proposal Validity specified in the **Data Sheet** (DS no. 11), or;
- b) If the Proposal Security amount is found to be less than what is required by UNDP as indicated in the **Data Sheet** (DS no. 9), or;
- c) In the case the successful Proposer fails:
 - i. to sign the Contract after UNDP has awarded it;
 - ii. to comply with UNDP's variation of requirement, as per RFP clause 35; or
 - iii. to furnish Performance Security, insurances, or other documents that UNDP may require as a condition to rendering the effectivity of the contract that may be awarded to the Proposer.

16. Financial Proposals

The Financial Proposal shall be prepared using the attached standard form (Section 7). It shall list all major cost components associated with the services, and the detailed breakdown of such costs. All outputs and activities described in the Technical Proposal must be priced separately on a one-to-one correspondence. Any output and activities described in the Technical Proposal but not priced in the Financial Proposal, shall be assumed to be included in the prices of other activities or items, as well as in the final total price.

17. Currencies

All prices shall be quoted in the currency indicated in the **Bid Event**. However, where Proposals are quoted in different currencies, for the purposes of comparison of all Proposals:

- a) UNDP will convert the currency quoted in the Proposal into the UNDP preferred currency, in accordance with the prevailing UN operational rate of exchange on the last day of submission of Proposals; and
- b) In the event that the proposal found to be the most responsive to the RFP requirement is quoted in another currency different from the preferred currency as per **Bid Event**, then UNDP shall reserve the right to award the contract in the currency of UNDP's preference,

using the conversion method specified above.

18. Documents Establishing the Eligibility and Qualifications of the Proposer

The Proposer shall furnish documentary evidence of its status as an eligible and qualified vendor, using the forms provided under Section 5, Proposer Information Forms. In order to award a contract to a Proposer, its qualifications must be documented to UNDP's satisfaction. These include, but are not limited to, the following:

- a) That, in the case of a Proposer offering to supply goods under the Contract which the Proposer did not manufacture or otherwise produce, the Proposer has been duly authorized by the goods' manufacturer or producer to supply the goods in the country of final destination;
- b) That the Proposer has the financial, technical, and production capability necessary to perform the Contract; and
- c) That, to the best of the Proposer's knowledge, it is not included in the UN 1267/1989 List or the UN Ineligibility List, nor in any and all of UNDP's list of suspended and removed vendors.

Proposals submitted by two (2) or more Proposers shall all be rejected if they are found to have any of the following :

- a) they have at least one controlling partner, director or shareholder in common; or
- b) any one of them receive or have received any direct or indirect subsidy from the other/s; or
- c) they have the same legal representative for purposes of this RFP; or
- d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about, or influence on the Proposal of, another Proposer regarding this RFP process;
- e) they are subcontractors to each other's Proposal, or a subcontractor to one Proposal also submits another Proposal under its name as lead Proposer; or
- f) an expert proposed to be in the team of one Proposer participates in more than one Proposal received for this RFP process. This condition does not apply to subcontractors being included in more than one Proposal.

19. Joint Venture, Consortium or Association

If the Proposer is a group of legal entities that will form or have formed a joint venture, consortium or association at the time of the submission of the Proposal, they shall confirm in their Proposal that : (i) they have designated one party to act as a lead entity, duly vested with authority to legally bind the members of the joint venture jointly and severally, and this shall be duly evidenced by a duly notarized Agreement among the legal entities, which shall be submitted along with the Proposal; and (ii) if they are awarded the contract, the contract shall be entered into, by and between UNDP and the designated lead entity, who shall be acting for and on behalf of all the member entities comprising the joint venture.

After the Proposal has been submitted to UNDP, the lead entity identified to represent the joint venture shall not be altered without the prior written consent of UNDP. Furthermore, neither the lead entity nor the member entities of the joint venture can:



- a) Submit another proposal, either in its own capacity; nor
- b) As a lead entity or a member entity for another joint venture submitting another Proposal.

The description of the organization of the joint venture/consortium/association must clearly define the expected role of each of the entity in the joint venture in delivering the requirements of the RFP, both in the Proposal and the Joint Venture Agreement. All entities that comprise the joint venture shall be subject to the eligibility and qualification assessment by UNDP.

Where a joint venture is presenting its track record and experience in a similar undertaking as those required in the RFP, it should present such information in the following manner:

- a) Those that were undertaken together by the joint venture; and
- b) Those that were undertaken by the individual entities of the joint venture expected to be involved in the performance of the services defined in the RFP.

Previous contracts completed by individual experts working privately but who are permanently or were temporarily associated with any of the member firms cannot be claimed as the experience of the joint venture or those of its members, but should only be claimed by the individual experts themselves in their presentation of their individual credentials.

If a joint venture's Proposal is determined by UNDP as the most responsive Proposal that offers the best value for money, UNDP shall award the contract to the joint venture, in the name of its designated lead entity. The lead entity shall sign the contract for and on behalf of all other member entities.

20. Alternative Proposals

Unless otherwise specified in the **Data Sheet** (DS nos. 5 and 6), alternative proposals shall not be considered. Where the conditions for its acceptance are met, or justifications are clearly established, UNDP reserves the right to award a contract based on an alternative proposal.

21. Validity Period

Proposals shall remain valid for the period specified in the **Data Sheet** (DS no. 8), commencing on the submission deadline date also indicated in the **Data Sheet** (DS no. 21). A Proposal valid for a shorter period shall be immediately rejected by UNDP and rendered non-responsive.

In exceptional circumstances, prior to the expiration of the proposal validity period, UNDP may request Proposers to extend the period of validity of their Proposals. The request and the responses shall be made in writing, and shall be considered integral to the Proposal.

22. Proposer's Conference

When appropriate, a proposer's conference will be conducted at the date, time and location specified in the **Data Sheet** (DS no. 7). All Proposers are encouraged to attend. Non-attendance, however, shall not result in disqualification of an interested Proposer. Minutes of the proposer's conference will be uploaded on the system. No verbal statement made during the conference shall modify the terms and conditions of the RFP unless such statement is specifically written in



the Minutes of the Conference, or issued/posted as an amendment in the form of a Supplemental Information to the RFP.

D. SUBMISSION AND OPENING OF PROPOSALS

23. Submission

- 23.1 The Financial Proposal and the Technical Proposal Envelopes MUST BE COMPLETELY SEPARATE and uploaded separately in the system and clearly named as either "TECHNICAL PROPOSAL" or "FINANCIAL PROPOSAL", as appropriate. Each document shall include the Proposer's name and address. The file with the "FINANCIAL PROPOSAL" must be encrypted with a password so that it cannot be opened nor viewed until the Proposal has been found to pass the technical evaluation stage. Once a Proposal has been found to be responsive by passing the technical evaluation stage, UNDP shall request the Proposer to submit the password to open the Financial Proposal. The Proposer shall assume the responsibility for not encrypting the financial proposal..
- 23.2 In the unlikely and exceptional event that the Proposers encounter technical problems when submitting the proposal in the system, then the Proposal can be sent via email as instruction in the Data Sheet (DsNo. XX). Proposers are however strongly advised to undertake all necessary efforts, including requesting support from UNDP, to submit the Proposal through the online system. In all cases, email submission must be authorized and accepted by UNDP prior to the submission deadline indicated . Proposals submitted via email which does not have prior authorization by UNDP will not be accepted.
- 23.3 Proposers must be aware that the mere act of submission of a Proposal, in and of itself, implies that the Proposer accepts the General Contract Terms and Conditions of UNDP as attached hereto as Section 11.

24. Withdrawal, Substitution, and Modification of Proposals

- 25.1 Proposers are expected to have sole responsibility for taking steps to carefully examine in detail the full consistency of its Proposals to the requirements of the RFP, keeping in mind that material deficiencies in providing information requested by UNDP, or lack clarity in the description of services to be provided, may result in the rejection of the Proposal. The Proposer shall assume the responsibility regarding erroneous interpretations or conclusions made by the Proposer in the course of understanding the RFP out of the set of information furnished by UNDP.
- 25.2 A Proposer may withdraw, substitute or modify its Proposal after it has been submitted by cancelling or editing their bid in the system.

25. Confidentiality

Information relating to the examination, evaluation, and comparison of Proposals, and the recommendation of contract award, shall not be disclosed to Proposers or any other persons not

officially concerned with such process, even after publication of the contract award.

Any effort by a Proposer to influence UNDP in the examination, evaluation and comparison of the Proposals or contract award decisions may, at UNDP's decision, result in the rejection of its Proposal.

In the event that a Proposer is unsuccessful, the Proposer may seek a meeting with UNDP for a debriefing. The purpose of the debriefing is discussing the strengths and weaknesses of the Proposer's submission, in order to assist the Proposer in improving the proposals presented to UNDP. The content of other proposals and how they compare to the Proposer's submission shall not be discussed.

E. EVALUATION OF PROPOSALS

26. Preliminary Examination of Proposals

UNDP shall examine the Proposals to determine whether they are complete with respect to minimum documentary requirements, whether the documents have been properly signed, whether or not the Proposer is in the UN Security Council 1267/1989 Committee's list of terrorists and terrorist financiers, and in UNDP's list of suspended and removed vendors, and whether the Proposals are generally in order, among other indicators that may be used at this stage. UNDP may reject any Proposal at this stage.

27. Evaluation of Proposals

29.1 The evaluation team shall review and evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference and other documentation provided, applying the evaluation criteria, sub-criteria, and point system specified in the **Data Sheet** (DS no. 32). Each responsive Proposal will be given a technical score. A Proposal shall be rendered non-responsive at this stage if it does not substantially respond to the RFP particularly the demands of the Terms of Reference, which also means that it fails to achieve the minimum technical score indicated in the **Data Sheet** (DS no. 25). Absolutely no changes may be made by UNDP in the criteria, sub-criteria and point system indicated in the **Data Sheet** (DS no. 32) after all Proposals have been received.

29.2 In the second stage, only the Financial Proposals of those Proposers who achieve the minimum technical score will be opened for evaluation for comparison and review. The overall evaluation score will be based either on a combination of the technical score and the financial offer, or the lowest evaluated financial proposal of the technically qualified Proposers. The evaluation method that applies for this RFP shall be as indicated in the **Data Sheet** (DS No. 25).

When the Data Sheet specifies a combined scoring method, the formula for the rating of the Proposals will be as follows:

Rating the Technical Proposal (TP):

TP Rating = (Total Score Obtained by the Offer / Max. Obtainable Score for TP) x 100

Rating the Financial Proposal (FP):

FP Rating = (Lowest Priced Offer / Price of the Offer Being Reviewed) x 100

Total Combined Score:

(TP Rating) x (Weight of TP, e.g. 70%)

+ (FP Rating) x (Weight of FP, e.g., 30%)

Total Combined and Final Rating of the Proposal

29.3 UNDP reserves the right to undertake a post-qualification exercise aimed at determining, to its satisfaction the validity of the information provided by the Proposer. Such post-qualification shall be fully documented and, among those that may be listed in the **Data Sheet** (DS No.33), may include, but need not be limited to, all or any combination of the following :

- a) Verification of accuracy, correctness and authenticity of information provided by the Proposer on the legal, technical and financial documents submitted;
- b) Validation of extent of compliance to the RFP requirements and evaluation criteria based on what has so far been found by the evaluation team;
- c) Inquiry and reference checking with Government entities with jurisdiction on the Proposer, or any other entity that may have done business with the Proposer;
- d) Inquiry and reference checking with other previous clients on the quality of performance on ongoing or previous contracts completed;
- e) Physical inspection of the Proposer's offices, branches or other places where business transpires, with or without notice to the Proposer;
- f) Quality assessment of ongoing and completed outputs, works and activities similar to the requirements of UNDP, where available; and
- g) Other means that UNDP may deem appropriate, at any stage within the selection process, prior to awarding the contract.

28. Clarification of Proposals

To assist in the examination, evaluation and comparison of Proposals, UNDP may, at its discretion, ask any Proposer for a clarification of its Proposal.

UNDP's request for clarification and the response shall be in writing. Notwithstanding the written communication, no change in the prices or substance of the Proposal shall be sought, offered, or permitted, except to provide clarification, and confirm the correction of any arithmetic errors discovered by UNDP in the evaluation of the Proposals, in accordance with RFP Clause 32.

Any unsolicited clarification submitted by a Proposer in respect to its Proposal, which is not a response to a request by UNDP, shall not be considered during the review and evaluation of the Proposals.

29. Responsiveness of Proposal

UNDP's determination of a Proposal's responsiveness will be based on the contents of the Proposal itself.

A substantially responsive Proposal is one that conforms to all the terms, conditions, TOR and other requirements of the RFP without material deviation, reservation, or omission.

If a Proposal is not substantially responsive, it shall be rejected by UNDP and may not subsequently be made responsive by the Proposer by correction of the material deviation, reservation, or omission.

30. Nonconformities, Reparable Errors and Omissions

Provided that a Proposal is substantially responsive, UNDP may waive any non-conformities or omissions in the Proposal that, in the opinion of UNDP, do not constitute a material deviation.

Provided that a Proposal is substantially responsive, UNDP may request the Proposer to submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities or omissions in the Proposal related to documentation requirements. Such omission shall not be related to any aspect of the price of the Proposal. Failure of the Proposer to comply with the request may result in the rejection of its Proposal.

Provided that the Proposal is substantially responsive, UNDP shall correct arithmetical errors as follows:

- a) if there is a discrepancy between the unit price and the line item total that is obtained by multiplying the unit price by the quantity, the unit price shall prevail and the line item total shall be corrected, unless in the opinion of UNDP there is an obvious misplacement of the decimal point in the unit price, in which case the line item total as quoted shall govern and the unit price shall be corrected;
- b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to the above.

If the Proposer does not accept the correction of errors made by UNDP, its Proposal shall be rejected.

F. AWARD OF CONTRACT

31. Right to Accept, Reject, or Render Non-Responsive Any or All Proposals



UNDP reserves the right to accept or reject any Proposal, to render any or all of the Proposals as non-responsive, and to reject all Proposals at any time prior to award of contract, without incurring any liability, or obligation to inform the affected Proposer(s) of the grounds for UNDP's action. Furthermore, UNDP shall not be obliged to award the contract to the lowest price offer.

UNDP shall also verify, and immediately reject their respective Proposal, if the Proposers are found to appear in the UN's Consolidated List of Individuals and Entities with Association to Terrorist Organizations, in the List of Vendors Suspended or Removed from the UN Secretariat Procurement Division Vendor Roster, the UN Ineligibility List, and other such lists that as may be established or recognized by UNDP policy on Vendor Sanctions. (See http://www.undp.org/content/undp/en/home/operations/procurement/procurement_protest/for_details)

32. Award Criteria

Prior to expiration of the period of proposal validity, UNDP shall award the contract to the qualified Proposer with the highest total score based on the evaluation method indicated in the **Data Sheet** (DS nos. 25 and 32).

33. Right to Vary Requirements at the Time of Award

At the time of award of Contract, UNDP reserves the right to vary the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

34. Contract Signature

Within fifteen (15) days from the date of receipt of the Contract, the successful Proposer shall sign and date the Contract and return it to UNDP.

Failure of the successful Proposer to comply with the requirement of RFP Clause 35 and this provision shall constitute sufficient grounds for the annulment of the award, and forfeiture of the Proposal Security if any, and on which event, UNDP may award the Contract to the Proposer with the second highest rated Proposal, or call for new Proposals.

35. Performance Security

A performance security, if required, shall be provided in the amount and form provided in Section 9 and by the deadline indicated in the **Data Sheet** (DS no. 14), as applicable. Where a Performance Security will be required, the submission of the said document, and the confirmation of its acceptance by UNDP, shall be a condition for the effectivity of the Contract that will be signed by and between the successful Proposer and UNDP.

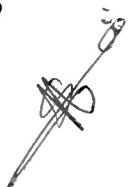
36. Bank Guarantee for Advanced Payment

Except when the interests of UNDP so require, it is the UNDP's preference to make no advanced payment(s) on contracts (i.e., payments without having received any outputs). In the event that

the Proposer requires an advanced payment upon contract signature, and if such request is duly accepted by UNDP, and the said advanced payment exceeds 20% of the total proposal price, or exceed the amount of USD 30,000, UNDP shall require the Proposer to submit a Bank Guarantee in the same amount as the advanced payment. A bank guarantee for advanced payment shall be furnished in the form provided in Section 10.

37. Vendor Protest

UNDP's vendor protest procedure provides an opportunity for appeal to those persons or firms not awarded a purchase order or contract through a competitive procurement process. In the event that a Proposer believes that it was not treated fairly, the following link provides further details regarding UNDP vendor protest procedures:
<http://www.undp.org/procurement/protest.shtml>



Instructions to Proposers

DATA SHEET

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

DS No.	Cross Ref. to Instructions	Data	Specific Instructions / Requirements
1		Project Title:	UN Capital Development Fund (UNCDF)
2		Title of Services/Work:	Hiring firm for Digitizing transactions between micro-retailers and distributors for managing purchases, stocks, payments, and leveraging transactional data to assess credit worthiness.
3		Country / Region of Work Location:	Bangladesh
4	C.13	Language of the Proposal:	<input checked="" type="checkbox"/> English <input type="checkbox"/> French <input type="checkbox"/> Spanish <input type="checkbox"/> Others (pls. specify) _____
5	C.20	Conditions for Submitting Proposals for Parts or sub-parts of the TOR	<input checked="" type="checkbox"/> Not allowed
6	C.20	Conditions for Submitting Alternative Proposals	<input checked="" type="checkbox"/> Shall not be considered
7	C.22	A pre-proposal conference will be held on:	Time: 11:00 am Date: 5/21/2019 Venue: Village Well, 19th floor, IDB Bhaban, Sher-e-Bangla Nagar, Dhaka The UNDP focal point for the arrangement is: UNDP Procurement Address: IDB Bhaban, Sher-e-Bangla Nagar, Dhaka Telephone: : +88 02 55667788 Facsimile: N/A



			<p>E-mail: bd.procurement@undp.org</p> <p>N.B: The prospective bidders should carry Passport/ NID (with photographs) to access the IDB premise and cater for their own transport.</p>
8	C.21	Period of Proposal Validity commencing on the submission date	<input checked="" type="checkbox"/> 120 days
9	B.9.5 C.15.4 b)	Proposal Security	<input checked="" type="checkbox"/> Not Required
10	B.9.5	Acceptable forms of Proposal Security	<input checked="" type="checkbox"/> Not Required
11	B.9.5 C.15.4 a)	Validity of Proposal Security	<input checked="" type="checkbox"/> Not Required
12		Advanced Payment upon signing of contract	<input checked="" type="checkbox"/> Not allowed
13		Liquidated Damages	<input checked="" type="checkbox"/> Will be imposed under the following conditions: Percentage of contract price per day of delay: 0.1% Max. no. of days of delay: 15 Days After which UNDP may terminate the contract.
14	F.37	Performance Security	<input checked="" type="checkbox"/> Not Required
15	C.17, C.17 b)	Preferred Currency of Proposal and Method for Currency conversion	<input checked="" type="checkbox"/> United States Dollars (US\$) <input checked="" type="checkbox"/> Local Currency Reference date for determining UN Operational Exchange Rate: Month of May 2019, UNORE 84.38
16	B.10.1	Deadline for submitting requests for clarifications/ questions	21 May 2019
17	B.10.1	Contact Details for submitting clarifications/questions	<p>Address: UNDP Bangladesh, IDB Bhaban, Dhaka</p> <p>E-mail address dedicated for this purpose: bd.procurement@undp.org</p> <p><u>Attn. Queries– RFP-BD-2019-020</u></p> <p>This email address is officially designated by UNDP. If</p>



			<p>inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.</p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers</p>
18	B.11.1	Manner of Disseminating Supplemental Information to the RFP and responses/clarifications to queries	<input checked="" type="checkbox"/> Uploaded in the system. Once uploaded, Prospective Proposers (i.e. Proposers that have accepted the bid invitation in the system) will be notified via email that changes have occurred. It is the responsibility of the Proposers to view the respective changes and clarifications in the system.
19	D.23.3	No. of copies of Bid that must be submitted	Only one proposal to be submitted in the system.
20	D.23.1 b) D.23.2	Bid submission address	<p>To be submitted in eTendering system:</p> <p>https://etendering.partneragencies.org</p>
21	C.21.1 D.24	Deadline of Bid Submission	<p>Date and Time: 12 June 2019, 4:30 pm (Bangladesh Local time)</p> <p>PLEASE NOTE:-</p> <ol style="list-style-type: none"> 1. Date and time visible on the main screen of event (on e-tendering portal) will be final and prevail over any other closing time indicated elsewhere, in case they are different. It is the responsibility of the bidder to make sure bids are submitted within this deadline. UNDP will not accept any bid that is not submitted directly in the system. 2. Submit your bid a day prior or well before the closing time. Do not wait until last minute. If you face any issue submitting your bid at the last minute, UNDP may not be able to assist.
22	D.23.2	Allowable Manner of Submitting Proposals	<input checked="" type="checkbox"/> Online bidding in e-tendering module.



			<p><input checked="" type="checkbox"/> Online bidding in e-Tendering module through: https://etendering.partneragencies.org using your username and password. If you have not registered in the system yet, you can register now by logging in using: Username: event.guest Password: why2change and follow the registration steps as specified in the attached Instruction to bidders / user guide.</p>
23	D.23.2 D.26	Conditions and Procedures for electronic submission and opening, if allowed	<p><input checked="" type="checkbox"/> Password for the financial proposal must not be provided to UNDP until it is formally requested by UNDP focal points.</p>
25	E.29.2 E.29.3 F.34	Evaluation method to be used in selecting the most responsive Proposal	<p><input checked="" type="checkbox"/> Combined Scoring Method, using the 70%-30% distribution for technical and financial proposals, respectively, where the minimum passing score of technical proposal is 70%</p>
26	C.15.1	Required Documents that must be Submitted to Establish Qualification of Proposers (In "Certified True Copy" form only)	<p><input checked="" type="checkbox"/> Company Profile, which should <u>not</u> exceed fifteen (15) pages, including printed brochures and product catalogues relevant to the goods/services being procured</p> <p><input checked="" type="checkbox"/> Tax Registration/Payment Certificate issued by the Internal Revenue Authority evidencing that the Bidder is updated with its tax payment obligations, or Certificate of Tax exemption, if any such privilege is enjoyed by the Bidder</p> <p><input checked="" type="checkbox"/> Certificate of Registration of the business, including Articles of Incorporation, or equivalent document if Bidder is not a corporation</p> <p><input checked="" type="checkbox"/> Latest Audited Financial Statement (Income Statement and Balance Sheet) including Auditor's Report - The lead bidder, if consortium, or the sole bidder must submit audited financial statement of at least last one year; The lead bidder, if consortium, or the sole bidder must show positive financial performance for the last two years demonstrated in audited financial statement. An independent audited accounts and financial statements of last two years must be provided.</p> <p><input checked="" type="checkbox"/> If consortium, one of the members or the sole bidder should be a legal entity having approval from concerned regulator to perform financial services transactions being proposed in the bid (if applicable)</p>

			<p>For Firm:</p> <ul style="list-style-type: none"> ○ The firm must have At least 1 year of experience in the delivery of similar types of services as proposed in the business model/proposal ○ The bidder must have a well – functioning computerized Management Information System (MIS) and upon request the inspection of the system must be allowed. Features of the MIS must be presented in the technical proposal; ○ The bidder must have a well-functioning computerized Management Information System (MIS) and upon request the access to the system must be allowed for UNCDF. An authorization letter must be submitted mentioning required access to UNCDF will be provided if selected for the assignment; ○ The implementing team (including the lead applicant and consortium partners) must consist of minimum 04 personnel, profile and CVs of the team members must be provided along with the technical proposal; <p>For Key personnel:</p> <ul style="list-style-type: none"> ○ The proposer must have a senior management team comprising of trade marketing experts, data experts and competent business strategists with prior experience in FMCG/ Telecommunications/ Technology development/ Financial Services. ○ The senior management team must have at least 4 designated officials (Project Manager Project Coordinator, District Coordinators) ○ Project lead and proposed team members must have at least bachelor's degree in Business Administration / Economics / International Development / Computer Science/ Information Technology or relevant similar disciplines. ○ The project lead must have minimum 05 years of overall and 03 years of relevant professional experience, ○ The proposed team members must have minimum 03 years of relevant professional experience.
27		Other documents that may be Submitted to Establish Eligibility	N/A



28	C.15	Structure of the Technical Proposal (only if different from the provision of Section 12)	N/A																																																	
29	C.15.2	Latest Expected date for commencement of Contract	July 2019																																																	
30	C.15.2	Expected duration of contract (Target Commencement Date and Completion Date)	December 2019																																																	
31		UNDP will award the contract to:	<input checked="" type="checkbox"/> One Proposer only																																																	
32	E.29.2 F.34	Criteria for the Award of Contract and Evaluation of Proposals	<table border="1"> <thead> <tr> <th colspan="2">Summary of Technical Proposal Evaluation Forms</th><th>Score Weight</th><th>Points Obtainable</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Expertise of Firm / Organization/ Consortium and the Implementing Team</td><td>40%</td><td>400</td></tr> <tr> <td>2.</td><td>Proposed Methodology, Approach and Implementation Plan</td><td>60%</td><td>600</td></tr> <tr> <td colspan="3">Total</td><td>1000</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Technical Proposal Evaluation Form 1</th><th>Points obtainable</th></tr> </thead> <tbody> <tr> <td colspan="4">Expertise of the Firm/Organization/Consortium and the Implementation Team</td></tr> <tr> <td>1.1</td><td colspan="2">Demonstrated track record on supply chain operations (specially in FMCG sector)</td><td>40</td></tr> <tr> <td>1.2</td><td>General Organizational Capability which is likely to affect implementation</td><td></td><td rowspan="3">70</td></tr> <tr> <td></td><td>- Financial capability</td><td>30</td></tr> <tr> <td></td><td>- age of the firm</td><td>10</td></tr> <tr> <td></td><td>- project management controls (clarification of consortium or partnership structure)</td><td>30</td><td></td></tr> <tr> <td>1.3</td><td>Project Lead</td><td>Sub-Score</td><td rowspan="2">100</td></tr> <tr> <td></td><td>General Qualification & Suitability</td><td>100</td></tr> </tbody> </table>	Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable	1.	Expertise of Firm / Organization/ Consortium and the Implementing Team	40%	400	2.	Proposed Methodology, Approach and Implementation Plan	60%	600	Total			1000	Technical Proposal Evaluation Form 1			Points obtainable	Expertise of the Firm/Organization/Consortium and the Implementation Team				1.1	Demonstrated track record on supply chain operations (specially in FMCG sector)		40	1.2	General Organizational Capability which is likely to affect implementation		70		- Financial capability	30		- age of the firm	10		- project management controls (clarification of consortium or partnership structure)	30		1.3	Project Lead	Sub-Score	100		General Qualification & Suitability	100
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			for the Project - Educational Qualification 25 - Overall years of working experience 25 - years of Professional Experience in the area of specialization 25 - Experience of working in Bangladesh 25 100	
		1.4	Proposed Team Sub-Score General Qualification & Suitability for the Project 100 - Educational Qualification 25 - Overall years of working experience 25 - years of Professional Experience in the area of specialization 25 - Prior experience of implementing projects and knowledge on the context of targeted region 25 100	100
		1.5	- Specialized Knowledge/ Prior experience of developing ERP/digital platforms for micro-merchant/ FMCGs/value chain partners/ fintech 35 - Experience on Similar Programme / Projects/business models 25	60
		1.6	Efficiency of project monitoring system	30
				400
		Technical Proposal Evaluation Form 2		Points Obtainable
		Proposed Methodology, Approach and Implementation Plan		



			Methodology Demonstration of understanding of micro- merchant sub – segment (socio – economic context, business needs, view about use of technology, DFS retail and supply chains, and micro-merchant value chain) Clarity in articulating the problem statement and task at hand based on the TOR Appropriate inclusion of mechanisms and strategy to reach and include micro – merchants	Sub-Score 50 75 50 100	175
			Approach Extent to which aspects of the task have been addressed Extent to which micro – merchants' and distributors'/dealers' needs are met through the model Extent to which the solution is user friendly, and easy to use & understood by micro- merchants Transparency of transaction processes proposed Number and nature of ways business model enhancing business practices of micro-merchant and distributors/dealers Potential of enhancing business revenues for micro-merchants and distributors/dealers Extent of added value of the solution/business model to consumers (e.g. saves time, money, encourages cashless transaction) Extent of added value of the solution/business model to product owners/suppliers/other value chain actors/rural – urban sales etc. Additional services provided to micro – merchants and distributors/dealers (e.g. customer care, training, education) Clear description of a business model with appropriate identification of different components needed for its success	Sub-Score 30 40 20 20 40 30 20 40 20 40	300



			<table><tr><td></td><td></td><td>300</td><td></td></tr><tr><td></td><td>Implementation Plan</td><td>Sub-Score</td><td></td></tr><tr><td></td><td>Feasibility of execution of proposed business model (realistic time frame with clearly identified implementation milestones, activities, KPIs; clear specification or roles and responsibilities)</td><td>100</td><td>125</td></tr><tr><td>2.3</td><td>Identification of risks and mitigation mechanisms</td><td>25</td><td></td></tr><tr><td></td><td></td><td>125</td><td></td></tr><tr><td colspan="3"></td><td>600</td></tr></table>			300			Implementation Plan	Sub-Score			Feasibility of execution of proposed business model (realistic time frame with clearly identified implementation milestones, activities, KPIs; clear specification or roles and responsibilities)	100	125	2.3	Identification of risks and mitigation mechanisms	25				125					600
		300																									
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	Feasibility of execution of proposed business model (realistic time frame with clearly identified implementation milestones, activities, KPIs; clear specification or roles and responsibilities)	100	125																								
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		125																									
			600																								
33	E.29.4	Post-Qualification Actions	<p><input checked="" type="checkbox"/> Verification of accuracy, correctness and authenticity of the information provided by the bidder on the legal, technical and financial documents submitted;</p> <p><input checked="" type="checkbox"/> Inquiry and reference checking with other previous clients on the quality of performance on ongoing or previous contracts completed;</p>																								
34		Conditions for Determining Contract Effectivity	<p><input checked="" type="checkbox"/> Others acceptance and signing of the contract</p>																								
35		Other Information Related to the RFP	<p>The Financial Proposal and the Technical Proposal files MUST BE SEPARATE and uploaded SEPARATELY.</p> <p>PLEASE DO NOT PUT THE PRICE OF YOUR PROPOSAL IN THE 'LINE ITEMS' IN THE SYSTEM. INSTEAD PUT 1 AND UPLOAD THE FINANCIAL PROPOSAL AS INSTRUCTED ABOVE.</p>																								



Section 3: Terms of Reference (TOR)

Project Description

UN Capital Development Fund (UNCDF) and Inclusive Finance: UNCDF provides investment capital and technical support to both the public and the private sector. It provides capital financing - in the forms of grants, soft loans and credit enhancement – and the technical expertise to unleash sustainable financing at the local level. UNCDF's work on inclusive finance seeks to develop inclusive financial systems and ensure that a range of financial products is available to all segments of society, at a reasonable cost, and on a sustainable basis. UNCDF supports a wide range of providers (e.g. microfinance institutions, banks, cooperatives, money transfer companies) and a variety of financial products and services (e.g. savings, credit, insurance, payments, and remittances). UNCDF also supports new delivery channels (e.g. mobile phones, digital platforms) that offer tremendous potential for scale. It contributes to Sustainable Development Goals (SDGs) 1 on no poverty, 5 on gender equality and 17 on partnership for development.

Shaping Inclusive Finance Transformations (SHIFT) Programme: UNCDF has been implementing Shaping Inclusive Finance Transformations (SHIFT) programme in Bangladesh for accelerating uptake and usage of digital financial services in the country to expand financial inclusion through digital pathways. Key pillars of the intervention include: • Data and Evidence • Capacity Enhancement • Policy and Advocacy, and • Innovation and Communication. SHIFT has two components: 1. Policy and Regulation Component and 2. Micro-Merchant (MM)¹ Component. The MM Component, funded by the EU within “Poverty Reduction through Inclusive and Sustainable Markets” (PRISM) project, specifically aims to strengthen business linkages for micro-merchants with FMCG (Fast-Moving Consumer Goods) producers and BDS (Business Development Services) providers so that enhanced real economic activities contribute to the lives of the micro-merchants and local population. The next section discusses the micro-merchant (MM) component in further detail.

Merchants' Development Driving Rural Markets (MDDRM): Bangladesh's labour force is growing at 3.1% per annum with estimated 21 million people projected to enter the workforce between 2015 and 2025. Small Medium Enterprises (SMEs) sector is among the largest employers with an estimated 34% of people employed in the services sector. Within the services sector, retail and wholesale growth averaged over 10% in recent years, and in FY 2014/15 contributed to 13.5% of Bangladesh's GDP². Accelerating the shift from the low – skill low - return agricultural sector employment and informal work to more productive employment in the manufacturing and organized services sectors coupled with greater access to financial services is a key government strategy towards achieving goal of becoming a middle-income country by 2021.

Policy makers and the financial services sector have prioritized Digital Financial Service (DFS) as the key mechanism to achieve the country's financial inclusion objectives and are increasingly looking for ways to expand Digital Financial Services (DFS) especially given that 57% of the population does not have any financial account³. As such there is a strong need to find user cases in high volume growth areas in Bangladesh for accelerating DFS adoption. In the light of the above, micro merchants, known as “mudi

¹ Fast-Moving Consumer Goods (FMCG) micro-merchants cover all types of micro-merchants including floating, mobile and with fixed outlets, retailing fast moving consumer goods, including both food and non-food items. Micro-merchant definition, in line with Bangladesh Industrial Policy (2016) section 3.3.10 (pp 4): Asset (outside land and building) must be BDT 1 million and/or have less than 15 staff.

² Consultative Group to Assist the Poorest (2015). Landscape for Digital Finance for Small Business in Bangladesh. World Bank Group.

³ Intermedia (2016). Wave Report FII Tracker Survey. Bangladesh. Available here: <http://finclusion.org/uploads/file/reports/2015%20InterMedia%20FII%20BANGLADESH%20Wave%20Report.pdf>.

dokandar” i.e. small neighborhood stores, can be utilized as a mechanism to expand access to FMCG and DFS products and services into rural areas. There are an estimated 1.3 million⁴ such retail shops present throughout Bangladesh especially situated in poor, rural areas. These “*mudir dokans*” have already started to demonstrate the potential to fuel growth and provide citizens with access to financial services; merchant engage in over 100 million financial transactions per day⁵.

UNCDF has conducted a nationwide survey on retail micro-merchants⁶ mostly in rural areas. The findings of this survey reveal that 60-80% of all products in a store are FMCG and ordering process from the supplier is currently mostly manual (in person) and in cash but almost all retail micro-merchant have a mobile phone (and approximately 30% have a smart phone) and could use them for digitized stock ordering.

A retail landscape in Bangladesh is changing. A sector long perceived as having little scope for expansion, retail has contributed an average of 13 percent each year to the Bangladesh Gross Domestic Product (GDP) since 2012/13. This is comparable to the fast growing ready-made garment (RMG) industry, which grew an average 12.84% annually from 2007 to 2016. The retail sector has the potential to become the next growth area for Bangladesh. Improving operations of small retailers, especially those at the bottom of the FMCG supply chain is critical for achievement of sustainable development goals. In line with the Government’s financial inclusion policies and actions, as well as with the Digital Bangladesh – digitization of retail value chains, especially reaching the small micro-merchants and simultaneously improving business operations and access to credit is of national importance in Bangladesh.

Apart from the credit gaps, retail micro-merchants also face high transaction and opportunity costs to replenish inventory. For example, to replenish stock they often travel far to restock their businesses, they must frequently replenish small amounts of stock. Because digital ordering from FMCG is not possible for these micro-merchants, they must depend on traditional ways to purchase and replenish stock. But such practices increase operational costs significantly for small micro-merchants who often face stock-outs, high opportunity costs, time, and income losses. However, introducing digitization of the entire ordering system: from placing an order to payment would reduce operational costs associated with cash handling, manual processes, and stock-outs equally benefiting both retail micro-merchants and FMCG companies.

The study also revealed that retail micro-merchants keep large amounts of records when it comes to credit sales to their customers, but most of these records are manual and micro-merchants are yet to embrace digitization of all aspects of business operations. These records indicate that retail micro-merchants sit on a large amount of data: data that could be, for example, converted to digital identities/credit histories and enable innovations in developing alternative credit appraisal approaches for retail micro-merchants – especially for those without credit histories. Effectively, such innovation would benefit both the FMCG sector and Financial Services sector whereby financial service providers would be able to extend more credit for purchases of stock inventory enabling retail micro-merchants to access more FMCG goods. Digitization of FMCG supply chains and equipping retail micro-merchants with digital credit through widely available mobile phones would both grow sales of FMCG, improve availability of credit as well as increase the growth of micro-merchant businesses.

⁴ Ibid

⁵ Klincic Andrews, A. & Aligishiev, Z. (2018). Landscape assessment of retail micro-merchants in Bangladesh. United Nations Capital Development Fund. Available here: <insert link>

⁶ 2,100 retail micro-merchants participated in the study. With 75% of them being in rural areas and 25% in urban areas. All micro-merchants participating in the study had to be involved in FMCG sector.



The study also revealed that supplier credit for retail micro-merchants is not available, especially at the lower end of the supply chain (retail micro-merchants) which is consequently restricting business growth as retail micro-merchant cannot access “just in time credit”, but rather depend on long approval processes which impact their ability to, for example, replenish stock in time and quantity they need.

The current use of Digital Technologies has not yet been widely leveraged to expand micro merchant businesses. rural populations are also aspiring for ways to connect, meet their needs to access quality product and services, as well as to use digital channels to enhance incomes through sales of rural products to urban markets. UNCDF’s MDDRM addresses this gap among the rural populations as well as retail micro-merchants in Bangladesh. UNCDF thus recognizes FMCG and DFS/MFS as the key sectors for this action and retail micro-merchants as the key target group.

The objective of the stated MDDRM Component, which is financially supported by the European Union, is to promote greater growth and competitiveness of retail merchants, particularly micro-merchants, in the distributive trade sub-sector in rural Bangladesh. This will be done through improved financial management and effective financial transactions at the micro-merchant end; tighter vertical integration with FMCG value chains, and; stronger horizontal integration with digital business solutions providers including digital/mobile financial service (DFS/MFS) providers providing m-commerce/e-commerce platforms. This is expected to contribute to increased growth in income and employment, reduced vulnerability to shocks and lower poverty levels among targeted micro-merchants. The target districts are: Sherpur, Jamalpur, Tangail and Sirajganj.

RFP Objective: Developing user cases of digital innovations at the micro merchant level: *The purpose of soliciting request for proposal (RFP) is to support the UNCDF’s SHIFT SAARC in Bangladesh in its mandate to promote the uptake of innovative products and sustainable business models utilizing digital technologies and Digital/Mobile Financial Services (DFS/MFS) in Bangladesh. As part of the MDDRM component, one of the key activities is to build several user cases of digital innovations at the micro merchant level.*

The focus of this RFP is to implement a business model enabling digitizing transactions between micro-retailers and distributors for managing purchases, stocks, payments, and leveraging transactional data to assess credit worthiness.

This RFP is for building a user-case for digitization of lower-end of FMCG supply chain: retail micro-merchants and distributors. This will be done by introducing digital stock ordering & payment from a distributor, and the user data generated being used for assessment of credit worthiness in future, which can be used for designing credit products. This user-case is looking to understand: a) how digitization of stock ordering, management and processing improves business and financial management among retail micro-merchants and FMCG distributors; b) how transaction records can be used to create digital footprints, enabling easy access and decision making by financial service providers to on-lend to retail micro-merchants; and c) how digitization of last retail point in supply chain leads to greater effective and efficiencies for businesses and financial services.

This RFP entails using existing digital platforms and customizing them towards digitization of the stock-order to payment system for retail micro-merchants as follows:

- Development/customization and use of digital platform/app with the following features:
 - enables FMCG providers/distributors to upload stock lists, and retail micro-merchants to order directly or through agents of distributors using handheld devices;
 - enables report generation, digital invoicing and audit trails;

- enables data analytics and market insights at various levels – distributor, micro merchant, agents, geography based, product based etc.
- enables data analytics and market insights on micro-merchants – sales, ordering frequency, volumes and amounts, location, customers etc.

It is envisaged, though it may take place beyond this project duration, this digital solution and digital transaction in future will:

- enable ability to integrate debit and credit transactions, thereby enabling instant cashless payment to distributors;
- provide electronic transfer of payments feature;
- creation of digital credit history identity for retail micro-merchants: by developing a credit scoring algorithm utilizing FMCG company historical transaction data thereby removing a need for traditional collateral and instead utilizing sales records of suppliers (e.g. national retailers).

The geographical focus of the implementation must include at least two of the four target districts (Sherpur, Jamalpur; Tangail and Sirajganj).

Some of the benefits that expected by different stakeholder groups are:

Merchants	Financial Sector Providers	End - Consumers	FMCG companies (suppliers/dealer/ etc.)
<ul style="list-style-type: none"> - Able to save time and money by ordering and managing transactions digitally. - Able to better and timely manage stocks and sales using the digital solution. - Using transactional data to build their financial history that can be submitted to financial institutions to access credit in future. - Improvement of business operations by introduction of technology (i.e. reduction of costs) 	<ul style="list-style-type: none"> - New business opportunity and entering new markets - New customers and more customer retention (micro-merchant customers). - Improved ability to assess credit risks by using digitally available transactional history - Reduction in cost of lending to micro-merchants due to use of technology (i.e. lending becomes cheaper) - Introduction of new credit products to retail sector 	<ul style="list-style-type: none"> - Able to access all products at local level - Saves time, and money - Face less frequent stock out issues when shopping from the retailers. 	<ul style="list-style-type: none"> - High turnover due to reduced transaction time - Reduced transaction cost in their dealing with micro-merchants - Expansion of product offerings through retail micro-merchants - Ability to assess the demand and align product offerings accordingly. - Data analytics point to growth opportunities. - Based on transactional history able to sell more products on credit basis.



for example) - Simplified payment to suppliers (reduced transaction cost and improved security) - Improves customer retention and loyalty - Offers new products to customers -			
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While incorporation of innovative elements in design and implementation is strongly encouraged, the business model in its entirety cannot be a proof of concept i.e. the assignment is seeking only business models which have successfully been/is being piloted/prototyped and are ready to be rolled out with minimal adjustment(s). UNCDF will document (in case studies), communicate, share lessons, best practices, and results from implementing the assignment. The business cases will contribute directly to SHIFT SAARC in Bangladesh development results of increasing the deepening and acceleration of DFS/MFS in the country and the case studies will be considered a public good for others to learn from.

The business model/solution offered to the micro merchants should aim to be:

- **Relevant, user friendly and convenient to micro - merchants:** the business model must be useful and relevant to micro – merchants, meet their needs, easily understandable, simple to use, leads to improvement of business practices and business revenue.
- **Transparent:** payment and sales process are fully transparent and be auditable.
- **Secure:** includes ways of minimizing losses to the micro – merchants (i.e. fraud or theft), digital platform has two factor authentications
- **Reliable:** technology proposed is reliable and tested in developing country context
- **Customer service to enhance user experience:** customer service support provided to micro – merchants, quality, and duration of service (i.e. customer training)
- **User friendly to end – consumers:** saving time, money and efforts to make payments, encourages use of digital payment system
- **Consumer protection** principles aligned to by promoting transparency, accountability, fairness, ensuring data privacy and security, resolution of complaint and ease of access for financial consumers, including both MM and end consumers.

Scope of Services, Expected Outputs and Target Completion

UNCDF is seeking applications from qualified organizations/firms (e.g. FMCG companies, distributors, Tech/Fintech companies, financial service providers such as Banks, or other registered entities) to implement aforementioned business model either individually or in consortium targeting merchants and micro-merchants and distributors in a minimum of two target districts, with the focus on this RFP objective.



The focus of this RFP is to implement a business model enabling digitizing transactions between micro retailers and distributors for managing purchases, stocks, payments, and leveraging transactional data to assess credit worthiness.

If it is a consortium then one of the partner organizations in the consortium must have a license to provide the proposed service(s).

The proposer is responsible for delivering the following:

Technology and Business Model Operationalization

- Launching a technological solution/platform through which micro merchants and other value chain partners can place order for merchandise, manage stocks, receive invoices and information digitally, and if possible settle payments with FMCG dealers/distributors as well as clients. The payment settlement can be through another platform also.
- This solution/platform will enable micro-merchants to have digital inventory management system
- Enabling FMCG providers/distributors to upload stock lists, and manage transactions and distribution directly or through agents of distributors using the platform with retail-merchants
- This platform/solution should be capable of generating model data that can be used by financial services providers for alternative credit assessment of retail micro-merchants

Onboarding, Communication and Transaction services

- Develop communication, distribution, and marketing strategies as needed
- Train internal staff, required for acquisition and supporting micro-merchants, to effectively use stock ordering and payment platform and digital systems including,
- Develop field activation plan for promotion among retail micro-merchants and distributors
- Develop linkage with at least one, preferably two local/regional FMCG distributors/dealers
- Design system to track and monitor progress
- Initial roll out in limited areas (e.g. 10 micro-merchants having combination of different income profiles) to fine-tune the functionality of the product/service, financial linkages, links with retail providers etc. thus allowing for adjustments to be made before a wider roll out.
- Collate field data on user performance and satisfaction (feedback)
- Incorporate learning that addresses technical and process issues
- Full roll out of the product/service in at least 2 of the selected districts:
 - At least 100 micro-merchants are on boarded in minimum two target districts
 - Distributors/dealers/wholesalers active in the targeted districts are on boarded in the platform
 - Enabling on-boarded micro-merchants and local distributors maintaining order and inventory management through the digital platform
- 60% of the micro-merchants remain as active users of the platform by the end of the project (minimum one order/transaction facilitated through the digital platform in last 30 days)
- Creating reporting dashboards that provides information on various levels using data analytics
- Providing technical trouble-shooting and training to parties involved in the platform: retail micro-merchants, distributors, FMCG companies and financial service provider.
- Scoping strategy for scaling up the platform with wider micro-merchants across regions, integration with new FMCG companies, distributors, digital financial service providers, Fintechs and banks



Monitoring and Evaluation

- Collate data and information on user experience
- Share information/user data with UNCDF for further data analytics on transactions and customer behavior, and on learning and experience generated from implementing the assignment for further case study development
- Support UNCDF in developing knowledge product (e.g. case studies) for public consumption

Some of the key deliverables include the following:

Technology and Business Model Operationalization

- Stock ordering, inventory management and information sharing digital platform fully operational
- Provision of facilitating digital payments, generation of data for credit worthiness assessment integrated in design the platform.
- Data analytics based dashboards for periodic assessments
- Promotional material content for retail micro-merchants (in Bangla and/or English as required)
- Any training reports undertaken with platform stakeholders
- Field activation plan for promotion and micro-merchant acquisition and support
- On boarded at least 1 FMCG company/Distributor for successful implementation of the project

Onboarding, Communication and Transaction services

- Report on initial roll-out and key learnings
- Quarterly progress report including merchant acquisition rate geographically and sex disaggregated

Monitoring and Evaluation

- Anonymized merchant and transactions, MIS data, and KPI reports
- Quarterly progress report
- Field validation/monitoring reports
- Project Closure reports

Institutional Arrangement

The contracted firm will report to the UNCDF SHIFT in Bangladesh Country Project Coordinator. UNCDF will carry out a performance evaluation at the end of the assignment. Further, the work of the firm will be coordinated in close cooperation with UNCDF SHIFT in Bangladesh consortium partners i.e. Dnet, Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) and Bangladesh Dokan Malik Samity (BDMS).

The work will be guided and reviewed by UNCDF's SHIFT SAARC Programme Manager.

Duration of the Work

The duration of the assignment will be maximum 6 months, beginning in July 2019.

Location of Work

Project should be undertaken in minimum but not limited to 2 target districts out of 4 (from Sherpur,



Jamalpur, Tangail and Sirajganj)

Qualifications of the Successful Service Provider at Various Levels

As per RFP Document

Scope of Proposal Price and Schedule of Payments

- a) The contract price is a fixed price regardless of extension of the specific duration if required by the bidder and accepted by UNCDF.
- b) Cost components shall include purely professional fee, local and international travel, living allowances, technical platform development costs and other expenses, etc.
- c) Payments and corresponding percentage of the contract price will be paid against milestone/output achieved (e.g. inception report including implementation plan, piloting, on boarding of micro-merchants during each instalment period, submission of final report etc.), including all the conditions/documentations required prior to the release of any tranches of payment. The milestone/ output for each instalment in consistency with the work plan should be submitted along with the technical proposal. The bidder may also submit schedule of tranches, proposed amount/ percentages outlining the instalments designed for successful roll out in the **financial proposal** as per the following table outlining indicative schedule of tranches and associated deliverables:

Serial No.	Milestone	Indicative timeline of tranche disbursement	% of total payment
1.	Submission of inception report and detail work plan including the monitoring and evaluation plan, accepted by the contract administrator	Within 2 weeks of contract signing	20%
2.	Submission of report on initial roll out in limited areas to test the functionality of the product/service (with minimum 10 micro-merchants), adjustments made before full roll out and final adjustment of the technical platform, accepted by the contract administrator	Within 10 weeks of contract signing	25%
3.	Submission of report on: <ul style="list-style-type: none">▪ Field activation plan for promotion, micro-merchant acquisition and support▪ MIS system deployed with Key Performance Indicators (KPI)▪ Customer service system developed and report accepted by the contract administrator	Within 16 weeks of contract signing	25%
4.	Submission of completion report and supportive evidences based on full roll out of the product/service in at least 2 of the selected districts ensuring:	Within 24 weeks of contract signing	30%

	<ul style="list-style-type: none"> ○ At least 100 micro-merchants are on boarded in minimum two target districts ○ Distributors/dealers/wholesalers active in the targeted districts are on boarded in the platform ○ 60% of the micro-merchants remain as active users of the platform by the end of the programme) <ul style="list-style-type: none"> ▪ Data analytics-based dashboards and micro-merchant based transactional history dashboards developed and used. ▪ and report accepted by the contract administrator 		
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Based on the proposed outline, UNCDF will determine the milestones and tranches of payment in consultation and agreement with the selected bidder in pre-award meeting before issuing the final contract.

Recommended Presentation of Proposal

Interested firms must submit the following: a detailed proposal made up of documentation to demonstrate the qualifications of the prospective firm, to enable appraisal of competing bids. This should include technical and financial proposals, details of which are listed below.

1. Technical Proposal

- (i) Name of Firm and details of registration, address and bank account; business registration certificate and corporate documents (Articles of Association or other founding authority); description of present activities and most recent annual report (including audited financial statements);
- (ii) Description of experience in projects of a comparable nature, with specific description of technical specialization of the Firm in the required area and also in the focused geographic locations;
- (iii) List of current and past assignments of the Firm;
- (iv) Methods and approaches to be adopted in delivering this assignment, including implementation timelines, step by step milestone/ output consistent with the implementation plan and identification of risks and mitigation mechanisms;
- (v) CVs of the proposed team leader and experts to be included within the team. Please note that proposing firms will be expected to deploy the team members and consultants/ experts listed in the proposal; substitutions will only be accepted with the prior consent of UNCDF.

2. Financial Proposal (including fees, travel cost, DSA, and other relevant expenses)

- (i) The financial proposal shall specify a total delivery amount in BDT (including consultancy fees and all associated costs) i.e. professional fee, local and international travel, living allowances, other expenses, etc.
- (ii) In order to assist UNCDF in the comparison of financial proposals, the financial proposal will include a breakdown of this amount, disclosing the key assumption employed in costing the working. This must at least specify: the daily rates and number of anticipated working days (for each professional team member), any travel costs, technical platform development and management costs etc. Payments will be based upon output, i.e. upon delivery of the services specified in the ToR.

Criteria for Selecting the Best Offer

A cumulative analysis weighted-scoring method will be applied to evaluate the firm. The award of the contract will be made to the tenderer whose offer has been evaluated and determined as:

- a) Responsive/ compliant/ acceptable with reference to this ToR, and;
- b) Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation, with the ratio set at 70:30 respectively (this is to reflect the high-level skills mix required).

Only firms obtaining a minimum of 70% of maximum achievable score (49 points) in the technical analysis would be considered for financial appraisal, and ultimately therefore, for contracting stage.

As per RFP Documents



Section 4: Proposal Submission Form

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

Dear Sir/Madam:

We, the undersigned, hereby offer to provide professional services for [insert: title of services] in accordance with your Request for Proposal dated [insert: Date] and our Proposal. We are hereby submitting our Proposal, which includes the Technical Proposal and Financial Proposal in separate files. Financial Proposal is password protected as required by UNDP.

We hereby declare that:

- a) All the information and statements made in this Proposal are true and we accept that any misrepresentation contained in it may lead to our disqualification;
- b) We are currently not on the removed or suspended vendor list of the UN or other such lists of other UN agencies, nor are we associated with, any company or individual appearing on the 1267/1989 list of the UN Security Council;
- c) We have no outstanding bankruptcy or pending litigation or any legal action that could impair our operation as a going concern; and
- d) We do not employ, nor anticipate employing, any person who is or was recently employed by the UN or UNDP.

We confirm that we have read, understood and hereby accept the Terms of Reference describing the duties and responsibilities required of us in this RFP, and the General Terms and Conditions of UNDP's Contract for Professional Services.

We agree to abide by this Proposal for [insert: period of validity as indicated in Data Sheet].

We undertake, if our Proposal is accepted, to initiate the services not later than the date indicated in the Data Sheet.

We fully understand and recognize that UNDP is not bound to accept this proposal, that we 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 evaluation.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Contact Details : _____

[please mark this letter with your corporate seal, if available]

Section 5: Documents Establishing the Eligibility and Qualifications of the Proposer

Proposer Information Form⁷

Date: [insert date (as day, month and year) of Proposal Submission]
RFP No.: [insert number]

Page _____ of _____ pages

1. Proposer's Legal Name [insert Proposer's legal name]		
2. In case of Joint Venture (JV), legal name of each party: [insert legal name of each party in JV]		
3. Actual or intended Country/ies of Registration/Operation: [insert actual or intended Country of Registration]		
4. Year of Registration: [insert Proposer's year of registration]		
5. Countries of Operation	6. No. of staff in each Country	7. Years of Operation in each Country
8. Legal Address/es in Country/ies of Registration/Operation: [insert Proposer's legal address in country of registration]		
9. Value and Description of Top three (3) Biggest Contract for the past five (5) years		
10. Latest Credit Rating (if any)		
11. Brief description of litigation history (disputes, arbitration, claims, etc.), indicating current status and outcomes, if already resolved.		
12. Proposer's Authorized Representative Information Name: [insert Authorized Representative's name] Address: [insert Authorized Representative's name] Telephone/Fax numbers: [insert Authorized Representative's name] Email Address: [insert Authorized Representative's name]		
13. Are you in the UNPD List 1267.1989 or UN Ineligibility List ? <input type="checkbox"/> YES or <input type="checkbox"/> NO		
14. Attached are copies of original documents of: <input type="checkbox"/> All eligibility document requirements listed in the Data Sheet <input type="checkbox"/> If Joint Venture/Consortium – copy of the Memorandum of Understanding/Agreement or Letter of Intent to form a JV/Consortium, or Registration of JV/Consortium, if registered <input type="checkbox"/> If case of Government corporation or Government-owned/controlled entity, documents establishing legal and financial autonomy and compliance with commercial law.		

⁷ The Proposer shall fill in this Form in accordance with the instructions. Apart from providing additional information, no alterations to its format shall be permitted and no substitutions shall be accepted.



Joint Venture Partner Information Form (if Registered)

Date: [insert date (as day, month and year) of Proposal Submission]

RFP No.: [insert number]

Page _____ of _____ pages

1. Proposer's Legal Name: [insert Proposer's legal name]		
2. JV's Party legal name: [insert JV's Party legal name]		
3. JV's Party Country of Registration: [insert JV's Party country of registration]		
4. Year of Registration: [insert Party's year of registration]		
5. Countries of Operation	6. No. of staff in each Country	7. Years of Operation in each Country
8. Legal Address/es in Country/ies of Registration/Operation: [insert Party's legal address in country of registration]		
9. Value and Description of Top three (3) Biggest Contract for the past five (5) years		
10. Latest Credit Rating (if any)		
1. Brief description of litigation history (disputes, arbitration, claims, etc.), indicating current status and outcomes, if already resolved.		
13. JV's Party Authorized Representative Information Name: [insert name of JV's Party authorized representative] Address: [insert address of JV's Party authorized representative] Telephone/Fax numbers: [insert telephone/fax numbers of JV's Party authorized representative] Email Address: [insert email address of JV's Party authorized representative]		
14. Attached are copies of original documents of: [check the box(es) of the attached original documents] <input type="checkbox"/> All eligibility document requirements listed in the Data Sheet <input type="checkbox"/> Articles of Incorporation or Registration of firm named in 2. <input type="checkbox"/> In case of government owned entity, documents establishing legal and financial autonomy and compliance with commercial law.		



Section 6: Technical Proposal Form

TECHNICAL PROPOSAL FORMAT
INSERT TITLE OF THE SERVICES

Note: Technical Proposals not submitted in this format may be rejected. The financial proposal should be included in separate envelope.

Name of Proposing Organization / Firm:	
Country of Registration:	
Name of Contact Person for this Proposal:	
Address:	
Phone / Fax:	
Email:	

SECTION 1: EXPERTISE OF FIRM/ ORGANISATION

This section should fully explain the Proposer's resources in terms of personnel and facilities necessary for the performance of this requirement. All contents of this section may be modified or expanded depending on the evaluation criteria stated in the RFP.

1.1 Brief Description of Proposer as an Entity: Provide a brief description of the organization / firm submitting the proposal, its legal mandates/authorized business activities, the year and country of incorporation, types of activities undertaken, and approximate annual budget, etc. Include reference to reputation, or any history of litigation and arbitration in which the organisation / firm has been involved that could adversely affect or impact the performance of services, indicating the status/result of such litigation/arbitration.

1.2. Financial Capacity: Provide the latest Audited Financial Statement (Income Statement and Balance Sheet) duly certified by a Public Accountant, and with authentication of receiving by the Government's Internal Revenue Authority. Include any indication of credit rating, industry rating, etc.

1.3. Track Record and Experiences: Provide the following information regarding corporate experience within the last five (5) years which are related or relevant to those required for this Contract.

Name of project	Client	Contract Value	Period of activity	Types of activities undertaken	Status or Date Completed	References Contact Details (Name, Phone, Email)

SECTION 2 - APPROACH AND IMPLEMENTATION PLAN

This section should demonstrate the Proposer's responsiveness to the TOR by identifying the specific components proposed, addressing the requirements, as specified, point by point; providing a detailed description of the essential performance characteristics proposed; and demonstrating how the proposed methodology meets or exceeds the requirements.

2.1. Approach to the Service/Work Required: Please provide a detailed description of the methodology for how the organisation/firm will achieve the Terms of Reference of the project, keeping in mind the appropriateness to local conditions and project environment.

2.2. Technical Quality Assurance Review Mechanisms: The methodology shall also include details of the Proposer's internal technical and quality assurance review mechanisms.

2.3 Implementation Timelines: The Proposer shall submit a Gantt Chart or Project Schedule indicating the detailed sequence of activities that will be undertaken and their corresponding timing.

2.4. Subcontracting: Explain whether any work would be subcontracted, to whom, how much percentage of the work, the rationale for such, and the roles of the proposed sub-contractors. Special attention should be given to providing a clear picture of the role of each entity and how everyone will function as a team.

2.5. Risks / Mitigation Measures: Please describe the potential risks for the implementation of this project that may impact achievement and timely completion of expected results as well as their quality. Describe measures that will be put in place to mitigate these risks.

2.6. Reporting and Monitoring: Please provide a brief description of the mechanisms proposed for this project for reporting to the UNDP and partners, including a reporting schedule.

2.7. Anti-Corruption Strategy: Define the anti-corruption strategy that will be applied in this project to prevent the misuse of funds. Describe the financial controls that will be put in place.

2.8. Partnerships: Explain any partnerships with local, international or other organizations that are planned for the implementation of the project. Special attention should be given to providing a clear picture of the role of each entity and how everyone will function as a team. Letters of commitment from partners and an indication of whether some or all have successfully worked together on other previous projects is encouraged.

2.9 Statement of Full Disclosure: This is intended to disclose any potential conflict in accordance with the definition of "conflict" under Section 4 of this document, if any.

2.10 Other: Any other comments or information regarding the project approach and methodology that will be adopted.



SECTION 3: PERSONNEL

3.1 Management Structure: Describe the overall management approach toward planning and implementing this activity. Include an organization chart for the management of the project describing the relationship of key positions and designations.

3.2 Staff Time Allocation: Provide a spreadsheet will be included to show the activities of each staff member and the time allocated for his/her involvement. (Note :This spreadsheet is crucial and no substitution of personnel will be tolerated once the contract has been awarded except in extreme circumstances and with the written approval of the UNDP. If substitution is unavoidable it will be with a person who, in the opinion of the UNDP project manager, is at least as experienced as the person being replaced, and subject to the approval of UNDP. No increase in costs will be considered as a result of any substitution.)

3.3 Qualifications of Key Personnel. Provide the CVs for key personnel (Team Leader, Managerial and general staff) that will be provided to support the implementation of this project. CVs should demonstrate qualifications in areas relevant to the Scope of Services. Please use the format below:

Name:		
Position for this Contract:		
Nationality:		
Contact information:		
Countries of Work Experience:		
Language Skills:		
Educational and other Qualifications:		
Summary of Experience: Highlight experience in the region and on similar projects.		
Relevant Experience (From most recent):		
Period: From – To	Name of activity/ Project/ funding organisation, if applicable:	Job Title and Activities undertaken/Description of actual role performed:
e.g. June 2004-January 2005		
Etc.		
Etc.		
References no.1 (minimum of 3):	Name Designation Organization Contact Information – Address; Phone; Email; etc.	
Reference no.2	Name Designation Organization Contact Information – Address; Phone; Email; etc.	
Reference no.3	Name Designation Organization Contact Information – Address; Phone; Email; etc.	
Declaration:		
I confirm my intention to serve in the stated position and present availability to serve for the term of the proposed contract. I also understand that any wilful misstatement described above may lead to my disqualification, before or during my engagement.		
_____ Signature of the Nominated Team Leader/Member		_____ Date Signed



Section 7: Financial Proposal Form

The Proposer is required to prepare the Financial Proposal in a password protected PDF file separate from the rest of the RFP as indicated in the Instruction to Proposers.

The Financial Proposal must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category.

Any estimates for cost-reimbursable items, such as travel and out-of-pocket expenses, should be listed separately.

In case of an equipment component to the service provider, the Price Schedule should include figures for both purchase and lease/rent options. UNDP reserves the option to either lease/rent or purchase outright the equipment through the Contractor.

The format shown on the following pages is suggested for use as a guide in preparing the Financial Proposal. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples.

A. Cost Breakdown per Deliverables*

SN	Deliverables [list them as referred to in the TOR]	Percentage of Total Price (Weight for payment)	Price (Lump Sum, All Inclusive)
1	Deliverable 1	[UNDP to give percentage (weight) of each deliverable over the total price for the payment purposes, as per TOR]	
2	Deliverable 2		
3		
	Total	100%	USD

*Basis for payment tranches

B. Cost Breakdown by Cost Component:

The Proposers are requested to provide the cost breakdown for the above given prices for each deliverable based on the following format. UNDP shall use the cost breakdown for the price reasonability assessment purposes as well as the calculation of price in the event that both parties have agreed to add new deliverables to the scope of Services.

Description of Activity	Remuneration per Unit of Time (e.g., day, month, etc.)	Total Period of Engagement	No. of Personnel	Total Rate for the Period



I. Personnel Services				
1. Services from Home Office				
a. Expertise 1				
b. Expertise 2				
2. Services from Field Offices				
a. Expertise 1				
b. Expertise 2				
3. Services from Overseas				
a. Expertise 1				
b. Expertise 2				
II. Out of Pocket Expenses				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
III. Other Related Costs				



Section 11: Contract for Professional Services

[REDACTED]

[PLEASE ATTACH HERETO THE .PDF VERSION OF THE CONTRACT FOR
PROFESSIONAL SERVICES AND THE GENERAL TERMS AND
CONDITIONS]

Date _____

Dear Sir/Madam,

Ref.: _____/_____/_____ [INSERT PROJECT NUMBER AND TITLE OR OTHER REFERENCE]

The United Nations Development Programme (hereinafter referred to as "UNDP"), wishes to engage your [company/organization/institution], duly incorporated under the Laws of _____ [INSERT NAME OF THE COUNTRY] (hereinafter referred to as the "Contractor") in order to perform services in respect of _____ [INSERT SUMMARY DESCRIPTION OF THE SERVICES] (hereinafter referred to as the "Services"), in accordance with the following Contract:

1. Contract Documents

- 1.1 This Contract is subject to the UNDP General Conditions for Professional Services attached hereto as Annex I. The provisions of such Annex shall control the interpretation of this Contract and in no way shall be deemed to have been derogated by the contents of this letter and any other Annexes, unless otherwise expressly stated under section 4 of this letter, entitled "Special Conditions".
- 1.2 The Contractor and UNDP also agree to be bound by the provisions contained in the following documents, which shall take precedence over one another in case of conflict in the following order:
- a) this Letter;
 - b) the Terms of Reference [ref.dated.....], attached hereto as Annex II;
 - c) the Contractor's Proposal [ref....., dated]
 - d) The UNDP Request for Proposal [ref....., dated.....]
- 1.3 All the above shall form the Contract between the Contractor and UNDP, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

2. Obligations of the Contractor

- 2.1 The Contractor shall perform and complete the Services described in Annex II with due diligence and efficiency and in accordance with the Contract.
- 2.2 The Contractor shall provide the services of the following key personnel:

<u>Name</u>	<u>Specialization</u>	<u>Nationality</u>	<u>Period of service</u>
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....
....

- 2.3 Any changes in the above key personnel shall require prior written approval of _____ [NAME and TITLE], UNDP.
- 2.4 The Contractor shall also provide all technical and administrative support needed in order to ensure the timely and satisfactory performance of the Services.

- 2.5 The Contractor shall submit to UNDP the deliverables specified hereunder according to the following schedule:

[LIST DELIVERABLES]

[INDICATE DELIVERY DATES]

e.g.

Progress report	../..../....
.....	../..../....
Final report	../..../....

- 2.6 All reports shall be written in the English language, and shall describe in detail the services rendered under the Contract during the period of time covered in such report. All reports shall be transmitted by the Contractor by _____ [MAIL, COURIER AND/OR FAX] to the address specified in 9.1 below.
- 2.7 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the deliverables and reports foreseen under this Contract in accordance with the highest industry and professional standards.

OPTION 1 (FIXED PRICE)

3. Price and Payment

- 3.1 In full consideration for the complete and satisfactory performance of the Services under this Contract, UNDP shall pay the Contractor a fixed contract price of _____ [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS].
- 3.2 The price of this Contract is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Contractor in the performance of the Contract.
- 3.3 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Services.
- 3.4 UNDP shall effect payments to the Contractor after acceptance by UNDP of the invoices submitted by the Contractor to the address specified in 9.1 below, upon achievement of the corresponding milestones and for the following amounts:

<u>MILESTONE</u>	<u>AMOUNT</u>	<u>TARGET DATE</u>
Upon...../..../....
...../..../....

Invoices shall indicate the milestones achieved and corresponding amount payable.

OPTION 2 (COST REIMBURSEMENT)

3. Price and payment

- 3.1 In full consideration for the complete and satisfactory performance of the Services under this Contract, UNDP

shall pay the Contractor a price not to exceed _____ [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS].

- 3.2 The amount contained in 3.1 above is the maximum total amount of reimbursable costs under this Contract. The Breakdown of Costs in Annex _____ [INSERT ANNEX NUMBER] contains the maximum amounts per cost category that are reimbursable under this Contract. The Contractor shall reflect in his invoices the amount of the actual reimbursable costs incurred in the performance of the Services.
- 3.3 The Contractor shall not do any work, provide any equipment, materials and supplies, or perform any other services which may result in any costs in excess of the amount under 3.1 or of any of the amounts specified in the Breakdown of Costs for each cost category without the prior written agreement of _____ [NAME and TITLE], UNDP.
- 3.4 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Services.
- 3.5 The Contractor shall submit invoices for the work done every _____ [INSERT PERIOD OF TIME OR MILESTONES].

OR

- 3.5. The Contractor shall submit an invoice for _____ [INSERT AMOUNT AND CURRENCY OF THE ADVANCE PAYMENT IN FIGURES & WORDS] upon signature of this Contract by both parties and invoices for the work done every _____ [INSERT PERIOD OF TIME OR MILESTONES].
- 3.6 Progress and final payments shall be effected by UNDP to the Contractor after acceptance of the invoices submitted by the Contractor to the address specified in 9.1 below, together with whatever supporting documentation of the actual costs incurred is required in the Breakdown of Costs or may be required by UNDP. Such payments shall be subject to any specific conditions for reimbursement contained in the Breakdown of Costs.
4. Special conditions
- 4.1 The responsibility for the safety and security of the Contractor and its personnel and property, and of UNDP's property in the Contractor's custody, rests with the Contractor.
- 4.2 The advance payment to be made upon signature of the contract by both parties is contingent upon receipt and acceptance by UNDP of a bank guarantee for the full amount of the advance payment issued by a Bank and in a form acceptable to UNDP.
- 4.3 The amounts of the payments referred to under section 3.6 above shall be subject to a deduction of _____ [INSERT PERCENTAGE THAT THE ADVANCE REPRESENTS OVER THE TOTAL PRICE OF THE CONTRACT] % (... percent) of the amount accepted for payment until the cumulative amount of the deductions so effected shall equal the amount of the advance payment.
- 4.4 Owing to [...], Article(s) [...] of the General Conditions in Annex I shall be amended to read/be deleted.

5. Submission of invoices

- 5.1 An original invoice shall be submitted by mail by the Contractor for each payment under the Contract to the following address:

.....



5.2 Invoices submitted by fax shall not be accepted by UNDP.

6. Time and manner of payment

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

6.2 All payments shall be made by UNDP to the following Bank account of the Contractor:

_____ [NAME OF THE BANK]

_____ [ACCOUNT NUMBER]

_____ [ADDRESS OF THE BANK]

7. Entry into force. Time limits.

7.1 The Contract shall enter into force upon its signature by both parties.

7.2 The Contractor shall commence the performance of the Services not later than _____ [INSERT DATE] and shall complete the Services within _____ [INSERT NUMBER OF DAYS OR MONTHS] of such commencement.

7.3 All time limits contained in this Contract shall be deemed to be of the essence in respect of the performance of the Services.

8. Modifications

8.1 Any modification to this Contract shall require an amendment in writing between both parties duly signed by the authorized representative of the Contractor and _____ [NAME AND TITLE] UNDP.

9. Notifications

For the purpose of notifications under the Contract, the addresses of UNDP and the Contractor are as follows:

For the UNDP:

Name
Designation
Address
Tel. No.
Fax. No.
Email address:

For the Contractor:

Name
Designation
Address
Tel. No.

Fax. No.
Email address:

If the above terms and conditions meet with your agreement as they are typed in this letter and in the Contract Documents, please initial every page of this letter and its attachments and return to this office one original of this Contract, duly signed and dated.

Yours sincerely,

[INSERT NAME AND DESIGNATION]

For [INSERT NAME OF THE COMPANY/ORGANIZATION]

Agreed and Accepted:

Signature _____
Name: _____
Title: _____
Date: _____

A handwritten signature or mark, possibly a stylized 'S' or 'D', located in the bottom right corner of the page.



UNDP GENERAL CONDITIONS OF CONTRACT FOR SERVICES

1.0 LEGAL STATUS:

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

2.0 SOURCE OF INSTRUCTIONS:

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

3.0 CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES:

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

4.0 ASSIGNMENT:

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

5.0 SUB-CONTRACTING:

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

6.0 OFFICIALS NOT TO BENEFIT:

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

7.0 INDEMNIFICATION:

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

8.0 INSURANCE AND LIABILITIES TO THIRD PARTIES:

8.1 The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.

8.2 The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or the equivalent, with respect to its employees to cover claims for personal injury or death in connection with this



Contract.

8.3 The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.

8.4 Except for the workmen's compensation insurance, the insurance policies under this Article shall:

8.4.1 Name UNDP as additional insured;

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

8.4.3 Provide that the UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.

8.5 The Contractor shall, upon request, provide the UNDP with satisfactory evidence of the insurance required under this Article.

9.0 ENCUMBRANCES/LIENS:

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

10.0 TITLE TO EQUIPMENT: Title to any equipment and supplies that may be furnished by UNDP shall rest with UNDP and any such equipment shall be returned to UNDP at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

11.1 Except as is otherwise expressly provided in writing in the Contract, the UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the UNDP under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract, and the Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the UNDP.

11.2 To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Contract, the UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to the UNDP a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.

11.3 At the request of the UNDP; the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the UNDP in compliance with the requirements of the applicable law and of the Contract.

11.4 Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of the UNDP, shall be made available for use or inspection by the UNDP at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNDP authorized officials on completion of work under the Contract.

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

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



abbreviation of the name of UNDP or United Nations in connection with its business or otherwise.

13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:

Information and data that is considered proprietary by either Party, and that is delivered or disclosed by one Party ("Discloser") to the other Party ("Recipient") during the course of performance of the Contract, and that is designated as confidential ("Information"), shall be held in confidence by that Party and shall be handled as follows:

13.1 The recipient ("Recipient") of such information shall:

13.1.1 use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser's Information as it uses with its own similar information that it does not wish to disclose, publish or disseminate; and,

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

13.2 Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 13, the Recipient may disclose Information to:

13.2.1 any other party with the Discloser's prior written consent; and,

13.2.2 the Recipient's employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls, controls it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:

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

13.2.2.2 any entity over which the Party exercises effective managerial control; or,

13.2.2.3 for the UNDP, an affiliated Fund such as UNCDF, UNIFEM and UNV.

13.3 The Contractor may disclose Information to the extent required by law, provided that, subject to and without any waiver of the privileges and immunities of the United Nations, the Contractor will give the UNDP sufficient prior notice of a request for the disclosure of Information in order to allow the UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

13.4 The UNDP may disclose Information to the extent as required pursuant to the Charter of the UN, resolutions or regulations of the General Assembly, or rules promulgated by the Secretary-General.

13.5 The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.

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

14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

14.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to the UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify the UNDP of any other changes in conditions or the occurrence of any event that interferes or threatens to interfere with its performance of this Contract. On receipt of the notice required under this Article, the UNDP shall take such action as, in its sole discretion; it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.

14.2 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, the UNDP shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

14.3 Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution,



insurrection, or other acts of a similar nature or force.

14.4 The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in or for any areas in which the UNDP is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas or to any incidents of civil unrest occurring in such areas shall not, in and of itself, constitute force majeure under the Contract..

15.0 TERMINATION

15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty (30) days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16.2 ("Arbitration"), below, shall not be deemed a termination of this Contract.

15.2 UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.

15.3 In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract.

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

16.0 SETTLEMENT OF DISPUTES

16.1 Amicable Settlement: The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.

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

17.0 PRIVILEGES AND IMMUNITIES:

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

18.0 TAX EXEMPTION

18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter-alia that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with the UNDP to determine a mutually acceptable procedure.

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

19.0 CHILD LABOUR

19.1 The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

19.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

20.0 MINES:

20.1 The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

20.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

21.0 OBSERVANCE OF THE LAW:

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

22.0 SEXUAL EXPLOITATION:

22.1 The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by it or by any of its employees or any other persons who may be engaged by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall refrain from, and shall take all appropriate measures to prohibit its employees or other persons engaged by it from, exchanging any money, goods, services, offers of employment or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The Contractor acknowledges and agrees that the provisions hereof constitute an essential term of the Contract and that any breach of this representation and warranty shall entitle UNDP to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.

22.2 The UNDP shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.

23.0 SECURITY:

3.1 The Contractor shall:

- (a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the services are being provided;
- (b) Assume all risks and liabilities related to the Contractor's security, and the full implementation of the security plan.

23.2 UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this contract. Notwithstanding the foregoing, the Contractor shall remain solely responsible for the security of its personnel and for UNDP's property in its custody as set forth in paragraph 4.1 above.



24.0 AUDITS AND INVESTIGATIONS:

24.1 Each invoice paid by UNDP shall be subject to a post-payment audit by auditors, whether internal or external, of UNDP or the authorized agents of the UNDP at any time during the term of the Contract and for a period of three (3) years following the expiration or prior termination of the Contract. The UNDP shall be entitled to a refund from the Contractor for any amounts shown by such audits to have been paid by the UNDP other than in accordance with the terms and conditions of the Contract. Should the audit determine that any funds paid by UNDP have not been used as per contract clauses, the company shall reimburse such funds forthwith. Where the company fails to reimburse such funds, UNDP reserves the right to seek recovery and/or to take any other action as it deems necessary.

24.2 The Contractor acknowledges and agrees that, at anytime, UNDP may conduct investigations relating to any aspect of the Contract, the obligations performed under the Contract, and the operations of the Contractor generally. The right of UNDP to conduct an investigation and the Contractor's obligation to comply with such an investigation shall not lapse upon expiration or prior termination of the Contract. The Contractor shall provide its full and timely cooperation with any such inspections, post-payment audits or investigations. Such cooperation shall include, but shall not be limited to, the Contractor's obligation to make available its personnel and any documentation for such purposes and to grant to UNDP access to the Contractor's premises. The Contractor shall require its agents, including, but not limited to, the Contractor's attorneys, accountants or other advisers, to reasonably cooperate with any inspections, post-payment audits or investigations carried out by UNDP hereunder.

25.0 ANTI-TERRORISM:

25.1 The Contractor agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received under this Contract are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Contract.

26.0 AUTHORITY TO MODIFY:

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

