

REQUEST FOR PROPOSAL (FOR LESS THAN USD 150,000.00)
INSTRUCTIONS TO USERS OF THIS DOCUMENT

1. This document is UNCDF's standard for Request for Proposal (RFP) to be used when UNCDF solicits Proposals for the procurement of a broad range of **relatively low-valued services**, i.e., when the expected **contract value will NOT exceed USD 150,000.00.**
2. In lieu of writing a full Terms of Reference (TOR), the Requisitioner may simply fill out the appropriate sections of Annex 1 (***Description of Requirements***). If the information requested by a specific row in the data table in Annex 1 is not relevant to the required services, or are already clearly stated in a comprehensive TOR provided by the Requisitioner, then the said row may be deleted.
3. Only UNCDF staff who are familiar with UNCDF's procurement principles, policies and procedures, specifically Procurement Officers, must finalize this RFP, after the Requisitioner has defined their requirements. In the unlikely event that a non-procurement staff will be tasked to finalize this RFP, he/she must be guided by a Procurement Officer knowledgeable on the UNCDF procurement principles, policies and procedures.
4. UNCDF staff preparing this RFP must fill up the spaces and table cells provided with the necessary and correct information, indicating "N/A" if not applicable to the RFP. Where there are choices listed, the appropriate choice must be checked/ticked, and the non-applicable options deleted from the list. Additional information may be provided as and when the circumstances and the nature of the services and arrangements require.
5. It is important that the General Terms and Conditions indicated at all times in any and all RFPs of this nature to be released by UNCDF.
6. Other instructions pertaining to specific pages and sections of the RFP have been indicated as footnotes on that same page. UNCDF staff who will be tasked to finalize this RFP are requested to pay close attention to them and be guided accordingly.
7. For any questions regarding the use of this RFP, Procurement Officers may send an email to uncdf.procurement@uncdf.org

<p>This first page of the document is intended for UNCDF staff only. UNCDF staff preparing the final RFP must ensure that this page is <u>not</u> included in the RFP that will be transmitted to Prospective Service Providers</p>
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**REQUEST FOR PROPOSAL (RFP)
(For Low-Valued Services)**

TO INTERESTED VENDORS/COMPANIES Hiring an external Training Service Provider, to provide and conduct training regarding credit risk and credit analysis with an emerging market focus	DATE: December 14, 2020
	REFERENCE: 73800

Dear Sir / Madam:

We kindly request you to submit your Proposal for *an external Training Service Provider to provide and conduct training regarding credit risk and credit analysis with an emerging market focus*.

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

Proposals may be submitted on or before **Sunday, January 03, 2021** via email, at 5:00 PM New York EST to the address below:

Florence.knop@uncdf.org

Your Proposal must be expressed in the **English** and valid for a minimum period of **120 days**.

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNCDF after the deadline indicated above, for whatever reason, shall not be considered for evaluation. In submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

The Technical Proposal and Financial Proposal files **MUST BE COMPLETELY SEPARATE** and sent separately and clearly marked as either "TECHNICAL PROPOSAL" or "FINANCIAL PROPOSAL," as appropriate. Each document shall include the Proposer's name and address.

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

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

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

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNCDF after it has received the Proposal. At the time of Award of Contract or Purchase Order,

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

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions indicated herein. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNCDF in this link: <http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html>

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

UNCDF's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link: <http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

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

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

Thank you and we look forward to receiving your Proposal.

Sincerely yours,



Anders Berlin
Director, LDCIP

Annex 1

Description of Requirements

Context of the Requirement	Loans and Guarantees can positively contribute to private sector development and the development of financial markets. In cases where financial intermediaries are not able to lend to clients because of regulations or the perceived financial risks, concessional loans and guarantees can mitigate these risks and also allow intermediaries to reach out to clients that could otherwise not be served. The Low development countries platform “LDC IP” constitute a part of United Nations Capital Development Fund “UNCDF”, as a support functions. The LDC IP provides the technical know-how to expand the deployment of capital instruments to a growing pipeline of companies and projects in the “last mile” in LDCs.
Implementing Partner of UNCDF	N/A.
Brief Description of the Required Services ¹	<p>The LDC Investment Platform</p> <p>UNCDF accomplishes its catalytic investment activities through the LDC Investment Platform (LDC IP). The platform rests on UNCDF’s enterprise risk management and investment policies; strengthened due diligence processes for vetting and assessing risks of potential investment opportunities; investment monitoring systems; and dedicated and growing capacities to manage and oversee a portfolio of capital investments and ensure robust accountability. The platform has a team of investment professionals with significant transactional expertise in LDCs and impact investing backgrounds. They have a dual day-to-day role: (i) an advisory function to support UNCDF’s country teams in the structuring, the due diligence and the monitoring of the transactions (ii) a risk control function through an independent evaluation and risk appraisal for each transaction proposed by the country teams.</p> <p>Overall, the aim of the LDC IP is to be part of an ecosystem that (a) demonstrates to domestic and international investors that LDC markets can and do generate returns, provide opportunities for successful investment, and merit the attention of a wider range of investors; (b) uses those demonstration effects to support policy and regulatory improvements and scale up of what works by other actors; and (c) helps a number of companies advance to the next level of growth where more commercial funding will replace the concessional funding.</p> <p>In order to develop and further enhance the skills and knowledge of the investment specialist at LDC IP, UNCDF is seeking an external Training Service Provider to conduct training regarding the following areas with an emerging market focus on:</p>

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

	<ul style="list-style-type: none"> - The design of Loan structures and guarantee structures - Credit risks and rating methodology - Financial statement analysis - Macroeconomic indicators - Pricing of PD/LGD - Financial distress - Restructuring and monitoring <p>The target to be achieved is to strengthen the participants' competence within the areas stated. Providing training to facilitate such output is the major activities expected to be undertaken by contractor.</p> <p>For detailed ToR, please refer to the attached Annex 4</p>
List and Description of Expected Outputs to be Delivered	<p>UNCDF is looking to engage the Training Service Provider to organize a training session over 5 days in total – spread in 2-3 intermittent sessions over one month period, with the objective to strengthen the organizations capability by increasing the understanding of the following expected concepts and outputs:</p> <ol style="list-style-type: none"> 1) Capital structure 2) Business Risk Analysis 3) Reliability of financial statement. 4) Assessing and Measuring Credit Risk 5) Financial Risk Assessment 6) Debt Capacity and Debt Service Analysis 7) Cash flow analysis 8) Cash flow projections 9) Sustainability analysis 10) Bank capital Adequacy and key areas of vulnerability for Financial institutions/Banks in emerging markets in emerging markets 11) Rating methodology 12) Sovereign and country risk in emerging markets (Key macro drivers, FX, Interest etc.) 13) Legal system emerging markets: Bankruptcy process, recovery ratios etc. 14) IFRS compared to local GAAP. 15) Perform Due diligence process regarding risk management process Financial institutions/Banks in emerging markets 16) Group Structure Risk 17) Structure Framework for transactions regarding Loans, guarantees and other

	<p>structural enhancements, including covenants and collateral.</p> <p>18) Types of and perfecting of Collateral generally and in emerging/frontier markets</p> <p>19) Causes and Signs of Financial Distress</p> <p>20) The effects of financial distress and potential options to mitigate risk</p> <p>21) Action to protect creditors position.</p> <p>22) Corporate governance</p> <p>23) Financial restructuring and elements of a successful financial restructuring.</p> <p>24) Financial impact of COVID 19 in Low income countries.</p> <p>The corresponding target delivery from the expected output is to strengthen competency within the unit in relation to the expected outputs stated above.</p> <p>The training provider is required to take full responsibility for the content and quality of the training material as well as the quality standards and availability of trainers and speakers. Trainer/speaker must be fluent in spoken and written English. The training seminars and training materials must be made available in English.</p> <p>Training sessions will be virtual given the context of the Pandemic. The contractor is expected to provide a digital platform in which the training session will be performed.</p>
Person to Supervise the Work/Performance of the Service Provider	Director of the Least Developed Countries' Investment Platform, at HQ in New York, USA.
Frequency of Reporting	<i>As per attached ToR, Annex 4</i>
Progress Reporting Requirements	n/a
Location of work	<input type="checkbox"/> Exact Address. <input checked="" type="checkbox"/> At Contractor's Location Home-based with virtual meetings.
Expected duration of work	5 days separated into two or three sessions with time-lapse between.
Target start date	2021-02-01
Latest completion date	2021-03-01
Travels Expected	N/A
Special Security Requirements	<input type="checkbox"/> Security Clearance from UN prior to travelling <input type="checkbox"/> Completion of UN's Basic and Advanced Security Training <input type="checkbox"/> Comprehensive Travel Insurance

	<input type="checkbox"/> Others <i>[pls. specify]</i>
Facilities to be Provided by UNCDF (i.e., must be excluded from Price Proposal)	<input type="checkbox"/> Office space and facilities <input type="checkbox"/> Land Transportation <input type="checkbox"/> Others <i>[pls. specify]</i>
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Currency of Proposal	<input checked="" type="checkbox"/> United States Dollars <input type="checkbox"/> Euro <input type="checkbox"/> Local Currency
Value Added Tax on Price Proposal ²	<input checked="" type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes <input type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes
Validity Period of Proposals (<i>Counting for the last day of submission of quotes</i>)	<input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input checked="" type="checkbox"/> 120 days In exceptional circumstances, UNCDF may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.
Partial Quotes	<input checked="" type="checkbox"/> Not permitted <input type="checkbox"/> Permitted <i>[pls. provide conditions for partial quotes, and ensure that requirements are properly listed to allow partial quotes (e.g., in lots, etc.)]</i>

² VAT exemption status varies from one country to another. Pls. check whatever is applicable to UNCDF requiring the service.

Payment Terms ³	Outputs	Percentage	Timing	Condition for Payment Release
	Submission of a completion report and supportive evidences on the full training sessions accomplished. The contract price is a fixed output-based price regardless of extension of the herein specific duration, or if it is based on a daily/ weekly/monthly rate adjustable in accordance to any extension or reduction in the duration of engagement	100% upon completion of all the training sessions	2021-04-01	Within thirty (30) days from the date of the last session with the following conditions: a) UNCDF's written acceptance (i.e., not mere receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Director of the Least Developed Countries' Investment Platform, based in HQ , New York, USA.			
Criteria for Contract Award	<input type="checkbox"/> Lowest Price Quote among technically responsive offers <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%. <input checked="" type="checkbox"/> Full acceptance of the UNCDF Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.			

³ UNCDF preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding \$30,000, UNCDF shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNCDF, in the same amount as the payment advanced by UNCDF to the Service Provider.

Criteria for the Assessment of Proposal	<p><u>Technical Proposal (70% of the total score)</u></p> <p>LDCIP will conduct a review of the proposals received as per detailed below:</p> <ul style="list-style-type: none"> a) Experience (50 points total): <ul style="list-style-type: none"> ▪ Experience in providing / conducting training and developing training guidelines of minimum 3 years. <i>(15 points)</i> ▪ Demonstrated practical and training experience within the fields of Loan structures and guarantee structures, Credit risks and rating methodology, Financial statement analysis, Pricing of PD/LGD, Restructuring and monitoring related to emerging markets/LDC would be an advantage <i>(20 points)</i> ▪ The Training Service provider must have a well-functioning digital platform in which the training session will be performed <i>(10 points)</i> ▪ Excellent writing, editing, and oral communication skills in English <i>(5 points)</i> b) Methodology (20 points total): <ul style="list-style-type: none"> ▪ Course content relevant to the objectives and expected outputs of the training <i>(10 points)</i> ▪ Structure of training regarding the content – the content should be structured to allow the participants the best utilization of the materials from the course in relation to the expected outputs <i>(10 points)</i> c) Qualification of Key personnel (30 points total): <ul style="list-style-type: none"> ▪ At least 3 years of relevant experience from financial transactions or financial risks analysis in emerging markets/low-income countries. <i>(15 points)</i> ▪ At least 3 years of relevant experience in training in the fields described in the section D – Required Services. <i>(15 points)</i> <p><u>Financial Proposal (30%)</u></p> <p>In the second stage, financial proposals of all bidders, who have attained the minimum 70% score in the technical evaluation will be evaluated. The following formula will be used to evaluate financial proposal:</p> <p>Lowest priced proposal / price of the proposal being evaluated x 30%</p> <p>The contract will be awarded based on the Cumulative Analysis weighted-scoring method. The award of the contract will be made to the tenderer, whose offer has been evaluated and determined as:</p> <ul style="list-style-type: none"> 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 in technical and financial offer (this is to reflect the high-level skills mix required).
UNCDF will award the contract to:	<input checked="" type="checkbox"/> One and only one Service Provider
Type of Contract to be Signed	<input type="checkbox"/> Purchase Order

	<input type="checkbox"/> Contract Face Sheet (Goods and-or Services) UNCDF (this template is also utilized for Long-Term Agreement ⁴ and <i>if LTA will be signed, specify the document that will trigger the call-off. E.g., PO, etc.</i>) <input checked="" type="checkbox"/> Other Type/s of Contract
Contract General Terms and Conditions ⁵	<input checked="" type="checkbox"/> General Terms and Conditions for contracts (goods and/or services) <input type="checkbox"/> General Terms and Conditions for de minimis contracts (services only, less than \$50,000) Applicable Terms and Conditions are available at: http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html
Annexes to this RFP ⁶	<input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions for contracts (goods and/or services) (Annex 3) <input checked="" type="checkbox"/> Detailed TOR (Annex 4)
Contact Person for Inquiries (Written inquiries only) ⁷	uncdf.procurement@uncdf.org or <i>Florence Knop</i> <i>Programme Associate</i> florence.knop@uncdf.org Written inquiries must be submitted mentioning RFP Ref: 73800, on or before 5:00PM, December 22, 2020. UNCDF shall respond to all the inquiries through email with the bidders. Inquiries received after the above date and time shall not be entertained. Any delay in UNCDF's response shall be not used as a reason for extending the deadline for submission, unless UNCDF determines that such an extension is necessary and communicates a new deadline to the Proposers.

⁴ Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation

⁵ Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

⁶ Where the information is available in the web, a URL for the information may simply be provided.

⁷ This contact person and address is officially designated by UNCDF. If inquiries are sent to other person/s or address/es, even if they are UNCDF staff, UNCDF shall have no obligation to respond nor can UNCDF confirm that the query was received.

<p>Other Information <i>[pls. specify]</i></p>	<p>The proposer should specify the following cost components in the computation of contract price:</p> <ol style="list-style-type: none"> 1. Course fee 2. Course material <p>The Financial evaluation will be carried out only for the technically qualified submission that pass the minimum technical score of 70% (70 points) of the obtainable score of 100 points in the evaluation of the technical proposals.</p> <p>The Technical Proposal and the Financial Proposal MUST BE COMPLETELY SEPARATE and each of them must be submitted individually and clearly marked as either “TECHNICAL PROPOSAL” or “FINANCIAL PROPOSAL” or 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. UNCDF shall request via email the proposer to submit the password to open the Financial Proposal. The proposers shall assume the responsibility for not encrypting financial proposal.</p> <p>IMPORTANT NOTE: The amount of the Financial proposal MUST NOT be mentioned anywhere in the submitted documents or in the email, other than the Financial Proposal. Failure in compliance with the mentioned condition shall result in rejection of the offer.</p>
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FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL⁸***(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery⁹)***

[insert: Location].

[insert: Date]

To: Mattias Granqvist

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNCDF in conformity with the requirements defined in the RFP 73800 dated 12/14/2020, and all of its attachments, as well as the provisions of the UNCDF General Contract Terms and Conditions:

A. Qualifications of the Service Provider

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

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

B. Proposed Methodology for the Completion of Services

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

C. Qualifications of Key Personnel

⁸ This serves as a guide to the Service Provider in preparing the Proposal.

⁹ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

If required by the RFP, the Service Provider must provide:

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

D. Cost Breakdown per Deliverable*

	Deliverables <i>[list them as referred to in the RFP]</i>	Percentage of Total Price <i>(Weight for payment)</i>	Price <i>(Lump Sum, All Inclusive)</i>
1	Submission of a completion report and supportive evidences on the full training sessions accomplished. The contract price is a fixed output-based price regardless of extension of the herein specific duration, or if it is based on a daily/ weekly/monthly rate adjustable in accordance to any extension or reduction in the duration of engagement	100% upon full completion of the training	
	Total	100%	

**This shall be the basis of the payment tranches*

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

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

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

Annex 3

GENERAL TERMS AND CONDITIONS FOR SERVICES

1.0 LEGAL STATUS:

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

2.0 SOURCE OF INSTRUCTIONS:

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

3.0 CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES:

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

4.0 ASSIGNMENT:

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

5.0 SUB-CONTRACTING:

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

6.0 OFFICIALS NOT TO BENEFIT:

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

7.0 INDEMNIFICATION:

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or 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 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 AUTHORITY TO MODIFY:

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