



23rd June 2014

Clarifications No. 2

**RFP-049/14 - Entering into a Long Term Agreement (LTA) for Provision of
Events Management Services for UNDP-Iraq Office**

Dear Bidders,

Please find below clarifications to questions received by bidders:

Question No. 1 by Bidder:

In relation to Hotel Reservations and Rates; This item covers the following:

- ☐ Standard Rooms
- ☐ Luxury Rooms
- ☐ Full Board
- ☐ Coffee Breaks
- ☐ All Other Hotel Services

We are raising two basic issues, regarding hotel reservations and their rates, as follows:

- 1) We will devote all our offers to get the best hotel offers (best services, for the lowest rates), covering hotels inside and outside Iraq.
As you know very well, all hotels quote their rates for the services requested on the basis of (Time Validity Ceiling), after which they have the right to change their quotations.
Since your timetable for the five cases is only tentative, and the implementation timetable is far from being final, we can never obtain hotel rates valid for all dates or durations. There are no hotel rates which stand valid for indefinite time periods, taking into account the seasonal nature of their operations and service delivery.
Since our role consists of the delivery of “fee-based services”, adding a proposed percent to the rates, we cannot bear the risks of changing hotel rates, due to changing event timetables. The esteemed UNDP will bear such risks. You have full access to the hotels finally selected for the relevant events, and you can check their rates for specific timetables. Our percentage fees will remain valid for the timetable in effect.
- 2) All hotels charge heavy penalties for any changes in their reservations, whatever the reasons are, because they will forego expected revenues.

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Penalties charged range from moderate percentages to full confiscation of our payments, depending on the nature and timing of the changes in the agreed- upon timetables.

Because of the instability in Iraq, we expect basic changes in event implementation, or even cancellation. Two risks stand here:

- ☐ Penalty charges for which we are not responsible, the esteemed UNDP will cover them all.
- ☐ The possibility of unavailable reservations at the hotels selected, when the event timetable will be shifted upward. Here again, we cannot bear risks for which we are not responsible. The esteemed UNDP will cover them.

Answer No. 1 by UNDP-Iraq:

- 1- UNDP understands the nature of the required services; therefore, UNDP did not indicate that the prices to be provided for the Hotel rooms shall be fixed. However, in order to maintain proper evaluation, and as mentioned in the bidding document, *“Prices quoted by proposers shall be supported by the documentary to justify evidence of their realism”*.
- 2- As already indicated under ***Clarifications No. 1; Answer 4.2*** “The usual practice is that the event service provider shall provide an offer to the UNDP focal point each time there is a Request Order for an event. Usually such offers refer to no show policy conditions. On a case by case basis, it is expected that flexibility is provided from the Hotel’s side and agreed upon for no show policy”. If further explanation is needed, these points shall be referred to, during to the teleconference meeting taking place on ***25th June 2014 at 10:30AM Amman Time.***

End of Clarifications.....

UNDP-Iraq Office

Procurement Unit