



## REQUEST FOR QUOTATION (RFQ)

NAME & ADDRESS OF FIRM	DATE: <b>February 27, 2015</b>
	REFERENCE: Sustainable Management of Pastures in Georgia to Demonstrate Climate Change Mitigation and Adaptation Benefits and Dividends for Local Communities (ID: 00084937)

Dear Sir / Madam:

We kindly request you to submit your quotation for Enclosure experiment monitoring in Vashlovani National Park, as detailed in Annex 1 (Terms of reference) of this RFQ. When preparing your quotation, please be guided by the form attached hereto as Annex 2.

Signed and Stamped quotations in sealed envelopes must be submitted on or before March 31 2015, 06.30 PM

United Nations Development Programme  
UN House, 9 Eristavi Str. 0179, Tbilisi, Georgia  
Lika Tergiashvili  
[lia.tergiashvili@undp.org](mailto:lia.tergiashvili@undp.org)

It shall remain your responsibility to ensure that your quotation will reach the address above on or before the deadline. Quotations that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation.

Please take note of the following requirements and conditions pertaining to the supply of the abovementioned service/s:

Exact Address/es of Delivery Location/s (identify all, if multiple)	Vashlovani Protected Areas (Dedoplistskaro Region)
Delivery Schedule	<input checked="" type="checkbox"/> Required
Preferred Currency of Quotation	<input checked="" type="checkbox"/> United States Dollars (Payment to local companies will be made in GEL according the UN Official rate of exchange at the date of payment).
Value Added Tax on Price Quotation	<input checked="" type="checkbox"/> Must be exclusive of VAT and other applicable indirect taxes
Deadline for the Submission of Quotation	<i>Wednesday, March 31 2015, 18:30 GMT +4</i>
All documentations, including catalogs, instructions and operating manuals, shall be in this language	<input checked="" type="checkbox"/> English
Documents to be submitted	<ul style="list-style-type: none"> <li>• Duly Accomplished Form as provided in Annex 2, and in accordance with the list of requirements in Annex 1 (Terms of reference);</li> <li>• Profile – describing the nature of business, field of expertise;</li> <li>• Business Licenses – Tax Payment Certification, etc.</li> <li>• An extract from the Entrepreneurial Register;</li> <li>• Detailed Bank Requisites;</li> <li>• Company Qualification record (Track Record) – list of clients indicating description of contract scope, contract duration, contract value, contact references proving at least 5 years' experience of implementing projects in environmental sector (<i>min requirement</i>)</li> <li>• At least 2 letters of recommendation from previous contract providers; (<i>min requirement</i>)</li> <li>• CVs demonstrating qualifications of personnel;</li> <li>• Written confirmation from each personnel that they are available for the entire duration of the contract.</li> </ul>
Period of Validity of Quotes starting the Submission Date	<input checked="" type="checkbox"/> 90 days In exceptional circumstances, UNDP may request the Vendor to extend the validity of the Quotation beyond what has been initially indicated in this RFQ. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Quotation.
Partial Quotes	<input checked="" type="checkbox"/> Not permitted
Payment Terms	<p>First installment: 30% of total contract value upon submission to and acceptance by UNDP Georgia a Detailed schedule of activities with timelines for 2015;</p> <p>Second installment: 20% of total contract value upon submission to and acceptance by UNDP Georgia Experimental Enclosure monitoring progress report (due by end of 2015)</p> <p>Third installment: 30% of total contract value upon submission to and acceptance by UNDP Georgia Detailed schedule of activities with timelines for 2016</p>

	<p>Fourth installment: 20% of total contract value upon submission to and acceptance by UNDP Georgia Final Report on Enclosure Experiments 2015-2016 (due by the end of 2016).</p> <p><i>Payment will be made in GEL according to existing UN Official Rate of Exchange at the date of payment.</i></p>
Liquidated Damages	N/A
Evaluation Criteria	<p><input checked="" type="checkbox"/> Technical responsiveness/Full compliance to requirements and lowest price</p> <p><b>If the company does not meet any of the minimum requirements listed below will be automatically disqualified and will not be considered for further evaluation:</b></p> <ul style="list-style-type: none"> <li>• At least 5 years' experience of implementing projects in environmental sector. Company should submit qualification record (Track Record) – list of clients indicating description of contract scope, contract duration, contract value, contact references <b>(min requirement)</b></li> <li>• Qualified and experienced team consisting of at a minimum: (1) Team Leader with minimum of 5 years' experience and knowledge of the required field and experience in organizing surveys/studies; (2) Expert Botanist with at least 5 years of experience in Botanical surveys; (3) Field Officer with min 2 years of experience in similar surveys; (4) The other professional team if deemed appropriate by the contractor to fulfill the requirements as spelled out in this RFQ. (Note: It is possible to combine several expert functions within one individual, provided that the candidate fully meets all needed qualifications). <b>(min requirement)</b></li> <li>• At least 2 letters of recommendation from previous contract providers; <b>(min requirement)</b></li> </ul>
UNDP will award to:	<input checked="" type="checkbox"/> One and only one supplier
Type of Contract to be Signed	<input checked="" type="checkbox"/> Contract for professional services
Special conditions of Contract	N/A
Conditions for Release of Payment	<p><input checked="" type="checkbox"/> Within thirty (30) days from the date of meeting the following conditions:</p> <p>a) "Sustainable Management of Pastures in Georgia to</p>

	Demonstrate Climate Change Mitigation and Adaptation Benefits and Dividends For Local Communities” –Project Manager’s acceptance of the quality of the outputs; and b) Receipt of invoice from the Service Provider
Annexes to this RFQ	<input checked="" type="checkbox"/> Terms of reference (Annex 1) <input checked="" type="checkbox"/> Form for Submission of Quotation (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3)  Non-acceptance of the terms of the General Terms and Conditions (GTC) shall be grounds for disqualification from this procurement process.
Contact Person for Inquiries (Written inquiries only) <sup>1</sup>	Lika Tergiashvili - Project Admin/Finance Assistant Telephone: 591 70 10 83 E-Mail: lia.tergiashvili@undp.org 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.

Services offered shall be reviewed based on completeness and compliance of the quotation with the methodology described above and any other annexes providing details of UNDP requirements.

The quotation that complies with all of the specifications, requirements and offers the lowest price, as well as all other evaluation criteria indicated, shall be selected. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price (obtained by multiplying the unit price and quantity) shall be re-computed by UNDP. The unit price shall prevail and the total price shall be corrected. If the supplier does not accept the final price based on UNDP’s re-computation and correction of errors, its quotation will be rejected.

After UNDP has identified the lowest price offer, UNDP reserves the right to award the contract based only on the prices of the goods in the event that the transportation cost (freight and insurance) is found to be higher than UNDP’s own estimated cost if sourced from its own freight forwarder and insurance provider.

At any time during the validity of the quotation, no price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the quotation. At the time of award of Contract or Purchase Order, UNDP 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 Purchase Order that will be issued as a result of this RFQ shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a quotation implies that the vendor accepts without question the General Terms and Conditions of UNDP herein attached as Annex 3.

UNDP is not bound to accept any quotation, nor award a contract/Purchase Order, nor be responsible for any costs associated with a Supplier's preparation and submission of a quotation, regardless of the outcome or the manner of conducting the selection process.

Please be advised that UNDP'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/procurement/protest.shtml>.

**UNDP encourages every prospective Vendor** to avoid and prevent conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, specifications, cost estimates, and other information used in this RFQ.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its suppliers to adhere to the UN Supplier Code of Conduct found in this link : [http://www.un.org/depts/ptd/pdf/conduct\\_english.pdf](http://www.un.org/depts/ptd/pdf/conduct_english.pdf)

**Thank you and we look forward to receiving your quotation.**



**Sincerely yours,**

Tornike Phulariani  
Project Manager  
February 26, 2015

## **Terms of Reference**

### **Provision of Services for “Enclosure experiment monitoring in Vashlovani National Park” For the UNDP Project: “Sustainable Management of Pastures in Georgia to Demonstrate Climate Change Mitigation and Adaptation Benefits and Dividends for Local Communities”**

#### **1. Background:**

The Caucasus region and especially its mountain ranges with their predominating grasslands are very rich in species. Many of them are endemic to the region. Overgrazing is one of the primary contributing factors to pasture ecosystem degradation. The project targets the pastures located in the Vashlovani Protected Areas (VPAs) (total area 35,053.7 ha) and their vicinity. The ecosystem of semi-desert of the VPAs was and still is used for pastures. Some of these pastures are located at the edge of a main road and near residential areas, therefore the ecological condition of the pastures are not satisfactory. There is no population permanently residing in the area of VPAs. The majority of the population residing on those territories is the nomadic sheep breeders from Tusheti that use the territories for winter pastures. Sheep breeding is their traditional occupation and it is considered as the most profitable activity.

The overall goal of the UNDP/EU project “Sustainable management of pastures in Georgia to demonstrate climate change mitigation and adaptation benefits and dividends for local communities” is the rehabilitation of pasturelands and the introduction of sustainable grazing practices in Georgia.

The project will achieve this through various activities conducted to rehabilitate the pastures that are degraded and in encouraging, through awareness raising activities and introduction of different land use practices, cattle breeders and other land users of the Vashlovani pasturelands to use the pasture areas sustainably.

In order to establish long-term pasture monitoring system in the context of climate change, project has launched enclosure experiments. 4 sites were fenced in Vashlovani National Park with following major vegetation types: Site I – *Artemisia lerchiana*, Site II - *Artemisia lerchiana*, Site III – *Artemisia lerchiana* + *Bothriochloa ischaemum* and Site IV – *Artemisia lerchiana*+*Salsola ericoidis*. The methodology for monitoring was created, which envisages sampling twice a year (once in spring and once in autumn) and gathering various botanical data. The first enclosure monitoring was carried out in 2014 by NACRES.

Project has also purchased two automatic meteorological stations, which will be installed within the territory of VPAs and will ensure continuous data-flow on various climatic parameters.

#### **2. Scope of Services, Expected Outputs and Target Completion:**

The aim of the activity is monitoring of climate conditions and anthropogenic impact on the territory of Vashlovani National Park to record the changes that affect the pastures and choose appropriate management responses. The findings of this survey will serve as a strong evidence base to identify future activities within the territory.

Under this activity the Contractor will conduct enclosure experiment monitoring in Vashlovani National Park for the years 2015 and 2016 – 4 sampling phases in total. The selected organization/entity shall organize the field work, collect and analyze data. The contractor should use the methodology already applied (art. 10 of terms of reference) for the first monitoring in autumn 2014 and is also expected use already collected baseline data for future analysis. Additionally, the organization is expected to use and

analyze data on various climatic parameters received from automatic meteorological stations installed within the Vashlovani National Park.

The selected contractor will be responsible for undertaking of research studies and is expected to:

1. Conduct four sampling phases on the monitoring of enclosure experiment in 2015-2016;
2. Analyze collected data and identify trends;
3. Use the data from meteorological stations on climatic parameters in detect linkages;
4. Recommend possible management responses;
5. Present monitoring results and recommendations to key stakeholders.

### **3. Institutional Arrangement:**

The service provider will be directly supervised by UNDP Georgia through its Project: "Sustainable management of pastures in Georgia to demonstrate climate change mitigation and adaptation benefits and dividends for local communities". Service provider should prepare progress reports for each monitoring reflecting, corresponding with schedule of activities, progress achieved as well as challenges along the implementation process.

### **4. Time Scale:**

Expected Duration of the suggested consultancy is up to 20 months starting no later than 23<sup>rd</sup> of April 2015. Detailed schedule of the activities, with timelines and required resources should be submitted by Offerors.

### **5. Location of Work:**

The survey shall cover the following territory: Vashlovani Protected Areas.

### **6. Deliverables:**

The contractor will work under the general guidance and supervision of UNDP CO in Georgia through the Project Manager and should furnish UNDP with:

#### **Technical Reports/products:**

1. Detailed schedule of activities with timelines for 2015;
2. Experimental Enclosure monitoring progress report (due by end of 2015);
3. Detailed schedule of activities with timelines for 2016;
4. Final Report on Enclosure Experiments 2015-2016 (due by the end of 2016) with main trends identified;

The reports/products should be submitted in both English and Georgian

### **7. Qualifications and Experience**

The Contractor should be experienced in implementing projects in environmental sector, more specifically the offeror should be in compliance with following criteria:

- At least 5 years' experience of implementing projects in environmental sector;
- Qualified and experienced team consisting of at a minimum: (1) Team Leader with minimum of 5 years' experience and knowledge of the required field and experience in organizing

surveys/studies; (2) Expert Botanist with at least 5 years of experience in Botanical surveys; (3) Field Officer with min 2 years of experience in similar surveys; (4) The other professional team if deemed appropriate by the contractor to fulfill the requirements as spelled out in this RFQ. (Note: It is possible to combine several expert functions within one individual, provided that the candidate fully meets all needed qualifications).

Documents to be submitted:

- Duly Accomplished Form as provided in Annex 2, and in accordance with the list of requirements in Annex 1 (Terms of reference);
- Profile – describing the nature of business, field of expertise;
- Business Licenses – Tax Payment Certification, etc.
- An extract from the Entrepreneurial Register;
- Detailed Bank Requisites;
- Company Qualification record (Track Record) – list of clients indicating description of contract scope, contract duration, contract value, contract references proving at least 5 years' experience of implementing projects in environmental sector
- At least 2 letters of recommendation from previous contract providers; (min requirement)
- CVs demonstrating qualifications of personnel;
- Written confirmation from each personnel that they are available for the entire duration of the contract.

#### **8. Payment modality and Schedule:**

Successful company will be paid in four installments upon satisfactory accomplishment of each of the Above-mentioned phase and according to the following scheme:

**First installment:** 30% of total contract value upon submission to and acceptance by UNDP Georgia a Detailed schedule of activities with timelines for 2015;

**Second installment:** 20% of total contract value upon submission to and acceptance by UNDP Georgia Experimental Enclosure monitoring progress report (due by end of 2015)

**Third installment:** 30% of total contract value upon submission to and acceptance by UNDP Georgia Detailed schedule of activities with timelines for 2016

**Fourth installment:** 20% of total contract value upon submission to and acceptance by UNDP Georgia Final Report on Enclosure Experiments 2015-2016 (due by the end of 2016).

Note: The Contractor will be responsible for all logistic issues connected to the implementation of tasks.

#### **9. Criteria for Selecting the Best Offer**

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. If the company does not meet any of the minimum requirements listed above will be automatically disqualified and will not be considered for further evaluation:

The award will be done using the lowest price method – where the award will be made to the qualified/responsive company who offered the lowest price.

## 10. Methodology for enclosure experiments

As part of establishment a long-term pasture monitoring system in the context of climate change, the project has initiated grazing enclosure experiments based on the methodology developed by the project. Four enclosures were built within VPAs and the first set of data was gathered and analyzed in autumn 2014.

The sites for the grazing enclosure experiment were chosen from where sheep graze during the entire winter season. These pastures are typical winter pastures with the vegetation cover typical of the semi-arid zone i.e. plant communities dominant within the Kumuro-Lekistkali area such as *Artemisia lerchiana*, *Artemisia lerchiana* + *Salsola ericoidis*, and *Artemisia lerchiana* + *Bothriochloa ischaemum*.

In addition to enclosures, four control plots were chosen for monitoring purposes in the proximity to the enclosures. Each of both enclosure and control plots are 100 square meters (10x10 M) in size and have the following coordinates:

### Plot 1 (Section IV)

Location: Kumuro, by the "entryway," on the right hand side on a slope.

Coordinates:

Exclosure 32-33-36-37;

X	Y	Points:
628303	4554611	32
628312	4554607	33
628309	4554598	36
630254	4554273	37

Control plot 39-40-41-42.

X	Y	Points:
628323	4554609	39
628319	4554599	40
628328	4554596	41
628332	4554605	42

Plant community: *Artemisietum lerchiana*.

### Plot 2 (Section V)

Location: Kumuro, valley by the road.

Coordinates:

Exclosure 43-44-45-46;

X	Y	Points
627074	4553965	43
627067	4553958	44
627060	4554273	45
627066	4553972	46

Control plot 47-48-49-50.

X	Y	Points
627093	4553979	47
627085	4553985	48
627091	4553993	49
627099	4553987	50

Plant community: *Artemisietum lerchiana*.

### Plot 3 (Section VI)

Location: Kumuro, right hand side from the “central” road, right from the road leading to farms on a slightly descended valley.

Coordinates: Exclosure 51-52-53-54;

X	Y	Points
626438	4553734	51
626438	4553744	52
626448	4553744	53
626448	4553734	54

Control plot 55-56-57-58.

X	Y	Points
626450	4553734	55
626450	4553744	56
626460	4553744	57
626460	4553734	58

Plant Community: *Artemisia lerchiana*+*Bothriochloa ischaemum*.

#### **Plot 4 (Section VII)**

Location: Lekistskali, valley on the left hand side from the “central” road.

Coordinates:

Exclosure 59-60-61-62;

X	Y	Points
631829	4554864	59
631820	4554868	60
631824	4554878	61
631833	4554874	62

Control plots 68-70-71-72

X	Y	Points
631805	4554872	68
631809	4554881	70
631799	4554885	71
631796	4554876	72

Plant Community: *Artemisia lerchiana*+*Salsola ericoidis*

Considering that the exclosure monitoring initiative can deliver reliable information only when conducted over a relatively extended period of time (at least during two years with 4 sets of seasonal cuts), the project will continue data gathering and analysis into 2015 and subsequently in 2016.

## **Methodology**

The contractor shall undertake the exclosure monitoring and continue the work accomplished to date based on the methodology developed within the project and summarized below.

#### **Key assessment variables:**

The consultant will perform four sets of vegetation cuts and will compare control and exclosure plots based on the following geo-botanical and floristic parameters:

1. Overall vegetation cover (in %)
2. Vegetation structure by strata
3. Cover by strata (in %)

4. Height of each stratum (in cm)
5. Floristic composition
6. The relative importance of various species (cover in %)
7. The height of separate species (in cm)
8. The frequency of separate species (in %)
9. The composition of life forms
10. The level of tussock development
11. Overall dry (air-dry) biomass
12. Dry (air-dry) biomass of edificators and sub-edificators
13. Overall dry (air-dry) biomass of ephemerals and ephemeroids
14. Dry (air-dry) biomass of main groups (grasses, legumes, herbs)
15. Dead biomass

#### **Key elements/activities of the experiment:**

1. A total of ten (1x1m) quadrats will be done in each of the exclosures and control plots
2. For comparison purposes, the consultant shall assess the floristic similarity of exclosures and control plots using the Jaccard Index.
3. In order to determine the biomass vegetation cuts must be made on 1 m<sup>2</sup> quadrats, with 4-5 repetitions (four quadrats may be sufficient where plant cover is homogenous).
4. In the case of semi-shrubs and bushy herbs, one-year-old branches must be cut together with all foliage (i.e. the biomass consumed by sheep).
5. All cut quadrats must be marked in order to avoid repeated cutting in the subsequent seasons/years.
6. The cut biomass must be stored in special containers/paper bags that ensure good ventilation.
7. The cut biomass must be dried in a laboratory; approximately 15-30 days are needed (25-30 for certain plants) depending on various conditions.
8. In order to determine the dry biomass of functional groups, it is necessary to identify and group all plants in a sample accordingly.
9. Edificators and sub-edificators will be weighed separately and later added to the rest of the biomass in a sample.

#### **Sampling schedule and frequency**

Sampling of experimental plots will be conducted twice a year: (1) in spring (second half of May i.e. after all sheep have left ) and (2) in autumn (in October i.e. before sheep arrive).

It will be impossible to assess all the above variables during the autumn sampling and data analysis because in most cases it will be impossible to identify plants species (most plants will be dead or in the form of juveniles, only *Artemisia spp.*, species from the Chenopodiaceae family and possibly some grasses will be alive).

Therefore only the following variables will be assessed during the autumn samplings:

1. Overall vegetation cover (in %)
2. Vegetation structure by strata
3. Cover by strata (in %)
4. Height of each stratum (in cm)
5. The level of tussock development

6. Overall dry (air-dry) biomass
7. Dry (air-dry) biomass and height of edificators and sub-edificators
8. Overall dry (air-dry) biomass of ephemerals and ephemeroids
9. Dead biomass

## Annex 2

### FORM FOR SUBMITTING SUPPLIER'S QUOTATION

*(This Form must be submitted only using the Supplier's Official Letterhead/Stationery<sup>2</sup>)*

We, the undersigned, hereby accept in full the UNDP General Terms and Conditions, and hereby offer to supply the items listed below in conformity with the specification and requirements of UNDP as per RFQ.

**TABLE 1 : Offer to Supply Services Compliant with Terms of reference**

Item No.	Description/Specification of Services	Percentage of Total Price (Weight for payment)	Total Price per Item
1	Detailed schedule of activities with timelines for 2015;	30%	
2	Experimental Enclosure monitoring progress report (due by end of 2015);	20%	
3	Detailed schedule of activities with timelines for 2016;	30 %	
4	Final Report on Enclosure Experiments 2015-2016 (due by the end of 2016) with main trends identified;	20%	
<b>Total Prices of Services</b>			

**TABLE 2: Cost Breakdown by Cost Component**

Description of Activity	Remuneration per day	Total Period of Engagement	No. of Personnel	Total Rate
<b>I. Personnel Services</b>				
1. Team Leader				
2. Expert Botanist				
3. Field Officer				
4. Other team member				

<sup>2</sup> Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

<b>II. Out of Pocket Expenses</b>				
1. Travel Costs				
2. Others				
<b>III. Other Related Costs</b>				

**TABLE 3 : Offer to Comply with Other Conditions and Related Requirements**

Other Information pertaining to our Quotation are as follows :	Your Responses		
	<i>Yes, we will comply</i>	<i>No, we cannot comply</i>	<i>If you cannot comply, pls. indicate counter proposal</i>
Validity of Quotation (90 days)			
All Provisions of the UNDP General Terms and Conditions			

All other information that we have not provided automatically implies our full compliance with the requirements, terms and conditions of the RFQ.

*[Name and Signature of the Supplier's Authorized Person]*

*[Designation]*

*[Date]*

## 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 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.

