

# **REQUEST FOR PROPOSAL (RFP)**

| All interested | DATE: July 7, 2015          |
|----------------|-----------------------------|
|                | REFERENCE: RFP UKR/2015/055 |

Dear Sir / Madam:

We kindly request you to submit your Proposal on **Researching the barriers for business** development and creation of new jobs in Donetsk and Luhansk regions within the framework of "Economic and Social Rehabilitation of Donbas" project.

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

Proposals may be submitted on or before **23:59 (Kyiv time) Tuesday, July 21, 2015** and via email to the address below:

## United Nations Development Programme tenders.ua@undp.org Procurement Unit

Your Proposal must be expressed in **English or Ukrainian**, and valid for a minimum period of **90** 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 UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

**NB**. The Offeror shall create 2 archive files (\*.zip format only!): one should include *technical proposal*, another one should include *financial proposal* and be encrypted with password. Both files should be attached to the email letter.

During evaluation process only technically compliant companies will be officially asked by UNDP procurement unit via email to provide password to archive with financial proposal. Please do not include the password either to email letter or technical proposal and disclose before official request.

Messages should **not exceed 5 MB in size**. Offers larger than 5 MB should be split into several messages and each message subject should indicate "part x of y" besides the marking mentioned in

the announcement and the solicitation documents. Messages larger than 5 Mb will not be delivered. *All electronic submissions are confirmed by an automatic reply*.

The Offeror shall mark the email letter/s:

Subject of the message should include: "RFP UKR/2015/055" and the name of tender: Researching the barriers for business development and creation of new jobs in Donetsk and Luhansk regions within the framework of "Economic and Social Rehabilitation of Donbas" project.

Body of the message should include: Name of the offeror

Archive files should be marked as: Technical proposal and Financial proposal

<u>Note</u>: if the email letters or achieve files are not marked as per the instructions in this clause, the procuring UNDP entity will not assume responsibility for the Proposal's misplacement or premature opening.

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 UNDP 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 UNDP, 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 UNDP'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 UNDP after it has received the Proposal. 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 Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP 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.

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/content/undp/en/home/operations/procurement/protestandsanctions/

UNDP encourages every prospective Service Provider to prevent and avoid 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, cost estimates, and other information used in this RFP.

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

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

Amme

Ms. Andra Brige Business Development Specialist UNDP Ukraine

# **Description of Requirements**

| Project name:  | Economic and Social Rehabilitation of Donbas   |
|--|--|
| Brief Description of the   | Researching the barriers for business development and creation of new  |
| Required Services  | jobs in Donetsk and Luhansk regions  |
| The overall objective  | <ul> <li>Develop a questionnaire to be used for survey among SMB in the target regions (to be approved by the Project Manager);</li> <li>Conduct a questionnaire survey among the SMB representatives on doing business in the region considering their vision of the barriers;</li> <li>Survey the representatives of legal and consulting companies, business associations, and other business development infrastructure entities regarding their vision of the barriers;</li> <li>Hold two roundtables in the Donetsk and Luhansk Regions with the participation of representatives of government agencies, employment centers, and business associations to discuss the results of the questionnaire and experts surveys;</li> <li>Form a list of the business development and job creation barriers identified;</li> <li>Hold an expert panel in Kyiv with the participation of representatives of business associations, legal and consulting companies, and SMB representatives regarding discussion and adjustment of the list of barriers;</li> <li>Based on the barriers identified, make recommendations on adoption of new regulations or amendment of the existing regulations, at the national or regional levels;</li> <li>Prepare a report on the results of the analysis, the structure of which is subject to Project Manager's approval; and</li> <li>Present the report in Kyiv with the participation of representatives of government agencies, regulation development experts, and business associations.</li> </ul> |
| Person to Supervise the<br>Work/Performance of the<br>Service Provider | UNDP Project Manager   |
| Frequency of Reporting   | According to TOR attached  |
| Progress Reporting<br>Requirements                                     | According to TOR attached  |

|                               | Kyiv and Kyiv oblast, parts of Donetsk and Luhansk oblasts under        |  |
|-------------------------------|---|--|
| Location of work              | control of the Government of Ukraine                                    |  |
| Expected duration of work     | Up to 2 months from the date of contract's signature                    |  |
| Target start date             | August 2015   |  |
| Latest completion date        | September 2015  |  |
| Travels Expected              | According to TOR attached   |  |
| Special Security Requirements | N/A   |  |
| Facilities to be Provided by  | The Project will not provide any facilities, equipment, support         |  |
| UNDP (i.e., must be excluded  | personnel, support services or logistic                                 |  |
| from Price Proposal)          |   |  |
| Implementation Schedule       |   |  |
| indicating breakdown and      | 🗵 Required  |  |
| timing of activities/sub-     | □ Not Required  |  |
| activities                    |   |  |
| Names and curriculum vitae    |   |  |
| of individuals who will be    | 🗵 Required  |  |
| involved in completing the    | □ Not Required  |  |
| services                      |   |  |
|                               | ☑ United States Dollars (US\$) – strongly advised to use as a risk      |  |
| Currency of Proposal          | mitigation measure against the impact of the local currency             |  |
|                               | devaluation.  |  |
|                               | 🗵 Euro  |  |
|                               | 🗵 Local Currency – UAH  |  |
|                               | In case both currencies are provided in the financial proposal, UNDP    |  |
|                               | will use USD as per July 2015 official UNORE for the evaluation         |  |
|                               | purposes. <u>http://treasury.un.org</u>                                 |  |
| Value Added Tax on Price      | I must be inclusive of VAT and other applicable indirect taxes (VAT     |  |
| Proposal                      | should be clearly indicated in separate line)                           |  |
|                               | □ must be exclusive of VAT and other applicable indirect taxes          |  |
|                               | 🗆 60 days   |  |
| Validity Period of Proposals  | ⊠ 90 days   |  |
| (Counting for the last day of | $\Box$ 120 days   |  |
| submission of quotes)         | In exceptional circumstances, UNDP 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                | ⊠ Not permitted   |  |
|                               | Permitted   |  |
|                               |   |  |

| Payment Terms <sup>1</sup>   | <ul> <li>The payment for the Contractor's services is to be made in 2 installments after the completion of the following tasks: <ol> <li>70% of the total amount to be paid after the completion of activities 1–5 and submission of the interim report;</li> <li>30% of the total amount to be paid after the completion of activities 6-10 and submission of the final report.</li> </ol> </li> <li>Condition for Payment Release: <ul> <li>Within thirty (30) days from the date of meeting the following conditions:</li> <li>UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and</li> <li>Receipt of invoice from the Service Provider.</li> </ul> </li> </ul> |
|--|---|
| Person(s) to review/inspect/<br>approve outputs/completed<br>services and authorize the<br>disbursement of payment | UNDP Project Manager  |
| Type of Contract to be Signed  | <ul> <li>Purchase Order</li> <li>Institutional Contract</li> <li>Contract for Professional Services</li> <li>Long-Term Agreement</li> <li>Other Type of Contract</li> </ul>   |
| Criteria for Contract Award  | <ul> <li>Lowest Price Quote among technically responsive offers</li> <li>Highest Combined Score (based on the 70% technical offer and 30% price weight distribution)</li> <li>Full acceptance of the UNDP 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.</li> </ul>   |
| Criteria for the Assessment of<br>Proposal   | Technical Proposal (70%)         ☑ Experience of the Firm/Organization - 36%         ☑ Proposed methodology, plan and approach to implementation - 36%         ☑ Personnel and involved key experts - 28 %         Financial Proposal (30%)         To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.   |
| UNDP will award the contract to:   | <ul> <li>One and only one Service Provider</li> <li>One or more Service Providers, depending on the following factors :</li> </ul>  |

<sup>&</sup>lt;sup>1</sup> UNDP 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, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.

| Annexes to this RFP   | <ul> <li>Form for Submission of Proposal (Annex 2)</li> <li>General Terms and Conditions / Special Conditions - Available<br/>through the Link:</li> <li><a href="http://www.undp.org/content/undp/en/home/operations/procureme">http://www.undp.org/content/undp/en/home/operations/procureme</a><br/><a href="http://www.undp.org/content/undp/en/home/operations/procureme">http://www.undp.org/content/undp/en/home/operations/procureme</a><br/><a href="http://www.undp.org/content/undp/en/home/operations/procureme">http://www.undp.org/content/undp/en/home/operations/procureme</a><br/><a href="http://www.undp.org/contract_terms/">http://www.undp.org/content/undp/en/home/operations/procureme</a><br/><a href="http://www.undp.org/contract_terms/">http://www.undp.org/contract_terms/</a><br/> Detailed TOR and Evaluation Criteria (Annex 3)</li> <li>Contract for professional services template (Annex 4)</li> </ul> |
|---|--|
| Contact Person for Inquiries<br>(Written inquiries only) <sup>2</sup> | Procurement Unit<br>UNDP Ukraine<br>procurement.ua@undp.org<br>Any delay in UNDP's response shall be not used as a reason for<br>extending the deadline for submission, unless UNDP determines that<br>such an extension is necessary and communicates a new deadline to<br>the Proposers.   |
| Documents to be submitted in proposal                                 | <ul> <li>Dully filled in and Signed Form for Submission of Proposal (Annex 2)</li> <li>Business Licenses (Copies of State/Tax registration documents) and other Certificates (if any)</li> <li>Copies of other licenses or certificates (if any);</li> <li>Financial statements (Copies of income/balance statements for last 2 years)</li> <li>Copies of analytical reports (at least one) prepared previously for similar assignments (references are acceptable);</li> <li>Letter of interest/letter of proposal, which briefly describes the methodology and/or approach to the performance of work (up to 2 pages);</li> </ul>  |
|   | oxtimes Proposed work schedule with a list of key measures;  |
|   | ☑ The methodology of operational assessment of professions (up to 10 pages);   |
|   | ⊠ Examples of previous work (the list of developed trainings with detailed agendas, outcomes) and at least two references from customers;  |
|   | ⊠ CVs of the proposed members of the team.   |

<sup>&</sup>lt;sup>2</sup> This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

| Other Information Related to | Administrative Requirements:   |  |  |  |  |
|------------------------------|--|--|--|--|--|
| the RFP                      | Submitted offers will be reviewed on "Pass" or "Fail" basis to<br>determine compliance with the below formal criteria/ requirement/s:<br>• Offers must be submitted within the stipulated deadline<br>• Offers must meet required Offer Validity<br>• Offers have been signed by the proper authority<br>• Offers include requested company/organization documentation,<br>including documentation regarding the company/organization's legal<br>status and registration<br>• Offers must comply with general administrative requirements:<br>a) Properly registered company/organization; |  |  |  |  |
|                              | Other information is available on  |  |  |  |  |
|                              | <u>http://www.ua.undp.org/content/ukraine/en/home/operations/procu</u><br>ement/; For the information , please contact procurement.ua@undp.org   |  |  |  |  |

# FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL<sup>3</sup>

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery<sup>4</sup>)

[insert: Location]. [insert: Date]

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

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the <u>RFP\_UKR/2015/055</u> dated 7/7/2015, and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions :

#### A. Qualifications of the Service Provider

|   | BRIEF COMPANY PROFILE   |  |  |  |  |  |
|---|---|--|--|--|--|--|
| The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following : |   |  |  |  |  |  |
| Full registration name  |   |  |  |  |  |  |
| Year of foundation  |   |  |  |  |  |  |
| Legal status  | If Consortium, please provide written confirmation from each member |  |  |  |  |  |
| Legal address   |   |  |  |  |  |  |
| Actual address  |   |  |  |  |  |  |
| Bank information  |   |  |  |  |  |  |
| VAT payer status  |   |  |  |  |  |  |
| Contact person name   |   |  |  |  |  |  |
| Contact person email  |   |  |  |  |  |  |
| Contact person phone  |   |  |  |  |  |  |
| Company/Organization's core activities  |   |  |  |  |  |  |

<sup>&</sup>lt;sup>3</sup> This serves as a guide to the Service Provider in preparing the Proposal.

<sup>&</sup>lt;sup>4</sup> Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

| Profile – describing the nature of business, field of expertise, licenses, certifications, accreditations (If any);             | Please indicate here   |
|---|--|
| Business Licenses – Registration<br>Papers, Tax Payment Certification, etc  | EDRPOU, ID tax number<br>Copies of State registration and Tax registration should be   |
| Latest Audited Financial Statement or<br>Financial results (2011 -2012)   | attached<br>Copies of income statement and balance sheet to indicate Its<br>financial stability, liquidity, credit standing, and market<br>reputation  |
| Track Record performed within the last<br>3 years   | Please indicate here the List of clients for similar services as<br>those required by UNDP, indicating description of contract scope<br>(including titles of documents developed and analysis prepared),<br>contract duration, contract value, contact references; Brief<br>description of previous surveys carried out by the Organization<br>(list); |
| Certificates and Accreditation  | Please indicate here applicable including Quality Certificates,<br>Patent Registrations, Environmental Sustainability Certificates,<br>etc.  |
| Please provide contact details of at least 3 previous partners for reference  | Please attach the signed reference letters <i>if any</i> .   |
| Company is not in the UN Security<br>Council 1267/1989 List, UN<br>Procurement Division List or Other UN<br>Ineligibility List. | Yes/No (Please choose)   |
| Other relevant information  |  |

## 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, and expected deliverables; implementation schedule for each deliverable/output; will be appropriate to the local conditions and context of the work.

Must include:

- 1. Letter of interest/letter of proposal, which briefly describes the methodology and/or approach to the performance of work (up to 2 pages);
- 2. Proposed work schedule with a list of key measures;
- 3. The methodology of operational assessment of professions (up to 10 pages);
- 4. Examples of previous work (results of at least 2 conducted researches) and at least two references from customers (if available);
- 5. CVs of the proposed team members, which clearly correspond to the required qualifications

#### C. Qualifications of Key Personnel

*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)* Please indicate that all proposed personnel are available for the entire duration of the contract. At least:

1) Team Leader/Analyst

2) Key Expert/Analyst 1

3) Key Expert/Legal Specialist 2

#### FINANCIAL PROPOSAL

The Financial Proposal should be submitted in a separate sealed envelope and include the following categories of costs.

| Nº | Activity/Costs                                     | Unit | Num<br>ber | Cost per<br>unit | Amount<br>excluding<br>VAT | VAT | Amount<br>including<br>VAT |
|----|--|------|------------|------------------|----------------------------|-----|----------------------------|
| 1  | Personnel  |      |            |                  |                            |     |                            |
|    | Team Leader/Analyst                                |      |            |                  |                            |     |                            |
|    | Key Expert/Analyst 1                               |      |            |                  |                            |     |                            |
|    | Key Expert/Legal Specialist 2                      |      |            |                  |                            |     |                            |
|    | Other (specify as necessary)                       |      |            |                  |                            |     |                            |
| 2  | Costs for holding focus groups                     |      |            |                  |                            |     |                            |
|    | Rent of venues                                     |      |            |                  |                            |     |                            |
|    | Transportation costs                               |      |            |                  |                            |     |                            |
|    | Other costs related to the holding of focus groups |      |            |                  |                            |     |                            |
| 3  | Other costs (specify)                              |      |            |                  |                            |     |                            |
|    |  |      |            |                  |                            |     |                            |
|    |  |      |            |                  |                            |     |                            |

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

## **Terms of Reference**

Project name: Economic and Social Rehabilitation of Donbas

**Task description:** Researching the barriers for business development and creation of new jobs in Donetsk and Luhansk regions

Country/place of implementation: Ukraine

Possible business trips (if applicable): business trips within Ukraine

Commencement date: August 2015

Completion date: September 2015

Project Manager: Mustafa Sait-Ametov / Project Manager

## I. PREAMBLE

The initiative for determining the barriers for doing business as well as creating new jobs will be implemented in the course of the UN's "Economic and Social Rehabilitation of Donbas" Development Programme.

The **Economic and Social Rehabilitation of Donbas** project is implemented by the UN Development Programme with financial support from the Government of Japan. The project will be implemented in cooperation with the Ministry of Regional Development, Construction, Housing and Utilities, Ministry of Economic Development and Trade, Ministry of Social Policy (MSP), State Employment Service, local government agencies, and local businesses in the target regions. The general purpose is to support the economic rehabilitation at the local level and improve the living conditions by creating employment and income opportunities, and to improve the employment capabilities of the residents of the Donetsk and Luhansk Regions who suffered from the conflict, as well as their vitality.

The beneficiaries are the IDPs and persons returning to the places of their permanent residence, local communities, local government agencies of the Donetsk and Luhansk Regions, local businesses, the respective ministries, as well as other executive government agencies.

## Context

According to the information available to the United Nations High Commissioner for Refugees, as of June 22, 2015, there were 1,358,200 internally displaced persons in Ukraine5. The IDPs are dispersed across the entire country, with a high concentration on the government controlled territories of Donetsk and Luhansk Regions, as well as in the regions bordering on Donbas. The largest proportion of the IDPs is made up by women and children (35% and 34% respectively), while men make up about 20%, and disabled persons around 11%. They reside either with their relatives or friends, in leased housing, or in the areas of compact settlement. These persons also face difficulties when looking for jobs as their experience and qualifications do not match the needs of the labor market and their places of stay.

<sup>&</sup>lt;sup>5</sup> <u>http://unhcr.org.ua/en/2011-08-26-06-58-56/news-archive/1244-internal-displacement-map</u>

The extremely difficult economic situation as well as the inflow of IDPs, create difficulties for the employment of the local population in the target regions as well. Therefore, employing of the IDPs as well as the local residents of the Donetsk and Luhansk Regions and acquiring stable incomes is a vital problem.

In addition to the problems of IDP employment, local companies have difficulties with doing business. This is primarily connected with the loss of markets, disruption of business ties, complication of the access to funding, and the absence of specific regulations governing the economic activity in the area of the conflict.

The Economic and Social Rehabilitation of Donbas Project, funded by the Government of Japan, includes a component for improving employment and entrepreneurship capabilities of the local residents of the Donetsk and Luhansk Regions. The activities planned under that component include analyzing regulatory, legal, and other barriers for doing business, creating jobs in the region, and passing laws for the promotion of small and medium-sized business in the region.

## II. GOAL AND TASKS

The main goal of the planned analysis is to determine the existing legal, regulatory, administrative, and other barriers for doing business in the region and creating new jobs. The contractor are to perform the following tasks:

- Develop a questionnaire to be used for survey among SMB in the target regions (to be approved by the Project Manager);
- Conduct a questionnaire survey among the SMB representatives doing business in the region regarding their vision of the barriers;
- Survey the representatives of legal and consulting companies, business associations, and other business development infrastructure entities regarding their vision of the barriers;
- Hold two roundtables in the Donetsk and Luhansk Regions with the participation of representatives of government agencies, employment centers, and business associations to discuss the results of the questionnaire and experts surveys;
- Form a list of the business development and job creation barriers identified;
- Hold an expert panel in Kyiv with the participation of representatives of business associations, legal and consulting companies, and SMB representatives regarding discussion and adjustment of the list of barriers;
- Based on the barriers identified, make recommendations on adoption of new regulations or amendment of the existing regulations, at the national or regional levels;
- Prepare a report on the results of the analysis, the structure of which is subject to Project Manager's approval; and
- Present the report in Kyiv with the participation of representatives of government agencies, regulation development experts, and business associations.

The analysis of the barriers for doing business and creating new jobs is to be conducted in the areas of the Donetsk and Luhansk Regions under control of the Government of Ukraine.

## III. SCOPE OF WORK, DEVELOPMENT CONDITIONS, AND EXPECTED RESULTS

Within the period from August to September 2015, the Contractor is to perform the following tasks to be approved by the UNDP.

The conditions for and requirements to the analysis of the barriers for doing business in the region are as follows:

- The forms of the questionnaires for survey are to be approved by the Project Manager;
- The methods of the questioning and expert surveying SMB representatives are to be determined by the contractor independently and may include, among other things, telephone surveys, email inquiries, etc.;
- The structure of the final report is to be approved by the Project Manager;
- Where possible, activities are to be coordinated with other partners/contractors of the Economic and Social Rehabilitation of Donbas UNDP project in order to ensure efficient cooperation;
- Wide informational reference to the UNDP and the government of Japan is to be made in the products created under the contract.

## ACTIVITIES FOR ANALYZING THE BARRIERS FOR DOING BUSINESS IN THE REGIONS AND CREATING JOBS:

 Develop questionnaire and conduct a questionnaire survey of at least 200 SMB representatives doing business in the Donetsk and Luhansk Regions regarding the review of the barriers for business and creating jobs.

Approximate performance period: August 2015.

2. Conduct surveys of experts, polling at least 40 representatives of legal and consulting companies, business associations, and other entities of the business development infrastructure (who operate at the national and regional levels and have experience of cooperating with IDPs or SMBs in the Donetsk and Luhansk Regions) regarding their view of the barriers for doing business and creating jobs.

Approximate performance period: August 2015.

- **3.** Hold 1 roundtable in each of the Donetsk and Luhansk Regions with the participation of representatives of government agencies, employment centers and business associations to discuss the results of the questionnaire surveys of entrepreneurs as well as expert surveys. Officials of local government agencies will be invited by the Project. Inviting the representatives of the private sector and NGOs is the responsibility of the Contractor. The organizational and logistical support of the roundtables is the responsibility of the Contractor. Approximate performance period: August 2015.
- **4.** Form a list of legal, regulatory, administrative and other barriers for doing business and creating new jobs, including the following information:
  - Barrier level: national, regional, or local;
  - Nature of the barrier: legal, regulatory, administrative, sectoral, or other (specify);
  - Context: description of the situation that led to the emergence of the barrier;
  - Recommendations for removal of the barrier: description of the algorithm for resolving the problem or removing the barrier;
  - Government agencies whose jurisdiction includes the removal of the barrier.

Approximate performance period: August – September 2015.

- 5. Hold an expert discussion in Kyiv with the participation of representatives of business associations, legal and consulting companies, and SMB representatives regarding the discussion and adjustment of the prepared list of barriers. Inviting the participants as well as organizational and logistical support of the activity is the Contractor's responsibility. Approximate performance period: September 2015.
- Make recommendations on creating new regulations or amending the existing regulations, at the national or regional levels, based on the barriers identified. Approximate performance period: September 2015.
- **7.** Prepare an analytical report up to 80 pages long (in the Ukrainian and English languages) containing the results of the research, containing, in particular, the following information:
  - the methodology and procedure of research;
  - special aspects of doing business and creating jobs in the government controlled areas of the Donetsk and Luhansk Regions (legal, administrative, etc.);
  - description of 10 key legal, administrative and other barriers for doing business and creating jobs according to SMB representatives;
  - description of 10 key legal, administrative and other barriers for doing business and creating jobs according to the experts;
  - conclusions and recommendations as to removing the key barriers for doing business and creating jobs in the target regions, including, but not limited to, recommendations on creating new regulations or amending the existing ones.

Approximate performance period: September 2015.

**8.** Present the report in Kyiv with the participation of representatives of government agencies, business associations and regulation development experts (20 participants). The representatives of government agencies will be invited by the Project. Invitation of private sector representatives as well as organizational and logistical support of the activity are the Contractor's responsibility. Approximate performance period: September 2015.

## **GENERAL ACTIVITIES**

- **9.** Wherever possible, the activities are to be coordinated with other partners/contractors of the Economic and Social Rehabilitation of Donbas UNDP project in order to ensure efficient cooperation.
- **10.** Reference to the UNDP and the government of Japan is to be made in the products created under the contract.

## **IV. MONITORING/REPORTING REQUIREMENTS**

The organization is to report to the Project Manager of the Economic and Social Rehabilitation of Donbas Project. The payment is to be made in two installments according to the proposed schedule of payments provided below.

The contractor must adhere to the system of monitoring, innovation and quality control implemented by the UNDP, as well as provide the required information, reports and statistical data according to the established schedule or as quickly as possible (within a reasonable period of time).

After the completion of activities 1–6, the Contractor is to submit to the UNDP an Interim Report containing a brief description of the work performed and the results achieved at the moment.

After the completion of all activities, the Contractor is to submit to the UNDP the Final Report, containing a brief description of the work performed and the final results.

All reports and results are to be submitted to the UNDP in electronic form (\*.docx, \*.xlsx, \*.pptx, and \*.pdf formats). The language of the report is Ukrainian.

## **V. EXPERIENCE AND QUALIFICATION REQUIREMENTS**

- An officially registered organization (commercial, non-commercial, non-governmental, or community organization) operating in the market for at least 3 years;
- At least 3 years of experience in analytical research, surveys, or legal services;
- Experience in analytical research in the area similar to that of the proposed task;
- At least 2 samples of prior studies in the area similar to that of the proposed task;
- Experience of cooperation with private and government sectors in target regions will be an asset;
- Experience in cooperating with international organizations will be an asset;
- The project team is to be composed of at least three experts:
  - Team Leader/Analyst: Master's degree (or equivalent) in economics, law, management, or adjacent areas; at least 5 years of experience in the area of preparing informational and analytical materials or legal practice; at least 2 years of experience in consulting business or central government agencies; at least 2 years of experience in organizing studies and surveys; fluency in Ukrainian and Russian as well as English language skills.
  - Key Expert/Analyst 1: Bachelor's degree (or higher) in economics, law, management, or adjacent areas; at least 3 years of experience in preparing informational and analytical materials; at least 2 years of experience of participating in studies and/or surveys; and fluency in Ukrainian and Russian.
  - Key Expert/Legal Specialist 2: Bachelor's degree (or higher) in law or adjacent areas; at least 3 years of experience in law and familiarity with the regulations governing the permit and economic procedures at the national and regional levels, at least 2 years of experience in the analysis of regulator documents; fluency in Ukrainian and Russian.

## VI. DOCUMENTS TO BE ATTACHED TO THE BIDS

- Technical proposal (see details below)
- Financial proposal (see details below)

## **TECHNICAL PROPOSAL**

## Requirements

| $\square$   | Expression of interest / letter of proposal briefly describing the methodology and/or approaches to the activity (up to 2 pages); |
|-------------|---|
| $\boxtimes$ | Proposed working time schedule listing key activities (3 pages);  |
| $\boxtimes$ | Research methodology (up to 10 pages);  |
| $\boxtimes$ | Examples of prior work (results of at least 2 studies) and at least two customer references;                                      |
| $\boxtimes$ | CVs of the project team members clearly indicating the respective qualification requirements.                                     |

## **VII. FINANCIAL PROPOSAL**

The financial proposal is to be submitted in a separate sealed envelope and contain the following categories of costs.

| Ν  | Activity / Costs                      | Unit | Qty | Cost per | Total, | VAT | Total,    |
|----|---------------------------------------|------|-----|----------|--------|-----|-----------|
| 0. |                                       |      |     | unit,    | net of |     | incl. VAT |
|    |                                       |      |     | UAH      | VAT    |     |           |
| 1  | Personnel costs                       |      |     |          |        |     |           |
|    | Team leader                           |      |     |          |        |     |           |
|    | Expert 1                              |      |     |          |        |     |           |
|    | Expert 2                              |      |     |          |        |     |           |
|    | Other (if necessary)                  |      |     |          |        |     |           |
| 2  | Costs of organizational and technical |      |     |          |        |     |           |
|    | research activities                   |      |     |          |        |     |           |
|    |                                       |      |     |          |        |     |           |
| 3  | Other costs (if any)                  |      |     |          |        |     |           |
|    |                                       |      |     |          |        |     |           |
|    |                                       |      |     |          |        |     |           |

## **VIII. PROPOSED SCHEDULE OF PAYMENTS:**

The payment for the Contractor's services is to be made in 2 installments after the completion of the following tasks:

1. 70% of the total amount to be paid after the completion of activities 1–5 and submission of the interim report;

2. 30% of the total amount to be paid after the completion of activities 6-10 and submission of the final report.

## IX. EVALUATION CRITERIA

## **Bid Evaluation and Comparison**

The bids will be evaluated in two stages. The evaluation of the technical proposal will be completed before opening and comparing any financial proposals. Only the financial proposals of the bids that receive the passing score of 70% (or 490 points) out of 700 possible points on the evaluation of their technical proposals will be considered.

At the first stage, the technical proposal will be evaluated for conformity with the Terms of Reference (TOR) according to the Evaluation Criteria given below.

At the second stage, the financial proposals from all bidders receiving the passing score of 70% on the evaluation of their technical proposal will be reviewed.

The general evaluation will be made using a cumulative analysis technique, with the shares of technical and financial aspects in the aggregate evaluation of 70% and 30% respectively. The financial proposal with the lowest price (among the bids receiving the passing technical score) will be selected as the baseline and awarded the maximum number of points for the financial part (i.e. 490). All other financial proposals will receive the number of points inversely proportional to the stated price, for example, 490 points × lowest price / bid price.

The winning bid will be selected based on the highest score, as determined by adding the scores received on the evaluation of the technical and financial parts respectively. The contract will be awarded to the bidder who submitted the winning bid.

| Ger | General Form of the Evaluation of                  |       | Maximum   | Company/other organization |  |  |  |
|-----|--|-------|-----------|----------------------------|--|--|--|
|     | the Technical Proposal                             | the   | number of |                            |  |  |  |
|     |  | score | points    |                            |  |  |  |
| 1   | Experience of the bidding company/organization     | 36%   | 250       |                            |  |  |  |
| 2   | Proposed working plan,<br>methodology and approach | 36%   | 250       |                            |  |  |  |
| 3   | Personnel and<br>experts/consultants engaged       | 28%   | 200       |                            |  |  |  |
|     | Total score  | 100%  | 700       |                            |  |  |  |
|     | Notes  |       |           |                            |  |  |  |

## **Technical Evaluation Criteria**

The technical proposal evaluation forms are provided on the following two pages. The maximum number of points that can be received on each evaluation criterion indicates the relative importance or share of the criterion in the general evaluation process.

## **Technical evaluation forms:**

Form 1. Experience of the bidding company/organization Form 2. Proposed working plan, methodology and approach Form 3. Personnel

## Technical evaluation criteria for UNDP ToR

| Technical proposal evaluation<br>Form 1        |   | Maximum score | Company/other organization |   |   |
|--|---|---------------|----------------------------|---|---|
|  |   |               | Α                          | В | C |
| Experience of the bidding company/organization |   |               |                            |   |   |
| 1.1  | <ul> <li>Officially registered organization (commercial, non-commercial, non-governmental, or community organization)</li> <li>3 years of market activities: up to 20 points;</li> <li>4-5 years of market activities: up to 35 points;</li> <li>6 or more years of market activities: up to 50 points</li> </ul>   | 50            |                            |   |   |
| 1.2  | <ul> <li>Experience in the area related to preparing analytical studies, surveys, or law:</li> <li>3 years of activity: up to 20 points;</li> <li>4-5 years of activity: up to 35 points;</li> <li>6 or more years of activity: up to 50 points</li> </ul>  | 50            |                            |   |   |
| 1.3  | <ul> <li>Experience of research in the area similar to that of the proposed task:</li> <li>Reports (or summaries) on 2 prior studies: up to 20 points;</li> <li>Reports (or summaries) on 3-4 prior studies: up to 35 points;</li> <li>Reports (or summaries) on 5 or more prior studies: up to 50 points.</li> </ul>   | 50            |                            |   |   |
| 1.4  | <ul> <li>Work experience in the target regions:</li> <li>Experience in cooperating with the private sector in the target regions before the conflict: up to 20 points;</li> <li>Experience in cooperating with the private sector in target regions after the conflict: up to 35 points;</li> <li>Experience in cooperating with the private and public sectors in target regions after the conflict: up to 50 points.</li> </ul> | 50            |                            |   |   |
| 1.5  | <ul> <li>Experience in cooperating with international organizations:</li> <li>Experience in performing at least one assignment: up to 20 points;</li> <li>Experience in performing 2–3 assignments: up to 35 points;</li> <li>Experience in performing 4 and more assignments: up to 50 points</li> </ul>   | 50            |                            |   |   |

|  | Total score on Form 1 | 250 |  |  |  |
|--|-----------------------|-----|--|--|--|
|--|-----------------------|-----|--|--|--|

| Technical proposal evaluation<br>Form 2 |   |                | Company/other organization |   |   |
|---|---|----------------|----------------------------|---|---|
|   |   | Maximum score  | A                          | В | С |
|   | Proposed working plan, methodolog   | y and approach |                            |   |   |
| 2.1                                     | <ul> <li>How well developed, substantiated and reliable is the methodology of analyzing the barriers for doing business and creating jobs? – 110 points total, of which: <ul> <li>the methodology contains a vision of the implementation of each element of the ToR: 40 points;</li> <li>the methodology is well-adjusted to the needs of the ToR: 30 points;</li> <li>the methodology is based on successful prior experience and has application examples for similar tasks: 40 points.</li> </ul> </li> </ul> | 110            |                            |   |   |
| 2.2                                     | <ul> <li>How well developed, optimal and fit for the needs of the statement of work is the proposed schedule including the list of key activities? – 80 points total, of which: <ul> <li>detailed action plan: 30 points;</li> <li>visualized time schedule (Gantt chart): 25 points;</li> <li>key activities arranged in the optimal order: 25 points.</li> </ul> </li> </ul>  | 80             |                            |   |   |
| 2.3                                     | <ul> <li>How well is the approach to organizing communication activities (roundtables and presentations) described? – 60 points total, of which: <ul> <li>engagement of the required stakeholders is ensured: 20 points;</li> <li>communication activities will take place in each of the target regions: 20 points;</li> <li>programme of communication activities is provided: 20 points.</li> </ul> </li> </ul>  | 60             |                            |   |   |
|   | Total score on Form 2   | 250            |                            |   |   |

|     | Technical proposal evaluation  | Maximum score | Company/other organization |   |   |  |
|-----|--|---------------|----------------------------|---|---|--|
|     | Form 3   |               | А                          | В | С |  |
|     | Personnel  |               |                            |   |   |  |
|     | Team Leader/Analyst  |               |                            |   |   |  |
| 3.1 | Experience in preparing analytical materials or in legal practice (5 years: 10 points, 6–7 years: up to 15 points, 8 or more years: up to 20 points) | 20            |                            |   |   |  |
| 3.2 | Experience in organizing studies and surveys (2 years: 10 points, 3–5 years: up to 15 points, 6 or more years: up to 20 points)                      | 20            |                            |   |   |  |

|                                 | Total score on Form 3   | 200 |  |
|---------------------------------|---|-----|--|
|                                 | Subtotal for criteria 3.8 – 3.10  | 60  |  |
|                                 | 7 points, Candidate of Science or higher: 10 points)  |     |  |
| 3.11                            | Bachelor's degree: 5 points, a Specialist's or Master's degree:   |     |  |
|                                 | Higher education in the respective area (equivalent to a  | 10  |  |
| 3.10                            | Experience in analyzing regulations (2 years: 10 points, 3-4 years: up to 15 points, 5 or more years: up to 20 points)    | 20  |  |
|                                 | points, 6 or more years: up to 30 points)   | 20  |  |
| 3.9                             | Experience in law (3 years: 10 points, 4-5 years: up to 20  | 30  |  |
|                                 | Key Expert/Legal Specialist 2   |     |  |
| Subtotal for criteria 3.5 – 3.7 |   | 60  |  |
|                                 | 7 points, PhD: 10 points)   |     |  |
| 3.8                             | Bachelor's degree: 5 points, a Specialist's or Master's degree:   |     |  |
|                                 | Higher education in the respective area (equivalent to a  | 10  |  |
| 3.7                             | points, 3-4 years: up to 15 points, 5 or more years: up to 20 points)   |     |  |
|                                 | Experience in organizing studies and surveys (2 years: 10   | 20  |  |
|                                 | years: up to 30 points)   |     |  |
| 3.6                             | Experience in preparing informational and analytical materials (3 years: 10 points, 4–5 years: up to 20 points, 6 or more | 30  |  |
|                                 | Key Expert/Analyst 1  | 20  |  |
|                                 | Subtotal for criteria 3.1 – 3.5   | 80  |  |
|                                 | points)   | 00  |  |
| 3.5                             | English skills (conversational skills: 5 points, fluent English: 10   | 10  |  |
| 3.4                             | Higher education in the respective area (equivalent to a Master's degree: 5 points, PhD: 10 points)                       | 10  |  |
|                                 | agencies (2 years: 10 points, 3–4 years: up to 15 points, 5 or more years: up to 20)                                      |     |  |
| 3.3                             | Experience in consulting businesses or central government   | 20  |  |

Model Contract for Professional Consulting Services

between UNDP and a Company or other entity<sup>6</sup>

Date \_\_\_\_\_

Dear Sir/Madam,

## Ref.: \_\_\_\_/ \_\_\_\_ [INSERT PROJECT NUMBER AND TITLEOR OTHER REFERENCE]

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

#### 1. Contract Documents

- 1.1 This Contract is subject to the UNDP General Conditions for Professional Services attached hereto as Annex I. The provisions of such Annex shall control the interpretation of this Contract and in no way shall be deemed to have been derogated by the contents of this letter and any other Annexes, unless otherwise expressly stated under section 4 of this letter, entitled "Special Conditions".
- 1.2 The Contractor and UNDP also agree to be bound by the provisions contained in the following documents, which shall take precedence over one another in case of conflict in the following order:
  - a) this letter;

b) the Terms of Reference [ref. .....dated......], attached hereto as Annex II;

c) the Contractor's technical proposal [ref....., dated ......], as clarified by the agreed minutes of the negotiation meeting<sup>7</sup>[dated......], both documents not attached hereto but known to and in the possession of both parties.

1.3 All the above shall form the Contract between the Contractor and UNDP, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

#### 2. Obligations of the Contractor

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

NameSpecializationNationalityPeriod of service

.... ......

<sup>&</sup>lt;sup>6</sup>This model contract is intended for services (studies, consultancies by firms, etc) to be obtained from companies as well as from NGOs, Universities, etc. It is not to be used for procuring goods or works. Any substantial deviations to the text should be made in consultation with BOM.

<sup>&</sup>lt;sup>7</sup> If there are updates to the technical proposal or correspondence exchanged in clarification of certain aspects, reference them too, provided that they are fully acceptable to UNDP. Otherwise, aspects which resolution is pending should be dealt with in this letter itself or in the Terms of Reference, as appropriate.

- 2.3 Any changes in the above key personnel shall require prior written approval of **[NAME and TITLE],** UNDP.
- 2.4 The Contractor shall also provide all technical and administrative support needed in order to ensure the timely and satisfactory performance of the Services.
- 2.5 The Contractor shall submit to UNDP the deliverables specified hereunder according to the following schedule:

| [LIST DELIVERABLES] | [INDICATE DELIVERY DATES] |
|---------------------|---------------------------|
| e.g.                |                           |
| Progress report     | //                        |
| Final report        | //                        |

2.6 All reports shall be written in the English language, and shall describe in detail the services rendered under the Contract during the period of time covered in such report. All reports shall be transmitted by the Contractor by [MAIL, COURIER AND/OR FAX] to the address specified in 9.1 below.

2.7 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the deliverables and reports foreseen under this Contract in accordance with the highest industry and professional standards.

#### **OPTION 1 (FIXED PRICE)**

#### 3. <u>Price and Payment<sup>8</sup></u>

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

MILESTONE<sup>9</sup> AMOUNT TARGET DATE

.....

Upon....

./../....

Invoices shall indicate the milestones achieved and corresponding amount payable.

#### **OPTION 2 (COST REIMBURSEMENT)**

<sup>&</sup>lt;sup>8</sup> This version of section 3 is to be used for fixed price contracts. Fixed price contracts should normally be used when it is possible to estimate with reasonable accuracy the costs of the activities which are the subject of the Contract.

<sup>&</sup>lt;sup>9</sup> If an advance payment is granted, define the first milestone as "upon signature of the contract by both parties". Please note that advance payments should be granted only in exceptional cases, and that they must comply with UNDP policies and procedures.

- 3. <u>Price and payment<sup>10</sup></u>
- 3.1 In full consideration for the complete and satisfactory performance of the Services under this Contract, UNDP shall pay the Contractor a price not to exceed \_\_\_\_\_ [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS].
- 3.2 The amount contained in 3.1 above is the maximum total amount of reimbursable costs under this Contract. The Breakdown of Costs in Annex \_\_\_\_\_ [INSERT ANNEX NUMBER] contains the maximum amounts per cost category that are reimbursable under this Contract. The Contractor shall reflect in his invoices the amount of the actual reimbursable costs incurred in the performance of the Services.
- 3.3 The Contractor shall not do any work, provide any equipment, materials and supplies, or perform any other services which may result in any costs in excess of the amount under 3.1 or of any of the amounts specified in the Breakdown of Costs for each cost category without the prior written agreement of \_\_\_\_\_\_ [NAME and TITLE], UNDP.
- 3.4 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Services.
- 3.5 The Contractor shall submit invoices for the work done every \_\_\_\_\_ [INSERT PERIOD OF TIME OR MILESTONES].

OR

3.5. The Contractor shall submit an invoice for \_\_\_\_\_\_ [INSERT AMOUNT AND CURRENCY OF THE ADVANCE PAYMENT IN FIGURES & WORDS] upon signature of this Contract by both parties and invoices for the work done every \_\_\_\_\_ [INSERT PERIOD OF TIME OR MILESTONES].<sup>11</sup>

3.6 Progress and final payments shall be effected by UNDP to the Contractor after acceptance of the invoices submitted by the Contractor to the address specified in 9.1 below, together with whatever supporting

documentation of the actual costs incurred is required in the Breakdown of Costs or may be required by UNDP. Such payments shall be subject to any specific conditions for reimbursement contained in the Breakdown of Costs.

#### 4. <u>Special conditions</u><sup>12</sup>

4.1 The responsibility for the safety and security of the Contractor and its personnel and property, and of UNDP's property in the Contractor's custody, rests with the Contractor.

4.1.1. <u>Security</u>

The Contractor shall:

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

<sup>&</sup>lt;sup>10</sup> This version of section 3 is to be used for cost reimbursement contracts. Normally, cost reimbursement contracts should be used when it is not possible to estimate with reasonable accuracy the total costs of the activities which are the subject of the Contract.

<sup>&</sup>lt;sup>11</sup> This clause should be used if an advance payment is granted. Please note that advance payments should be granted only in exceptional cases, and that they must comply with UNDP policies and procedures. Any advance which represents 30% or more of the proposed total contract value must be cleared by the Office of Finance and Administration prior to contract signature, with the exception of contracts below \$50,000.

 $<sup>^{12}</sup>$  Under this Section, you may propose special clauses in order to adapt the model contract to the specific situation. In this sample clause 4, several clauses of common use are given. If they are not required, they should be deleted. If there are no special conditions, please choose the alternative version of 4 in order to conform to clause 1.1.

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

#### 4.2 Audits and Investigations

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

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

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

- 4.4 The advance payment to be made upon signature of the contract by both parties is contingent upon receipt and acceptance by UNDP of a bank guarantee for the full amount of the advance payment issued by a Bank and in a form acceptable to UNDP.<sup>13</sup>
- 4.5 The amounts of the payments referred to under section 3.6 above shall be subject to a deduction of [INSERT PERCENTAGE THAT THE ADVANCE REPRESENTS OVER THE TOTAL PRICE OF THE CONTRACT] % (... percent) of the amount accepted for payment until the cumulative amount of the deductions so effected shall equal the amount of the advance payment.<sup>14</sup>
- 4.6 Owing to [.....], Article(s) [.....] of the General Conditions in Annex I shall be amended to read/be deleted.<sup>15</sup>

<sup>&</sup>lt;sup>13</sup>This clause must be used when an advance payment of  $\frac{550,000}{50,000}$  or more is granted to the Consultant and may be used for payments under  $\frac{550,000}{50,000}$  when appropriate. Please note that advance payments should be exceptional, whatever their amount and must comply with UNDP Financial Regulations and Rules.

<sup>&</sup>lt;sup>14</sup> This clause must be used when an advance payment is granted (whatever the amount) in a cost reimbursement contract. A payment upon signature is considered an advance payment.

<sup>&</sup>lt;sup>15</sup> This is a sample clause for the rare cases where there is a conflict with a provision of the General Conditions which does not involve privileges and immunities, arbitration or some other fundamental aspects of the UNDP legal status. All such changes to the General Conditions shall require consultation with OLPS/BOM.

#### 5. <u>Submission of invoices</u>

- 5.1 An original invoice shall be submitted by mail by the Contractor for each payment under the Contract to the following address:
- 5.2 Invoices submitted by fax shall not be accepted by UNDP.
- 6. <u>Time and manner of payment</u>
- 6.1 Invoices shall be paid within thirty (30) days of the date of their acceptance by UNDP. UNDP shall make every effort to accept an invoice or so advise the Contractor of its non-acceptance within a reasonable time from receipt.
- 6.2 All payments shall be made by UNDP to the following Bank account of the Contractor:

#### [NAME OF THE BANK], [ACCOUNT NUMBER], [ADDRESS OF THE BANK]

- 7. <u>Entry into force. Time limits.</u>
- 7.1 The Contract shall enter into force upon its signature by both parties.
- 7.2 The Contractor shall commence the performance of the Services not later than \_\_\_\_\_ [INSERT DATE] and shall complete the Services within \_\_\_\_\_\_ [INSERT NUMBER OF DAYS OR MONTHS] of such commencement.
- 7.3 All time limits contained in this Contract shall be deemed to be of the essence in respect of the performance of the Services.

#### 8. <u>Modifications</u>

- 8.1 Any modification to this Contract shall require an amendment in writing between both parties duly signed by the authorized representative of the Contractor and \_\_\_\_\_ [NAME AND TITLE] UNDP.
- 9. <u>Notifications</u>

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

For the UNDP:

#### [INSERT CONTRACT REFERENCE & NUMBER]

#### For the Contractor:

#### [INSERT NAME, ADDRESS AND TELEX, FAX AND CABLE NUMBERS]

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

Yours sincerely,

#### [INSERT NAME AND TITLE]

#### For [INSERT NAME OF THE COMPANY/ORGANIZATION]