

# **INVITATION TO BID**

**Procurement and Supply of Micro-Hydropower Systems for Mae Hong Son,  
Thailand  
ITB/UNDP/THA/001/2015**



**United Nations Development Programme**

November, 2015

## Section 1. Letter of Invitation

19<sup>th</sup> November 2015

### Procurement and Supply of Micro-Hydropower Systems for Mae Hong Son, Thailand

Dear Mr/Ms:

The Office of Sourcing and Operations (OSO) of the United Nations Development Programme (UNDP), on behalf of UNDP Thailand hereby invites you to submit a Bid to this Invitation to Bid (ITB) for the above-referenced subject.

This ITB includes the following documents:

- Section 1 – This Letter of Invitation
- Section 2 – Instructions to Bidders (including Data Sheet)
- Section 3 – Technical Specifications, Drawings
- Section 4 – Bid Submission Form
- Section 5 – Documents Establishing the Eligibility and Qualifications of the Bidder
- Section 6 – Technical Bid Form
- Section 7 – Price Schedule Form
- Section 8 – Form for Performance Security - **Not Applicable**
- Section 9 – General Terms and Conditions for Goods and Services, including Special Conditions

Your offer, comprising of a Technical Bid and Price Schedule, should be submitted in accordance with Section 2.

You are kindly requested to submit an acknowledgment letter to UNDP to the following address:

United Nations Development Programme  
[ainan.razif.rahim@undp.org](mailto:ainan.razif.rahim@undp.org) , Ainan Rahim  
[nazim.razak@undp.org](mailto:nazim.razak@undp.org) , Nazim Razak

The letter should be received by UNDP no later than 26<sup>th</sup> November 2015, 3:00 p.m. Kuala Lumpur local time. The same letter should advise whether your company intends to submit a Bid. If that is not the case, UNDP would appreciate your indicating the reason, for our records.

If you have received this ITB through a direct invitation by UNDP, transferring this invitation to another firm requires notifying UNDP accordingly.

Should you require any clarification, kindly communicate with the contact person identified in the attached Data Sheet as the focal point for queries on this ITB.

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

Yours sincerely,

Bakhtiyor Khamraev  
Team Lead  
Office of Sourcing and Operations  
Bureau for Management Services

Global Shared Service Unit  
Cyberjaya, Malaysia  
United Nations Development Programme

## Section 2: Instruction to Bidders

### Definitions

- a) *“Bid”* refers to the Bidder’s response to the Invitation to Bid, including the Bid Submission Form, Technical Bid and Price Schedule and all other documentation attached thereto as required by the ITB.
- b) *“Bidder”* refers to any legal entity that may submit, or has submitted, a Bid for the supply of goods and provision of related services requested by UNDP.
- c) *“Contract”* refers to the legal instrument that will be signed by and between the UNDP and the successful Bidder, all the attached documents thereto, including the General Terms and Conditions (GTC) and the Appendices.
- d) *“Country”* refers to the country indicated in the Data Sheet.
- e) *“Data Sheet”* refers to such part of the Instructions to Bidders used to reflect conditions of the tendering process that are specific for the requirements of the ITB.
- f) *“Day”* refers to calendar day.
- g) *“Goods”* refer to any tangible product, commodity, article, material, wares, equipment, assets or merchandise that UNDP requires under this ITB.
- h) *“Government”* refers to the Government of the country where the goods and related services provided/rendered specified under the Contract will be delivered or undertaken.
- i) *“Instructions to Bidders”* refers to the complete set of documents which provides Bidders with all information needed and procedures to be followed in the course of preparing their Bid
- j) *“ITB”* refers to the Invitation to Bid consisting of instructions and references prepared by UNDP for purposes of selecting the best supplier or service provider to fulfil the requirement indicated in the Schedule of Requirements and Technical Specifications.
- k) *“LOI”* (Section 1 of the ITB) refers to the Letter of Invitation sent by UNDP to Bidders.
- l) *“Material Deviation”* refers to any contents or characteristics of the bid that is significantly different from an essential aspect or requirement of the ITB, and (i) substantially alters the scope and quality of the requirements; (ii) limits the rights of UNDP and/or the obligations of the offeror; and (iii) adversely impacts the fairness and principles of the procurement process, such as those that compromise the competitive position of other offerors.
- m) *“Schedule of Requirements and Technical Specifications”* refers to the document included in this

ITB as Section 3 which lists the goods required by UNDP, their specifications, the related services, activities, tasks to be performed, and other information pertinent to UNDP's receipt and acceptance of the goods.

- n) "Services" refers to the entire scope of tasks related or ancillary to the completion or delivery of the goods required by UNDP under the ITB.
- o) "Supplemental Information to the ITB" refers to a written communication issued by UNDP to prospective Bidders containing clarifications, responses to queries received from prospective Bidders, or changes to be made in the ITB, at any time after the release of the ITB but before the deadline for the submission of Bid.

## A. GENERAL

1. UNDP hereby solicits Bids as a response to this Invitation to Bid (ITB). Bidders must strictly adhere to all the requirements of this ITB. No changes, substitutions or other alterations to the rules and provisions stipulated in this ITB may be made or assumed unless it is instructed or approved in writing by UNDP in the form of Supplemental Information to the ITB.
2. Submission of a Bid shall be deemed as an acknowledgement by the Bidder that all obligations stipulated by this ITB will be met and, unless specified otherwise, the Bidder has read, understood and agreed to all the instructions in this ITB.
3. Any Bid submitted will be regarded as an offer by the Bidder and does not constitute or imply the acceptance of any Bid by UNDP. UNDP is under no obligation to award a contract to any Bidder as a result of this ITB.
4. UNDP implements a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical practices, and obstruction. UNDP is committed to preventing, identifying and addressing all acts of fraud and corrupt practices against UNDP as well as third parties involved in UNDP activities. (See [http://www.undp.org/about/transparencycdocs/UNDP\\_Anti\\_Fraud\\_Policy\\_English\\_FINAL\\_june\\_2011.pdf](http://www.undp.org/about/transparencycdocs/UNDP_Anti_Fraud_Policy_English_FINAL_june_2011.pdf) and [http://www.undp.org/content/undp/en/home/operations/procurement/procurement\\_protest/](http://www.undp.org/content/undp/en/home/operations/procurement/procurement_protest/) for full description of the policies)
5. In responding to this ITB, UNDP requires all Bidders to conduct themselves in a professional, objective and impartial manner, and they must at all times hold UNDP's interests paramount. Bidders must strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. All Bidders found to have a conflict of interest shall be disqualified. Without limitation on the generality of the above, Bidders, and any of their affiliates, shall be considered to have a conflict of interest with one or more parties in this solicitation process, if they:
  - 5.1 Are, or have been associated in the past, with a firm or any of its affiliates which have been engaged UNDP to provide services for the preparation of the design, Schedule of

- Requirements and Technical Specifications, cost analysis/estimation, and other documents to be used for the procurement of the goods and related services in this selection process;
- 5.2 Were involved in the preparation and/or design of the programme/project related to the goods and related services requested under this ITB; or
  - 5.3 Are found to be in conflict for any other reason, as may be established by, or at the discretion of, UNDP.

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

6. Similarly, the following must be disclosed in the Bid :

- 6.1 Bidders who are owners, part-owners, officers, directors, controlling shareholders, or key personnel who are family of UNDP staff involved in the procurement functions and/or the Government of the country or any Implementing Partner receiving the goods and related services under this ITB; and
- 6.4 Others that could potentially lead to actual or perceived conflict of interest, collusion or unfair competition practices.

### **Failure of such disclosure may result in the rejection of the Bid.**

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

## **B. CONTENTS OF BID**

### **9. Sections of Bid**

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

- 9.1 Bid Submission Cover Letter Form (see ITB Section 4);
- 9.2 Documents Establishing the Eligibility and Qualifications of the Bidder (see ITB Section 5);
- 9.3 Technical Bid (see prescribed form in ITB Section 6);
- 9.4 Price Schedule (see prescribed form in ITB Section 7);
- 9.5 Bid Security, if applicable (if required and as stated in the DS nos. 9-11, see prescribed Form in ITB Section 8);
- 9.6 Any attachments and/or appendices to the Bid (including all those specified under the **Data**

Sheet)

## 10. Clarification of Bid

- 10.1 Bidders may request clarification of any of the ITB documents no later than the number of days indicated in the **Data Sheet** (DS no. 16) prior to the Bid submission date. Any request for clarification must be sent in writing via courier or through electronic means to the UNDP address indicated in the **Data Sheet** (DS no. 17). UNDP will respond in writing, transmitted by electronic means and will transmit copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Bidders who have provided confirmation of their intention to submit a Bid.
- 10.2 UNDP shall endeavor to provide such responses to clarifications in an expeditious manner, but any delay in such response shall not cause an obligation on the part of UNDP to extend the submission date of the Bid, unless UNDP deems that such an extension is justified and necessary.

## 11. Amendment of Bid

- 11.1 At any time prior to the deadline for submission of Bid, UNDP may for any reason, such as in response to a clarification requested by a Bidder, modify the ITB in the form of a Supplemental Information to the ITB. All prospective Bidders will be notified in writing of all changes/amendments and additional instructions through Supplemental Information to the ITB and through the method specified in the **Data Sheet** (DS No. 18).
- 11.2 In order to afford prospective Bidders reasonable time to consider the amendments in preparing their Bid, UNDP may, at its discretion, extend the deadline for submission of Bid, if the nature of the amendment to the ITB justifies such an extension.

## C. PREPARATION OF BID

### 12. Cost

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

### 13. Language

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

#### 14. Bid Submission Form

The Bidder shall submit the Bid Submission Form using the form provided in Section 4 of this ITB.

#### 15. Technical Bid Format and Content

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

- 15.1 Expertise of Firm/Organization – this section should provide details regarding management structure of the organization, organizational capability/resources, and experience of organization/firm, the list of projects/contracts (both completed and on-going, both domestic and international) which are related or similar in nature to the requirements of the ITB, manufacturing capacity of plant if Bidder is a manufacturer, authorization from the manufacturer of the goods if Bidder is not a manufacturer, and proof of financial stability and adequacy of resources to complete the delivery of goods and provision of related services required by the ITB (see ITB Clause 18 and DS No. 26 for further details). The same shall apply to any other entity participating in the ITB as a Joint Venture or Consortium.
- 15.2 Technical Specifications and Implementation Plan – this section should demonstrate the Bidder's response to the Schedule of Requirements and Technical Specifications by identifying the specific components proposed; how each of the requirements shall be met point by point; providing a detailed specification and description of the goods required, plans and drawings where needed; the essential performance characteristics, identifying the works/portions of the work that will be subcontracted; a list of the major subcontractors, and demonstrating how the bid meets or exceeds the requirements, while ensuring appropriateness of the bid to the local conditions and the rest of the project operating environment during the entire life of the goods provided. Details of technical bid must be laid out and supported by an Implementation Timetable, including Transportation and Delivery Schedule where needed, that is within the duration of the contract as specified in the **Data Sheet** (DS noS. 29 and 30).

Bidders must be fully aware that the goods and related services that UNDP require may be transferred, immediately or eventually, by UNDP to the Government partners, or to an entity nominated by the latter, in accordance with UNDP's policies and procedures. All bidders are therefore required to submit the following in their bids :

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

may be classified as “Dangerous Goods”.

- 15.3 Management Structure and Key Personnel – This section should include the comprehensive curriculum vitae (CVs) of key personnel that will be assigned to support the implementation of the technical bid, clearly defining their roles and responsibilities. CVs should establish competence and demonstrate qualifications in areas relevant to the requirements of this ITB.

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

- 15.4 Where the **Data Sheet** requires the submission of the Bid Security, the Bid Security shall be included along with the Technical Bid. The Bid Security may be forfeited by UNDP, and reject the Bid, in the event of any or any combination of the following conditions:
- a) If the Bidder withdraws its offer during the period of the Bid Validity specified in the **Data Sheet** (DS no. 11), or;
  - b) If the Bid Security amount is found to be less than what is required by UNDP as indicated in the **Data Sheet** (DS no. 9), or;
  - c) In the case the successful Bidder fails:
    - i. to sign the Contract after UNDP has awarded it;
    - ii. to comply with UNDP’s variation of requirement, as per ITB Clause 35; or
    - iii. to furnish Performance Security, insurances, or other documents that UNDP may require as a condition to rendering effective the contract that may be awarded to the Bidder.

## 16. Price Schedule

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

## 17. Currencies

All prices shall be quoted in the currency indicated in the **Data Sheet** (DS no. 15). However,

where Bids are quoted in different currencies, for the purposes of comparison of all Bid:

- 17.1 UNDP will convert the currency quoted in the Bid into the UNDP preferred currency, in accordance with the prevailing UN operational rate of exchange on the last day of submission of Bid; and
- 17.2 In the event that the Bid found to be the most responsive to the ITB requirement is quoted in another currency different from the preferred currency as per **Data Sheet** (DS no. 15), then UNDP shall reserve the right to award the contract in the currency of UNDP's preference, using the conversion method specified above.

## **18. Documents Establishing the Eligibility and Qualifications of the Bidder**

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

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

18.2 Bids submitted by two (2) or more Bidders shall all be rejected by UNDP if they are found to have any of the following:

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

## **19. Joint Venture, Consortium or Association**

If the Bidder is a group of legal entities that will form or have formed a joint venture, consortium or association at the time of the submission of the Bid, they shall confirm in their Bid that : (i)

they have designated one party to act as a lead entity, duly vested with authority to legally bind the members of the joint venture jointly and severally, and this shall be duly evidenced by a duly notarized Agreement among the legal entities, which shall be submitted along with the Bid; and (ii) if they are awarded the contract, the contract shall be entered into, by and between UNDP and the designated lead entity, who shall be acting for and on behalf of all entities that comprise the joint venture.

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

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

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

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

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

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

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

## **20. Alternative Bid**

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

## **21. Validity Period**

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

21.2 In exceptional circumstances, prior to the expiration of the Bid validity period, UNDP may

request Bidders to extend the period of validity of their Bid. The request and the responses shall be made in writing, and shall be considered integral to the Bid.

## 22. Bidder's Conference

When appropriate, a Bidder's conference will be conducted at the date, time and location specified in the **Data Sheet** (DS no. 7). All Bidders are encouraged to attend. Non-attendance, however, shall not result in disqualification of an interested Bidder. Minutes of the Bidder's conference will be either posted on the UNDP website, or disseminated to the individual firms who have registered or expressed interest with the contract, whether or not they attended the conference. No verbal statement made during the conference shall modify the terms and conditions of the ITB unless such statement is specifically written in the Minutes of the Conference, or issued/posted as an amendment in the form of a Supplemental Information to the ITB.

## D. SUBMISSION AND OPENING OF BID

### 23. Submission

23.1 The Technical Bid and the Price Schedule **must be submitted together and sealed together in one and the same envelope**, delivered either personally, by courier, or by electronic method of transmission. If submission will not be done by electronic means, the Technical Bid and Price Schedule must be sealed together in an envelope whose external side must :

- a) Bear the name of the Bidder;
- b) Be addressed to UNDP as specified in the **Data Sheet** (DS no.20); and
- c) Bear a warning not to open before the time and date for Bid opening as specified in the **Data Sheet** (DS no. 24).

If the envelope is not sealed nor labeled as required, the Bidder shall assume the responsibility for the misplacement or premature opening of Bid due to improper sealing and labeling by the Bidder.

23.2 Bidders must submit their Bid in the manner specified in the **Data Sheet** (DS nos. 22 and 23). When the Bid is expected to be in transit for more than 24 hours, the Bidder must ensure that sufficient lead time has been provided in order to comply with UNDP's deadline for submission. UNDP shall indicate for its record that the official date and time of receiving the Bid is the actual date and time when the said Bid has physically arrived at the UNDP premises indicated in the **Data Sheet** (DS no. 20).

23.3 Bidders submitting Bid by mail or by hand shall enclose the original and each copy of the Bid, in separate sealed envelopes, duly marking each of the envelopes as "Original Bid" and the others as "Copy of Bid". The two envelopes, consisting of original and copies, shall then be sealed in an outer envelope. The number of copies required shall be as specified in the **Data Sheet** (DS no. 19). In the event of any discrepancy between the contents of the "Original Bid" and the "Copy of Bid", the contents of the original shall

govern. The original version of the Bid shall be signed or initialed by the Bidder or person(s) duly authorized to commit the Bidder on every page. The authorization shall be communicated through a document evidencing such authorization issued by the highest official of the firm, or a Power of Attorney, accompanying the Bid.

23.4 Bidders must be aware that the mere act of submission of a Bid, in and of itself, implies that the Bidder accepts the General Contract Terms and Conditions of UNDP as attached hereto as Section 11.

#### **24. Deadline for Submission of Bid and Late Bids**

Bid must be received by UNDP at the address and no later than the date and time specified in the **Data Sheet** (DS no. 20 and 21).

UNDP shall not consider any Bid that arrives after the deadline for submission of Bid. Any Bid received by UNDP after the deadline for submission of Bid shall be declared late, rejected, and returned unopened to the Bidder.

#### **25. Withdrawal, Substitution, and Modification of Bid**

25.1 Bidders are expected to have sole responsibility for taking steps to carefully examine in detail the full consistency of its Bid to the requirements of the ITB, keeping in mind that material deficiencies in providing information requested by UNDP, or lack clarity in the description of goods and related services to be provided, may result in the rejection of the Bid. The Bidder shall assume any responsibility regarding erroneous interpretations or conclusions made by the Bidder in the course of understanding the ITB out of the set of information furnished by UNDP.

25.2 A Bidder may withdraw, substitute or modify its Bid after it has been submitted by sending a written notice in accordance with ITB Clause 23, duly signed by an authorized representative, and shall include a copy of the authorization (or a Power of Attorney). The corresponding substitution or modification of the Bid must accompany the respective written notice. All notices must be received by UNDP prior to the deadline for submission and submitted in accordance with ITB Clause 23 (except that withdrawal notices do not require copies). The respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," or "MODIFICATION".

25.3 Bid requested to be withdrawn shall be returned unopened to the Bidders.

25.4 No Bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of Bid and the expiration of the period of Bid validity specified by the Bidder on the Bid Submission Form or any extension thereof.

#### **26. Bid Opening**

UNDP will open the Bid in the presence of an ad-hoc committee formed by UNDP of at least two (2) members. If electronic submission is permitted, any specific electronic Bid opening

procedures shall be as specified in the **Data Sheet** (DS no. 23).

The Bidders' names, modifications, withdrawals, the condition of the envelope labels/seals, the number of folders/files and all other such other details as UNDP may consider appropriate, will be announced at the opening. No Bid shall be rejected at the opening stage, except for late submission, for which the Bid shall be returned unopened to the Bidder.

## **27. Confidentiality**

Information relating to the examination, evaluation, and comparison of Bid, and the recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process, even after publication of the contract award.

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

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

## **E. EVALUATION OF BID**

### **28. Preliminary Examination of Bid**

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

### **29. Evaluation of Bid**

29.1 UNDP shall examine the Bid to confirm that all terms and conditions under the UNDP General Terms and Conditions and Special Conditions have been accepted by the Bidder without any deviation or reservation.

29.2 The evaluation team shall review and evaluate the Bids on the basis of their responsiveness to the Schedule of Requirements and Technical Specifications and other documentation provided, applying the procedure indicated in the **Data Sheet** (DS No. 25). Absolutely no changes may be made by UNDP in the criteria after all Bids have been received.

29.1 UNDP reserves the right to undertake a post-qualification exercise, aimed at determining, to its satisfaction the validity of the information provided by the Bidder. Such post-qualification shall be fully documented and, among those that may be listed in the **Data**

**Sheet** (DS No.33), may include, but need not be limited to, all or any combination of the following :

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

### **30. Clarification of Bid**

To assist in the examination, evaluation and comparison of bids, UNDP may, at its discretion, ask any Bidder to clarify its Bid.

UNDP's request for clarification and the Bidder's response shall be in writing. Notwithstanding the written communication, no change in the prices or substance of the Bid shall be sought, offered, or permitted, except to provide clarification, and confirm the correction of any arithmetic errors discovered by UNDP in the evaluation of the Bid, in accordance with ITB Clause 35.

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

### **31. Responsiveness of Bid**

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

A substantially responsive Bid is one that conforms to all the terms, conditions, and specifications of the ITB without material deviation, reservation, or omission.

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

### **32. Nonconformities, Reparable Errors and Omissions**

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

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

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

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

32.4 If the Bidder does not accept the correction of errors made by UNDP, its Bid shall be rejected.

## **F. AWARD OF CONTRACT**

### **33. Right to Accept, Reject, or Render Non-Responsive Any or All Bid**

33.1 UNDP reserves the right to accept or reject any Bid, to render any or all of the Bids as non-responsive, and to reject all Bids at any time prior to award of contract, without incurring any liability, or obligation to inform the affected Bidder(s) of the grounds for UNDP's action. Furthermore, UNDP is not obligated to award the contract to the lowest price offer.

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

### **34. Award Criteria**

Prior to expiration of the period of Bid validity, UNDP shall award the contract to the qualified and eligible Bidder that is found to be responsive to the requirements of the Schedule of

Requirements and Technical Specification, and has offered the lowest price (See DS No. 32).

### **35. Right to Vary Requirements at the Time of Award**

At the time of award of Contract, UNDP reserves the right to vary the quantity of the goods and/or related services, 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.

### **36. Contract Signature**

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

Failure of the successful Bidder to comply with the requirement of ITB Section F.3 and this provision shall constitute sufficient grounds for the annulment of the award, and forfeiture of the Bid Security if any, and on which event, UNDP may award the Contract to the Bidder with the second highest rated Bid, or call for new Bid.

### **37. Performance Security**

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

### **38. Bank Guarantee for Advanced Payment**

Except when the interests of UNDP so require, it is the UNDP's preference to make no advanced payment(s) on contracts (i.e., payments without having received any outputs). In the event that the Bidder requires an advanced payment upon contract signature, and if such request is duly accepted by UNDP, and the said advanced payment exceeds 20% of the total Bid price, or exceed the amount of USD 30,000, UNDP shall require the Bidder to submit a Bank Guarantee in the same amount as the advanced payment. A bank guarantee for advanced payment shall be furnished in the form provided in Section 10.

### **39. Vendor Protest**

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

## Instructions to Bidders

### DATA SHEET

The following data for the supply of goods and related services shall complement / supplement the provisions in the Instruction to Bidders. In the case of a conflict between the Instruction to Bidders and the Data Sheet, the provisions in the Data Sheet shall prevail.

DS No.	Cross Ref. to Instructions	Data	Specific Instructions / Requirements
1		Project Title:	Renewable Energy
2		Title of Goods/Services/Work Required:	Procurement and Supply of Micro-Hydropower Systems in Mae Hong Son, Thailand
3		Country:	Thailand
4	C.13	Language of the Bid:	English
5	C.20	Conditions for Submitting Bid for Parts or sub-parts of the Total Requirements	No partial bids are allowed/accepted. UNDP intends to award one contract/Purchase Order for all items listed under this ITB to the lowest priced technically responsive qualified bidder. Therefore, bidders are strongly encouraged to submit complete bids only.
6	C.20	Conditions for Submitting Alternative Bid	Shall not be considered
7	C.22	A pre-Bid conference will be held on:	Not Applicable.  <b>Site Visit:</b> <b>A Site visit will be held for bidders who wish to examine the sites.</b>  The location of the Sites Visit will be: 1) Na Chet Lok village 2) Pai Song Ngae village

			<p><b>For site visiting day(s) and obtain further details please contact below persons:</b></p> <p>i) <u>Na Chet Lok village visit:</u>  Ms. Sayumporn Wongchan – Community Development Officer  Phone: +66(0)53 686 048  Email: <a href="mailto:it014@hotmail.com">it014@hotmail.com</a></p> <p>ii) <u>Pai Song Ngae village visit:</u>  Ms. Charuwan Tisaeng – Assistant Administrative Officer  Phone: +66(0)86 1 92 3677  Email: <a href="mailto:jeabviengnour@gmail.com">jeabviengnour@gmail.com</a></p> <p>and cc : <a href="mailto:sorat.phutthaphithak@undp.org">sorat.phutthaphithak@undp.org</a></p>
8	C.21.1	Period of Bid Validity commencing on the submission date	120 days
9	B.9.5 C.15.4 b)	Bid Security	Not required
10	B.9.5	Acceptable forms of Bid Security	Not applicable
11	B.9.5 C.15.4 a)	Validity of Bid Security	Not applicable
12		Advanced Payment upon signing of contract	Not allowed
13		Liquidated Damages	Might be imposed under the following conditions: Percentage of contract price per day of delay: 0.5% Max. no. of applicable penalty: 10% Next course of action : Termination of contract
14	F.37	Performance Security	Not applicable
15	C.17 C.17.2	Preferred Currency of Bid and Method for Currency conversion	United States Dollars (US\$)
16	B.10.1	Deadline for submitting requests for clarifications/ questions	Clarifications will be provided on rolling basis and last request for questions/clarifications should be submitted to UNDP no later than 10 calendar

			days before the submission date. All responses provided by UNDP will be also posted on the UNDP procurement website, as an update to this ITB on <a href="http://procurement-notice.undp.org/">http://procurement-notice.undp.org/</a>
17	B.10.1	Contact Details for submitting clarifications/questions <sup>1</sup>	<p>Focal Person in UNDP: Mr. Ainan Rahim Mr. Nazim Razak</p> <p>E-mail address dedicated for this purpose: <a href="mailto:ainan.razif.rahim@undp.org">ainan.razif.rahim@undp.org</a> and copy to <a href="mailto:nazim.razak@undp.org">nazim.razak@undp.org</a></p> <p><i>(please direct clarifications/questions to both email addresses)</i></p>
18	B.11.1	Manner of Disseminating Supplemental Information to the ITB and responses/clarifications to queries	Direct communication to prospective Bidders by email and Posting on the website <a href="http://procurement-notice.undp.org/">http://procurement-notice.undp.org/</a>
19	D.23.3	No. of copies of Bid that must be submitted	One (1) copy Through E-mail.
20	D.23.1 b) D.23.2 D.24	Bid submission address	<a href="mailto:psobids@undp.org">psobids@undp.org</a>  <b>ITB/UNDP/THA/001/2015</b> , Procurement and Supply of Micro-Hydropower Systems for Mae Hong Son, Thailand
21	C.21.1 D.24	Deadline of Bid Submission	Date and Time : <b>21<sup>st</sup> December 2015, at 2.00pm Kuala Lumpur local time.</b>
22	D.23.2	Manner of Submitting Bid	Electronic submission of Bid
23	D.23.2 D.26	Conditions and Procedures for electronic submission and opening, if allowed	<input checked="" type="checkbox"/> Official Address for e-submission: <b>psobids@undp.org</b> <input checked="" type="checkbox"/> Format : PDF files <input checked="" type="checkbox"/> Free from virus and corrupted files <input checked="" type="checkbox"/> <b>Max.</b> File Size per transmission: <b>5 Mega Bytes</b> <input checked="" type="checkbox"/> <b>Max.</b> No. of transmission : <b>Unlimited</b>

			<p><input checked="" type="checkbox"/> Mandatory subject of e-mail: <b>ITB/UNDP/THA/001/2015</b></p> <p><input checked="" type="checkbox"/> Virus Scanning Software to be Used prior to transmission: Yes</p> <p><input checked="" type="checkbox"/> <b>Digital Certification/Signature: [All bids must be signed by signatory authority of submitting bidder]</b></p> <p><input checked="" type="checkbox"/> Time Zone to be Recognized: Kuala Lumpur, Malaysia (GMT +8)</p> <p><input checked="" type="checkbox"/> Other conditions: See below <i>further instructions for electronic submission</i></p> <p><b>Bidders may send as many e-mails as needed; however, the size of each e-mail should not exceed five megabytes (5 MB). As an e-mail can take some time to arrive after it is sent, we advise all Bidders to send e-mail submissions well before the deadline. Please be aware that bids e-mailed to UNDP will be rejected if they are received after the deadline for bid submission.</b></p> <p><b>When choosing to submit their bids electronically, Bidders are solely responsible for ensuring that any and all files sent to UNDP are readable, that is, uncorrupted, in the indicated electronic format, and free from viruses and malware. Failure to provide readable files will result in the proposal being rejected.</b></p> <p><b>Please Note: Any bid sent to the private email addresses of any procurement staff will not be accepted.</b></p>
24	D.23.1 c)	Date, time and venue for opening of Bid	<p><b><u>Date and Time 21<sup>st</sup> December 2015, at 3:00pm Kuala Lumpur local time.</u></b></p> <p><b>Venue:</b> Global Shared Service Unit 1st Floor, Block C, Cyberview Tower 12 MKN Embassy Techzone No 3200 Jalan Teknokrat 2 63000 Cyberjaya Selangor, Malaysia</p> <p>Room: Large Conference Room</p>

25		Evaluation method to be used in selecting the most responsive Bid	<p> <input checked="" type="checkbox"/> Non-Discretionary “Pass/Fail” Criteria on the Technical Requirements (Section 6); and  <input checked="" type="checkbox"/> Lowest price offer of technically qualified/responsive Bid </p> <p> <b>Memo to Bidders (<u>Examples of Bid Rejection</u>)</b> </p> <p> Bids have been rejected at the submission stage or found to be technically noncompliant due to errors in presentation and failure to follow bidding instructions. </p> <p> Below are some of the more common examples of why bids are rejected. Bidders are urged to read this before submission and to check that their bids conform to each of these points and the instructions as noted in the bidding documents. </p> <ul style="list-style-type: none"> <li>➤ Bid is submitted <u>after</u> the deadline for submission, either by hand or electronically. Emailed bids sent just before the deadline may arrive after the deadline and be rejected. Therefore, make sure to submit your bids beforehand.</li> <li>➤ Bids <u>not</u> submitted to correct physical or electronic address. Note that the address for bid submission is different from the address for bid questions.</li> <li>➤ Bid is <u>not</u> signed as per the instructions in the ITB.</li> <li>➤ <u>Not</u> all sufficient documents have been provided.</li> <li>➤ Documents provided are <u>not</u> in English.</li> <li>➤ Documents provided do <u>not</u> directly address each point of the evaluation criteria.</li> <li>➤ Bid not specifically addressing the evaluation criteria of the ITB and Technical Specifications.</li> <li>➤ Bid does <u>not</u> offer services which have been specifically requested in the Technical Specifications.</li> <li>➤ Failure to enclose the Bids Submission Form (see Section 4).</li> <li>➤ The Bidder failed to consult the UNDP procurement website before the deadline for</li> </ul>

			<p>bid submission and did not see the changes to the ITB listed there which need to be incorporated in the bid.</p> <ul style="list-style-type: none"> <li>➤ The Bidder declines or proposes a major deviation to UNDP General Conditions of Contract (see Section 9).</li> <li>➤ Bids contain viruses and/or corrupted files. The Bidders should ensure that submitted bids DO NOT contain viruses and/or corrupted files. Such bids will be rejected.</li> </ul> <p>The above examples illustrate some errors which may be made by Bidders. This is a partial list. The bidding documents contain additional instructions which should be followed carefully.</p>
26	C.15.1	Required Documents that <b>must be Submitted</b> to Establish Qualification of Bidders (copy of documents)	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Company Profile including printed brochures and product catalogues relevant to the goods/services being procured. Company profile is a set of information used by the bidder for marketing purposes.</li> <li><input checked="" type="checkbox"/> Certificate of Registration of the business, including Articles of Incorporation, or equivalent document if Bidder is not a corporation</li> <li><input checked="" type="checkbox"/> Latest Audited Financial Statement (Income Statement and Balance Sheet) including Auditor’s Report for the past three years or D&amp;B report</li> <li><input checked="" type="checkbox"/> Self- Statement of Satisfactory Performance of the Top 3 Clients during the past 5 years in terms of Contract Value</li> <li><input checked="" type="checkbox"/> Information regarding any past and current litigation during the last three (3) years, in which the bidder is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded.</li> <li><input checked="" type="checkbox"/> <u>Certification or authorization to act as Agent on behalf of the Manufacturer, or Power of Attorney, if bidder is not a manufacturer.</u></li> </ul>

			<p><input checked="" type="checkbox"/> Delivery, installation, testing and training lead time schedule. Shorter lead time for total work completion will be preferable.</p> <p>Failure to provide all the above mentioned information may result in the bid being rejected. Bids that are unclear or leave room for interpretation may be considered non-responsive and hence not be evaluated.</p>
27		Other documents that may be Submitted to Establish Eligibility	Confirmation of non-inclusion of the bidder in the UN's Consolidated List of Individuals and Entities with Association to Terrorist Organizations, in the List of Vendors Suspended or Removed from the UN Secretariat Procurement Division Vendor Roster, the UN Ineligibility List and in the list of vendors sanctioned by UNDP
28	C.15	Structure of the Technical Bid and List of Documents to be Submitted	<p><b>IMPORTANT: Bidders are requested to complete and submit together with the bids the documentation required under Section 6 Technical Bid form of this ITB.</b></p> <p><b>THE FOLLOWING SHALL BE INCLUDED IN THE BID SUBMISSION (in addition to the documentation requested in <u>Clause 26 above</u>):</b></p> <p><b>A) COMMERCIAL</b></p> <p>A.i. <b>Bid submission form:</b> Fully completed and duly authorized (see Section 4).  A.ii. Technical Bid form (Section 6)  A.iii. <b>Price and Delivery Schedule form:</b> Fully completed and duly authorized (see Section 7).</p> <p><b>B) TECHNICAL</b></p> <p>B.i. <b>Technical description of items:</b> Confirmation that all items requested in Section 6, Schedule of requirements and technical specifications.</p> <p>B.ii. <b>Bidder's Statement Regarding Deviations/Non-Compliance</b> - Any departure from the provisions of the</p>

			<p>specification <i>shall be disclosed and clearly stated in the table provided for such purpose under Section 6.</i></p> <p>B.iii. <b>Descriptive literature:</b> Bidders shall provide full technical details of all items offered in technical sheets or catalogues with pictures showing detail and general views of the equipment and components. Specific details/models of items offered should be clearly stated as standard technical sheets or catalogues may offer different options.</p>
31		UNDP will award the contract to:	One contract only.
32	F.34	Criteria for the Evaluation and Award of Bid	<b><u>Award Criteria</u></b> See item 25 above
33	E.29	Post qualification Actions	<input checked="" type="checkbox"/> Verification of accuracy, correctness and authenticity of the information provided by the bidder on the legal, technical and financial documents submitted; <input checked="" type="checkbox"/> Validation of extent of compliance to the ITB requirements and evaluation criteria based on what has so far been found by the evaluation team; <input checked="" type="checkbox"/> Inquiry and reference checking with other previous clients on the quality of performance on ongoing or previous contracts completed;
34		Conditions for Determining Contract Effectivity	<input checked="" type="checkbox"/> Upon obtaining required permits from the Government. <input checked="" type="checkbox"/> Agreement with UNDP's General Terms and Conditions for Services as attached in the ITB and based on date of countersignature of the and duly executed contract

## Section 3: Technical Specifications

### 3.1 Background

Mae Hong Son province is located in the North of Thailand and its north and west borders Myanmar. The total area is 12,681 km<sup>2</sup> and around 90% of the terrain is mountainous and/or covered by forest. Around 70% to 80% of the province is covered by forest and a large part of the province is classified as “Protected Areas” (for instance National Parks) in which activities are restricted or prohibited.

There are 4 National Parks (Mae Ngao National Park, Namtok Mae Surin National Park, Salawin National Park and Tham Pla Namtok Pha Suea National Park) and 3 other protected areas (such as wildlife sanctuaries or preserved forests) in Mae Hong Son. About 63% of the total area is classified as “Protected Areas - watershed Class 1A” area, resulting in restrictions on infrastructure development including transportation networks, power transmission systems, and distributed power generation, especially from hydro power.

Mae Hong Son consists of 7 districts, 45 sub-districts and 415 villages. In 2011 the total population of Mae Hong Son was 245,496. More than half of the population is from ethnic minorities, including Karen, Lahu, Lisu, Lau Hmong and Haw. The range of cultural backgrounds and languages causes challenges in communication.

Despite the government’s commitment to Renewable Energy (RE), there have been constraints to the wider and more sustained application of Renewable Energy Technologies in Thailand. The UNDP/GEF-supported project: Promoting Renewable Energy in Mae Hong Son (MHS) aims to overcome barriers that currently prevent widespread and sustainable utilization of Renewable Energy Technologies for the provision of energy services in rural areas of Thailand.

This 5-year project has started the implementation in 2011. It works in Mae Hong Son province, which the Ministry of Energy has identified as its target to be the first energy self-sufficient province in Thailand, in conformity with the King’s sufficiency economy concept. The project facilitates an integrated RE planning process at provincial and local level, in order to translate targets set at national level to local level and into real action. Various new approaches, concept and policies will be developed and applied, e.g. new ownership models for RE systems. Adopting barrier removal approach, the project focuses on four outcome areas including (1) strengthening institutional, organizational and social capacity (2) developing financially sustainable RE systems (3) building capacity to provide locally available technical support for RE applications, and (4) policies to facilitate up-scaling and replication of RE systems in rural Thailand.

The project is currently half-way and a mid-term review was conducted by an independent organization. Based on the recommendations of the mid-term review the project’s strategies and activity framework have been redefined. While still maintaining its original outcomes, the remaining period of the project will adopt a more-technology-led approach to overcoming to barriers to renewable energy. This implies that a wide range of feasible and locally appropriate technologies will be implemented to increase coverage of RE services to remote communities in MHS. Meanwhile, lessons and experiences from these RET applications will be systematically documented to inform policy makers, government agencies, private sector and civil society

organizations in MHS how RE services could be adopted and implemented under their regular programmes.

For the second phase of the project, UNDP Thailand is seeking to contract a firm to **install two micro-hydro power (MHP)** plants as well as providing technical services in relation to the commissioning, operating and maintenance of the MHP systems to local technicians.

### 3.2 Technical Specifications

#### Location:

Mae Hong Son Province of Thailand at:

1. Na Chet Lok Cluster, Huai Pong Kan Village, Pha Bong sub-district, Muang district, and
2. Pai Song Ngae Cluster, Ban Muang Noi Village, Wieng Nua sub-district, Pai district.

#### Scope of Work:

The scope will cover, but not limited to:

1. Supply, delivery, installation, testing and commissioning of **2 units** of the micro-hydropower plants (1 unit at Na Chet Lok and 1 unit at Pai Song Ngae) for off-grid communities.
2. Constructions according to drawings attached as Annex 1 and Annex 2.
3. Organize communities of both locations to assist in the construction, operation and maintenance of the deployed micro-hydro power systems.

UNDP requires the supply and delivery of Micro-Hydropower system for Thailand as per below minimum specification:

No.	Village	Engineering Capacity				
		Pipe Diameter (Meter)	Length of Distribution Line (Meter)	Water Volume (Cubic m./ sec)	Level of upstream Head Measurement (Meter)	MHP Capacity kW
1.	Na Chet Lok	0.25	251	0.0444	27	6.46
2.	Pai Song Ngae	0.25	982	0.0694	20	5.31

**All bidders are required to submit detailed technical description of items offered in response to this ITB CLEARLY HIGHLIGHTING any deviations from minimum requirements stipulated in Section 6.**

**Permission to build:** UNDP office in Thailand is in the process of requesting for the permission of the Ministry of Natural Resources and Environment *to build and operate a micro-hydropower plant* in the project locations that are in the reserved areas.

**Technical support:** Mae Hong Son has a government office & MHP plant to provide *technical support locally to operate & maintain micro-hydropower plants.*

**Preparatory work with target communities:** The project trained technicians of local & provincial

governments on the MHP ground survey and plan to train for the O&M at later stage. Meetings with village representatives were conducted and the villagers agree to assist during the construction phase. MHP O&M will be done by village committees.

**Specifications & Drawings:** Based on ground survey for each site, the specifications and drawings attached to ITB were developed by local technicians and endorsed by the provincial committee.

**Ground survey by the Bidders:** It is expected (regardless of survey conducted by the project) that interested Bidders need to visit both villages and conduct the ground survey to identify the most optimal bid that meet the need of the villages for the electricity.

Selected Contactor shall do the linings of pipe and electricity. Electrical line will be from the power house to the village main line (usually along the main road in the village). The community will participate (with free labor cost) on pipe and electricity linings. For the hook up from the main line to individual house, each household will be responsible for respective expenses (electric line to connect the main line to the house, light switch, LED light bulbs, etc.). Therefore, the Contractor shall organize a public hearing and a training program before the MHP construction.

**Spare parts and after sales services:** Maintenance services (after sales services and spare parts provision) should be provided for at least 3 years.

**Warranty period:** 3 years

**Site Visit:** Bidders are encouraged to do a site visits to both villages to investigate the installation sites and proposing the most optimum solution. Contact persons for site visits are:

For Na Chet Lok:

Chief Executive

Pha Bong Tambon Adiministrative Organization

Mu 1, Pha Bong sub-district, Muang district, Mae Hong Son 58000

Tel: +66 (0)53 686 048

Focal point name:

Ms. Sayumporn Wongchan, Community Development Officer

Mobile: +66 (0)98 746 1919

Email: [it014@hotmail.com](mailto:it014@hotmail.com)

For Pai Song Ngae:

Chief Executive

Wieng Nua Tambon Adiministrative Organization

Mu 3, Ban Wieng Kao, Wieng Nua sub-district, Pai district, Mae Hong Son 58130

Tel: +66 (0)53 699 543

Focal point name:

Ms. Charuwan Tisaeng, Assistant Administrative Officer

Mobile: +66 (0)86 192 3677

Email: [jeabviengnour@gmail.com](mailto:jeabviengnour@gmail.com)

**Payment terms:** 100% upon delivery of goods installation and training completion.

**Hand over of plants:** The quality check of the MHP construction at both villages will be conducted by the Third Party before the hand-over. Potentially Mae Sa-nga Micro-hydro power Plant based in Mae Hong Son can act as the Third Party. The office belongs to the Department of Alternative Energy Development and Efficiency, Ministry of Energy.

After the quality check, the delivery ceremony will be at Mae Hong Son Provincial Hall. The Contractor should provide a brief summary to the Project Board at the hand-over ceremony.

In addition, the Contractor should be acknowledged for the following activities:

- a) Organize at least 1 public hearing at both MHP villages: to provide detailed information of the MHP construction and operation, as well as required community participation in the MHP construction (for free labor cost).
- b) Organize two training programs (one for each village) to approx. 20 local technicians and villagers (10 participants for each village) on simple MHP construction techniques, operation and maintenance of the MHP system.

## Section 4: Bid Submission Form<sup>1</sup>

***(This should be written in the Letterhead of the Bidder. Except for indicated fields, no changes may be made in this template.)***

---

Insert: Location

Insert: Date

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

Dear Sir/Madam:

We, the undersigned, hereby offer to supply the goods and related services required for Procurement and Supply of Micro-Hydropower Systems in Mae Hong Son, Thailand in accordance with your Invitation to Bid dated Insert: bid date. We are hereby submitting our Bid, which includes the Technical Bid and Price Schedule.

We hereby declare that:

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

We confirm that we have read, understood and hereby fully accept the Schedule of Requirements and Technical Specifications describing the duties and responsibilities required of us in this ITB, and the General Terms and Conditions of UNDP's Standard Contract for this ITB.

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

We undertake, if our Bid is accepted, to initiate the supply of goods and provision of related services not later than the date indicated in the Data Sheet.

We fully understand and recognize that UNDP is not bound to accept this Bid, that we shall bear all costs associated with its preparation and submission, and that UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the evaluation.

---

<sup>1</sup> No deletion or modification may be made in this form. Any such deletion or modification may lead to the rejection of the Bid.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Contact Details: \_\_\_\_\_

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

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## Section 5: Documents Establishing the Eligibility and Qualifications of the Bidder

### Bidder Information Form<sup>2</sup>

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

ITB No.: *[insert number of bidding process]*

Page \_\_\_\_\_ of \_\_\_\_\_ pages

1. Bidder's Legal Name <i>[insert Bidder's legal name]</i>		
2. Certificate of Registration of the business, including Articles of Incorporation, or equivalent document if Bidder is not a corporation		
3. In case of Joint Venture (JV), legal name of each party: <i>[insert legal name of each party in JV]</i>		
4. Actual or intended Country/ies of Registration/Operation: <i>[insert actual or intended Country of Registration]</i>		
5. Year of Registration in its Location: <i>[insert Bidder's year of registration]</i>		
6. Countries of Operation	6. No. of staff in each Country	7. Years of Operation in each Country
7. Legal Address/es in Country/ies of Registration/Operation: <i>[insert Bidder's legal address in country of registration]</i>		
8. Tax Registration/Payment Certificate issued by the Internal Revenue Authority evidencing that the Bidder is updated with its tax payment obligations, or Certificate of Tax exemption, if any such privilege is enjoyed by the Bidder		
9. Value and Description of Three (3) relevant Contract for the past Three (3) years		
10. Latest Credit Rating (Score and Source, if any)		
11. Brief description of litigation history (disputes, arbitration, claims, etc.), indicating current status and outcomes, if already resolved. Please include all information regarding any past and current litigation during the last five (5) years, in which the bidder is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded.		
12. Bidder's Authorized Representative Information  Name: <i>[insert Authorized Representative's name]</i> Address: <i>[insert Authorized Representative's Address]</i> Telephone/Fax numbers: <i>[insert Authorized Representative's telephone/fax numbers]</i> Email Address: <i>[insert Authorized Representative's email address]</i>		

<sup>2</sup> The Bidder shall fill in this Form in accordance with the instructions. Apart from providing additional information, no alterations to its format shall be permitted and no substitutions shall be accepted.

13. Are you in the UNPD List 1267.1989 or UN Ineligibility List ?  YES or  NO

14. Attached are copies of original documents of:

- All eligibility document requirements listed in the Data Sheet
- If Joint Venture/Consortium – copy of the Memorandum of Understanding/Agreement or Letter of Intent to form a JV/Consortium, or Registration of JV/Consortium, if registered
- If case of Government corporation or Government-owned/controlled entity, documents establishing legal and financial autonomy and compliance with commercial law.

# Joint Venture Partner Information Form (if Registered)<sup>3</sup>

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

ITB No.: *[insert number of bidding process]*

Page \_\_\_\_\_ of \_\_\_\_\_ pages

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

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<sup>3</sup> The Bidder shall fill in this Form in accordance with the instructions. Apart from providing additional information, No alterations to its format shall be permitted and no substitutions shall be accepted.

## Section 6: Technical Bid Form<sup>4</sup>

*INSERT TITLE OF THE ITB*

<b>Name of Bidding Organization / Firm:</b>	
<b>Country of Registration:</b>	
<b>Name of Contact Person for this Bid:</b>	
<b>Address:</b>	
<b>Phone / Fax:</b>	
<b>Email:</b>	

**SECTION 1: EXPERTISE OF FIRM/ ORGANISATION**

*This section should fully explain the Bidder's resources in terms of personnel and facilities necessary for the performance of this requirement.*

**1.1 Brief Description of Bidder as an Entity:** Provide a brief description of the organization / firm submitting the Bid, its legal mandates/authorized business activities, the year and country of incorporation, and approximate annual budget, etc.

**1.2. Financial Capacity:** Based on the latest Audited Financial Statement (Income Statement and Balance Sheet) describe the financial capacity (liquidity, stand-by credit lines, or D&B report etc.) of the bidder to engage into the contract. Include any indication of credit rating, industry rating, etc.

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

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

**1.4 Required Documents that must be Submitted to Establish Qualification of Bidders**

Company Profile including printed brochures and product catalogues relevant to the goods/services being procured. Company profile is a set of information used by the bidder for marketing purposes.

Certificate of Registration of the business, including Articles of Incorporation, or equivalent

<sup>4</sup> Technical Bids not submitted in this format may be rejected.

document if Bidder is not a corporation

Latest Audited Financial Statement (Income Statement and Balance Sheet) including Auditor's Report for the past three years or D&B report

Self- Statement of Satisfactory Performance of the Top 3 Clients during the past 5 years in terms of Contract Value

Information regarding any past and current litigation during the last three (3) years, in which the bidder is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded.

Certification or authorization to act as Agent on behalf of the Manufacturer, or Power of Attorney, if bidder is not a manufacturer.

Delivery, installation, testing and training lead time schedule. Shorter lead time for total work completion will be preferable.

## TECHNICAL MANDATORY REQUIREMENTS

Bidder's proposed products **MUST** meet the following minimum specifications and requirements to be considered for price evaluation. Relevant brochures/pictures should be provided for equipment, accessories and spare parts.

No.	Village	Engineering Capacity					Please Specify <u>Yes or No</u> (whether the proposed product meet the minimum specifications required)  (if No, Please Explain)
		Pipe Diameter (Meter)	Length of Distribution Line (Meter)	Minimum Water Volume (Cubic m./sec)	Level of upstream Head Measurement (Meter)	Minimum MHP Capacity kW	
1.	Na Chet Lok	0.25	251	0.0444	27	6.46	
2.	Pai Song Ngae	0.25	982	0.0694	20	5.31	

No.	Village	Public Hearing & Training	Please Specify <u>YES or NO</u> whether the proposed product meet the Specifications Required <u>(if NO, Please Explain)</u>
1.	Na Chet Lok	a) Organize at least 1 public hearing at both MHP villages: to provide detailed information of the MHP construction and operation, as well as required community participation in the MHP construction (for free labor cost).	
2.	Pai Song Ngae	b) Organize two training programs (one for each village) to approx. 20 local technicians and villagers (10 participants for each village) on simple MHP construction techniques, operation and maintenance of the MHP system.	

## COMMERCIAL MANDATORY REQUIREMENTS:

Description	Your Responses		
	Yes, we will comply	No, we cannot comply	Comments
All Provisions of the UNDP General Terms and Conditions are accepted			
Ability to perform/provide required export formalities/administration			
Validity of Quotation, 120 days			
Warranty, 3 years			
After sales services in the country			

## Section 7: Price Schedule Form

The Bidder is required to prepare the Price Schedule as indicated in the Instruction to Bidders. All fees/rates quoted must be exclusive of all taxes, since the United Nations, including its subsidiary organs, is exempt from taxes as detailed in Clause 21 of the UNDP General Conditions for Contract.

The Price Schedule must provide a detailed cost breakdown of all goods and related services to be provided. Separate figures must be provided for each functional grouping or category, if any.

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

### 7.1. Total Project Cost

No.	Village	Micro Hydro Power	Installation & Commissioning Cost			Low Voltage Transmission Line Price	Training Cost	Total Price
		Unit Price (US\$)	Dam (US\$)	Pipeline (US\$)	Power Plant (US\$)	(US\$)	(US\$)	(US\$)
1.	Na Chet Lok							
2.	Pai Song Ngae							

### 7.2 Cost Breakdown

The format shown below is suggested for use as a guide in preparing the Price Schedule for each village where micro-hydro power plant will be installed. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples.

Scope	No of units	Cost per units	Total cost
<b>1.0 Installation works</b>			
1.1 Intake			
1.2 Headrace canal			
1.3 Forebay			
1.4 Penstock pipe			
1.5 Powerhouse and tailrace			
1.6 Others (please specify)			
<b>Total civil work cost</b>			
<b>2.0 Electro-mechanical equipment</b>			
2.1 Turbine and generator set			
2.2 Controller			
2.3 Electrical switchgear			
2.4 Transmission line cables and gears			
2.5 Transmission line poles			
2.6 Battery bank and inverter*			

2.7	Others (please specify)			
<b>Total electro-mechanical equipment cost</b>				
<b>3.0 Planning and development</b>				
3.1	Site planning/ visit			
3.2	Permit and approvals			
3.3	Engineering			
3.4	Transportation			
3.5	Construction and installation			
3.6	Contingency			
<b>Total planning and development cost</b>				
<b>4.0 Annual cost</b>				
4.1	Operation and maintenance			
4.2	Spare part			
4.3	Miscellaneous			
4.4	Others (please specify)			

\*Applies only to battery-based system

### 7.3 Related Services

Further to the Schedule of Requirements in the preceding Table, Bidders are requested to take note of the following additional requirements, conditions, and related services pertaining to the fulfillment of the requirements and to document fulfillment of these requirements in their offers submitted in response to this ITB.

Delivery Term [INCOTERMS 2010]	<input checked="" type="checkbox"/> DAP, Mae Hong Son, Thailand including inland transportation.  <u>Delivery destination:</u> Mae Sa-Nga Micro-Hydropower Plant in Mae Hong Son (Office of the Department of Alternative Energy Development and Efficiency, Ministry of Energy).  All Bidders' prices will be evaluated on basis of DAP Mae Sa-nga Micro-Hydropower Plant (Incoterms 2010). Prices for each item to be included by the bidders in Section 7, Price & Delivery schedule form, encompassing also warranty, spare parts and maintenance requirements as per outlined related services and encompassing spare parts.	
Mode of Transport Preferred	<input type="checkbox"/> AIR	<input checked="" type="checkbox"/> LAND
	<input type="checkbox"/> SEA	<input type="checkbox"/> OTHER <i>[pls. specify]</i>
Warranty requirements	Minimum required warranty period for all items is <b>3 years</b> . During the referred warranty period, Bidder's shall further bear the cost of transporting equipment from its operating site to workshop appointed for provision of warranty services.	

After sales & maintenance requirements	<p>Bidders shall guarantee availability of one or more officially authorized after sales service facility in the Country of Destination of the micro hydropower systems. Preferably such facilities shall be closely located to Mae Hong Son.</p> <p>Bidders are also required to provide training for use of the micro-hydro power systems.</p>
Spare parts package	<p>Bidders are required to include in their offers a recommended package of spare parts for operation.</p> <p>The offers shall contain a full description of the recommended spare parts package, which shall also be factored, as a different item line in each bidder's cost proposal.</p> <p>The awarder vendor/s shall further guarantee that essential and major spare parts suitable for the micro hydropower systems provided under the Contract, without any modification to the equipment, will be available for a period of 3 years regardless of obsolescence of the equipment.</p> <p>In case needed spare parts will be made readily available in the country of destination of the micro hydropower systems by the awarded vendor.</p>
Spare parts manual	<p>All micro-hydropower systems will be installed with a spare parts manual in English and Thailand language.</p> <p>The manual shall provide a comprehensive set of drawings of all elements of the micro hydropower equipment in a disassembled exploded fashion. Such drawings shall display the part number of each individual item or part.</p>
Service manuals	<p>All micro-hydropower systems will be installed with a service manual in English and Thailand language.</p> <p>Each service manual shall contain details of any regular maintenance required to address potential problems and/or failures that the vehicle and/or equipment may present.</p> <p>The service manual shall provide advice, diagnosis and suggested remedial actions to be taken concerning all potential problems.</p> <p>The Supplier shall advise on any special tool kits necessary for particular maintenance tasks to be undertaken.</p>
All documentations, including catalogs, instructions and operating manuals, shall be in this language	<p><input checked="" type="checkbox"/> English and Thailand</p>

## Section 8: FORM FOR PERFORMANCE SECURITY<sup>5</sup>

***(This must be finalized using the official letterhead of the Issuing Bank. Except for indicated fields, no changes may be made in this template.)***

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To: UNDP  
*[Insert contact information as provided in Data Sheet]*

WHEREAS *[name and address of Contractor]* (hereinafter called “the Contractor”) has undertaken, in pursuance of Contract No. Click to enter dated Click to enter , to deliver the goods and execute related services [Click here to enter text](#). (hereinafter called “the Contract”):

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract:

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee:

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of *[amount of guarantee]* *[in words and numbers]*, such sum being payable in the types and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of *[amount of guarantee as aforesaid]* without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

This guarantee shall be valid until a date 30 days from the date of issue by UNDP of a certificate of satisfactory performance and full completion of services by the Contractor.

### **SIGNATURE AND SEAL OF THE GUARANTOR BANK**

Date .....

Name of Bank .....

Address .....

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<sup>5</sup> *If the RFP requires the submission of a Performance Security, which shall be made a condition to the signing and effectivity of the contract, the Performance Security that the Bidder’s Bank will issue shall use the contents of this template*

## Section 9: GENERAL CONDITIONS OF CONTRACTS FOR THE PROVISION OF GOODS AND SERVICES

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1. **LEGAL STATUS OF THE PARTIES:** The United Nations Development Programme (hereinafter referred to as “UNDP”) and the Contractor shall also each be referred to as a “Party” hereunder, and:

1.1 Pursuant, *inter alia*, to the Charter of the United Nations and the Convention on the Privileges and Immunities of the United Nations, UNDP, a subsidiary organ of the United Nations, has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfillment of its purposes.

1.2 The Contractor shall have the legal status of an independent contractor *vis-à-vis* UNDP, and nothing contained in or relating to the Contract shall be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent. The officials, representatives, employees, or subcontractors of each of the Parties shall not be considered in any respect as being the employees or agents of the other Party, and each Party shall be solely responsible for all claims arising out of or relating to its engagement of such persons or entities.

2. **SOURCE OF INSTRUCTIONS:** The Contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of its obligations under the Contract. Should any authority external to UNDP seek to impose any instructions concerning or restrictions on the Contractor’s performance under the Contract, the Contractor shall promptly notify UNDP and provide all reasonable assistance required by UNDP. The Contractor shall not take any action in respect of the performance of its obligations under the Contract that may adversely affect the interests of UNDP, and the Contractor shall perform its obligations under the Contract with the fullest regard to the interests of UNDP.

3. **RESPONSIBILITY FOR EMPLOYEES:** To the extent that the Contract involves the provision of any services to UNDP by the Contractor’s officials, employees, agents, servants, subcontractors and other representatives (collectively, the Contractor’s “personnel”), the following provisions shall apply:

3.1 The Contractor shall be responsible for the professional and technical competence of the personnel it assigns to perform work under the Contract and will select reliable and competent individuals who will be able to effectively perform the obligations under the Contract and who, while doing so, will respect the local laws and customs and conform to a high standard of moral and ethical conduct.

3.2 Such Contractor personnel shall be professionally qualified and, if required to work with officials or staff of UNDP, shall be able to do so effectively. The qualifications of any personnel whom the Contractor may assign or may propose to assign to perform any obligations under the Contract shall be substantially the same as, or better than, the qualifications of any personnel originally proposed by the Contractor.

3.3 At the option of and in the sole discretion of UNDP:

3.3.1 the qualifications of personnel proposed by the Contractor (*e.g.*, a curriculum vitae) may be reviewed by UNDP prior to such personnel’s performing any obligations under the Contract;

3.3.2 any personnel proposed by the Contractor to perform obligations under the Contract may be interviewed by qualified staff or officials of UNDP prior to such personnel’s performing any obligations under the Contract; and,

3.3.3 in cases in which, pursuant to Article 3.2.1 or 3.2.2, above, UNDP has reviewed the qualifications of such Contractor’s personnel, UNDP may reasonably refuse to accept any such personnel.

3.4 Requirements specified in the Contract regarding the number or qualifications of the Contractor’s personnel may change during the course of performance of the Contract. Any such change shall be made only following written notice of such proposed change and upon written agreement between the Parties regarding such change, subject to the following:

3.4.1 UNDP may, at any time, request, in writing, the withdrawal or replacement of any of the Contractor’s personnel, and such request shall not be unreasonably refused by the Contractor.

3.4.2 Any of the Contractor’s personnel assigned to perform obligations under the Contract shall not be withdrawn or replaced without the prior written consent of UNDP, which shall not be unreasonably withheld.

3.4.3 The withdrawal or replacement of the Contractor’s personnel shall be carried out as quickly as possible and in a manner that will not adversely affect the performance of obligations under the Contract.

3.4.4 All expenses related to the withdrawal or replacement of the Contractor’s personnel shall, in all cases, be borne exclusively by the Contractor.

3.4.5 Any request by UNDP for the withdrawal or replacement of the Contractor’s personnel shall not be considered to be a termination, in whole or in part, of the Contract, and UNDP shall not bear any liability in respect of such withdrawn or replaced personnel.

3.4.6 If a request for the withdrawal or replacement of the Contractor’s personnel is *not* based upon a default by or failure on the part of the Contractor to perform its obligations in accordance with the Contract, the misconduct of the personnel, or the

inability of such personnel to reasonably work together with UNDP officials and staff, then the Contractor shall not be liable by reason of any such request for the withdrawal or replacement of the Contractor's personnel for any delay in the performance by the Contractor of its obligations under the Contract that is substantially the result of such personnel's being withdrawn or replaced.

3.5 Nothing in Articles 3.2, 3.3 and 3.4, above, shall be construed to create any obligations on the part of UNDP with respect to the Contractor's personnel assigned to perform work under the Contract, and such personnel shall remain the sole responsibility of the Contractor.

3.6 The Contractor shall be responsible for requiring that all personnel assigned by it to perform any obligations under the Contract and who may have access to any premises or other property of UNDP shall:

3.6.1 undergo or comply with security screening requirements made known to the Contractor by UNDP, including but not limited to, a review of any criminal history;

3.6.2 when within UNDP premises or on UNDP property, display such identification as may be approved and furnished by UNDP security officials, and that upon the withdrawal or replacement of any such personnel or upon termination or completion of the Contract, such personnel shall immediately return any such identification to UNDP for cancellation.

3.7 Not less than one working day after learning that any of Contractor's personnel who have access to any UNDP premises have been charged by law enforcement authorities with an offense other than a minor traffic offense, the Contractor shall provide written notice to inform UNDP about the

particulars of the charges then known and shall continue to inform UNDP concerning all substantial developments regarding the disposition of such charges.

3.8 All operations of the Contractor, including without limitation, storage of equipment, materials, supplies and parts, within UNDP premises or on UNDP property shall be confined to areas authorized or approved by UNDP. The Contractor's personnel shall not enter or pass through and shall not store or dispose of any of its equipment or materials in any areas within UNDP premises or on UNDP property without appropriate authorization from UNDP.

#### **4. ASSIGNMENT:**

4.1 Except as provided in Article 4.2, below, the Contractor may not assign, transfer, pledge or make any other disposition of the Contract, of any part of the Contract, or of any of the rights, claims or obligations under the Contract except with the prior written authorization of UNDP. Any such unauthorized assignment, transfer, pledge or other disposition, or any attempt to do so, shall not be binding on UNDP. Except as permitted with respect to any approved subcontractors, the Contractor shall not delegate any of its obligations under this Contract, except with the prior written consent of UNDP. Any such unauthorized delegation, or attempt to do so, shall not be binding on UNDP.

4.2 The Contractor may assign or otherwise transfer the Contract to the surviving entity resulting from a reorganization of the Contractor's operations, *provided that:*

4.2.1 such reorganization is not the result of any bankruptcy, receivership or other similar proceedings; *and,*

4.2.2 such reorganization arises from a sale, merger, or acquisition of all or substantially all of the Contractor's assets or ownership interests; *and,*

4.2.3 the Contractor promptly notifies UNDP about such assignment or transfer at the earliest opportunity; *and,*

4.2.4 the assignee or transferee agrees in writing to be bound by all of the terms and conditions of the Contract, and such writing is promptly provided to UNDP following the assignment or transfer.

5. **SUBCONTRACTING:** In the event that the Contractor requires the services of subcontractors to perform any obligations under the Contract, the Contractor shall obtain the prior written approval of UNDP. UNDP shall be entitled, in its sole discretion, to review the qualifications of any subcontractors and to reject any proposed subcontractor that UNDP reasonably considers is not qualified to perform obligations under the Contract. UNDP shall have the right to require any subcontractor's removal from UNDP premises without having to give any justification therefor. Any such rejection or request for removal shall not, in and of itself, entitle the Contractor to claim any delays in the performance, or to assert any excuses for the non-performance, of any of its obligations under the Contract, and the Contractor shall be solely responsible for all services and obligations performed by its subcontractors. The terms of any subcontract shall be subject to, and shall be construed in a manner that is fully in accordance with, all of the terms and conditions of the Contract.

6. **OFFICIALS NOT TO BENEFIT:** The Contractor warrants that it has not and shall not offer any direct or indirect benefit arising from or related to the performance of the Contract or the award thereof to any representative, official, employee, or other agent of UNDP. The Contractor acknowledges and agrees that any breach of this provision is a breach of an essential term of the Contract.

7. **PURCHASE OF GOODS:** To the extent that the Contract involves any purchase of goods, whether in whole or in part, and unless specifically stated otherwise in the Contract, the following conditions shall apply to any purchases of goods under the Contract:

7.1 **DELIVERY OF GOODS:** The Contractor shall hand over or make available the goods, and UNDP shall receive the goods, at the place for the delivery of the goods and within the time for delivery of the goods specified in the Contract. The Contractor shall provide to UNDP such shipment documentation (including, without limitation, bills of lading, airway bills, and commercial invoices) as are specified in the Contract or, otherwise, as are customarily utilized in the trade. All manuals, instructions,

displays and any other information relevant to the goods shall be in the English language unless otherwise specified in the Contract. Unless otherwise stated in the Contract (including, but not limited to, in any “INCOTERM” or similar trade term), the entire risk of loss, damage to, or destruction of the goods shall be borne exclusively by the Contractor until physical delivery of the goods to UNDP in accordance with the terms of the Contract. Delivery of the goods shall not be deemed in itself as constituting acceptance of the goods by UNDP.

**7.2 INSPECTION OF THE GOODS:** If the Contract provides that the goods may be inspected prior to delivery, the Contractor shall notify UNDP when the goods are ready for pre-delivery inspection. Notwithstanding any pre-delivery inspection, UNDP or its designated inspection agents may also inspect the goods upon delivery in order to confirm that the goods conform to applicable specifications or other requirements of the Contract. All reasonable facilities and assistance, including, but not limited to, access to drawings and production data, shall be furnished to UNDP or its designated inspection agents at no charge therefor. Neither the carrying out of any inspections of the goods nor any failure to undertake any such inspections shall relieve the Contractor of any of its warranties or the performance of any obligations under the Contract.

**7.3 PACKAGING OF THE GOODS:** The Contractor shall package the goods for delivery in accordance with the highest standards of export packaging for the type and quantities and modes of transport of the goods. The goods shall be packed and marked in a proper manner in accordance with the instructions stipulated in the Contract or, otherwise, as customarily done in the trade, and in accordance with any requirements imposed by applicable law or by the transporters and manufacturers of the goods. The packing, in particular, shall mark the Contract or Purchase Order number and any other identification information provided by UNDP as well as such other information as is necessary for the correct handling and safe delivery of the goods. Unless otherwise specified in the Contract, the Contractor shall have no right to any return of the packing materials.

**7.4 TRANSPORTATION & FREIGHT:** Unless otherwise specified in the Contract (including, but not limited to, in any “INCOTERM” or similar trade term), the Contractor shall be solely liable for making all transport arrangements and for payment of freight and insurance costs for the shipment and delivery of the goods in accordance with the requirements of the Contract. The Contractor shall ensure that UNDP receives all necessary transport documents in a timely manner so as to enable UNDP to take delivery of the goods in accordance with the requirements of the Contract.

**7.5 WARRANTIES:** Unless otherwise specified in the Contract, in addition to and without limiting any other warranties, remedies or rights of UNDP stated in or arising under the Contract, the Contractor warrants and represents that:

7.5.1 The goods, including all packaging and packing thereof, conform to the specifications of the Contract, are fit for the purposes for which such goods are ordinarily used and for any purposes expressly made known in writing in the Contract, and shall be of even quality, free from faults and defects in design, material, manufacture and workmanship;

7.5.2 If the Contractor is not the original manufacturer of the goods, the Contractor shall provide UNDP with the benefit of all manufacturers’ warranties in addition to any other warranties required to be provided under the Contract;

7.5.3 The goods are of the quality, quantity and description required by the Contract, including when subjected to conditions prevailing in the place of final destination;

7.5.4 The goods are free from any right of claim by any third-party, including claims of infringement of any intellectual property rights, including, but not limited to, patents, copyright and trade secrets;

7.5.5 The goods are new and unused;

7.5.6 All warranties will remain fully valid following any delivery of the goods and for a period of not less than one (1) year following acceptance of the goods by UNDP in accordance with the Contract;

7.5.7 During any period in which the Contractor’s warranties are effective, upon notice by UNDP that the goods do not conform to the requirements of the Contract, the Contractor shall promptly and at its own expense correct such non-conformities or, in case of its inability to do so, replace the defective goods with goods of the same or better quality or, at its own cost, remove the defective goods and fully reimburse UNDP for the purchase price paid for the defective goods; and,

7.5.8 The Contractor shall remain responsive to the needs of UNDP for any services that may be required in connection with any of the Contractor’s warranties under the Contract.

**7.6 ACCEPTANCE OF GOODS:** Under no circumstances shall UNDP be required to accept any goods that do not conform to the specifications or requirements of the Contract. UNDP may condition its acceptance of the goods upon the successful completion of acceptance tests as may be specified in the Contract or otherwise agreed in writing by the Parties. In no case shall UNDP be obligated to accept any goods unless and until UNDP has had a reasonable opportunity to inspect the goods following delivery. If the Contract specifies that UNDP shall provide a written acceptance of the goods, the goods shall not be deemed accepted unless and until UNDP in fact provides such written acceptance. In no case shall payment by UNDP in and of itself constitute acceptance of the goods.

**7.7 REJECTION OF GOODS:** Notwithstanding any other rights of, or remedies available to UNDP under the Contract, in case any of the goods are defective or otherwise do not conform to the specifications or other requirements of the Contract, UNDP, at its sole option, may reject or refuse to accept the goods, and within thirty (30) days following receipt of notice from UNDP of such rejection or refusal to accept the goods, the Contractor shall, in sole option of UNDP:

7.7.1 provide a full refund upon return of the goods, or a partial refund upon a return of a portion of the goods, by UNDP; or,

7.7.2 repair the goods in a manner that would enable the goods to conform to the specifications or other requirements of the Contract; or,

7.7.3 replace the goods with goods of equal or better quality; *and*,

7.7.4 pay all costs relating to the repair or return of the defective goods as well as the costs relating to the storage of any such defective goods and for the delivery of any replacement goods to UNDP.

7.8 In the event that UNDP elects to return any of the goods for the reasons specified in Article 7.7, above, UNDP may procure the goods from another source. In addition to any other rights or remedies available to UNDP under the Contract, including, but not limited to, the right to terminate the Contract, the Contractor shall be liable for any additional cost beyond the balance of the Contract price resulting from any such procurement, including, *inter alia*, the costs of engaging in such procurement, and UNDP shall be entitled to compensation from the Contractor for any reasonable expenses incurred for preserving and storing the goods for the Contractor's account.

7.9 **TITLE:** The Contractor warrants and represents that the goods delivered under the Contract are unencumbered by any third party's title or other property rights, including, but not limited to, any liens or security interests. Unless otherwise expressly provided in the Contract, title in and to the goods shall pass from the Contractor to UNDP upon delivery of the goods and their acceptance by UNDP in accordance with the requirements of the Contract.

7.10 **EXPORT LICENSING:** The Contractor shall be responsible for obtaining any export license required with respect to the goods, products, or technologies, including software, sold, delivered, licensed or otherwise provided to UNDP under the Contract. The Contractor shall procure any such export license in an expeditious manner. Subject to and without any waiver of the privileges and immunities of the United Nations, UNDP shall lend the Contractor all reasonable assistance required for obtaining any such export license. Should any Governmental entity refuse, delay or hinder the Contractor's ability to obtain any such export license, the Contractor shall promptly consult with UNDP to enable UNDP to take appropriate measures to resolve the matter.

## **8. INDEMNIFICATION:**

8.1 The Contractor shall indemnify, defend, and hold and save harmless, UNDP, and its officials, agents and employees, from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any third party against UNDP, including, but not limited to, all litigation costs and expenses, attorney's fees, settlement payments and damages, based on, arising from, or relating to:

8.1.1 allegations or claims that the possession of or use by UNDP of any patented device, any copyrighted material, or any other goods, property or services provided or licensed to UNDP under the terms of the Contract, in whole or in part, separately or in a combination contemplated by the Contractor's published specifications therefor, or otherwise specifically approved by the Contractor, constitutes an infringement of any patent, copyright, trademark, or other intellectual property right of any third party; *or*,

8.1.2 any acts or omissions of the Contractor, or of any subcontractor or anyone directly or indirectly employed by them in the performance of the Contract, which give rise to legal liability to anyone not a party to the Contract, including, without limitation, claims and liability in the nature of a claim for workers' compensation.

8.2 The indemnity set forth in Article 8.1.1, above, shall not apply to:

8.2.1 A claim of infringement resulting from the Contractor's compliance with specific written instructions by UNDP directing a change in the specifications for the goods, property, materials, equipment or supplies to be or used, or directing a manner of performance of the Contract or requiring the use of specifications not normally used by the Contractor; *or*

8.2.2 A claim of infringement resulting from additions to or changes in any goods, property, materials equipment, supplies or any components thereof furnished under the Contract if UNDP or another party acting under the direction of UNDP made such changes.

8.3 In addition to the indemnity obligations set forth in this Article 8, the Contractor shall be obligated, at its sole expense, to defend UNDP and its officials, agents and employees, pursuant to this Article 8, regardless of whether the suits, proceedings, claims and demands in question actually give rise to or otherwise result in any loss or liability.

8.4 UNDP shall advise the Contractor about any such suits, proceedings, claims, demands, losses or liability within a reasonable period of time after having received actual notice thereof. The Contractor shall have sole control of the defense of any such suit, proceeding, claim or demand and of all negotiations in connection with the settlement or compromise thereof, except with respect to the assertion or defense of the privileges and immunities of the United Nations or any matter relating thereto, for which only UNDP itself is authorized to assert and maintain. UNDP shall have the right, at its own expense, to be represented in any such suit, proceeding, claim or demand by independent counsel of its own choosing.

8.5 In the event the use by UNDP of any goods, property or services provided or licensed to UNDP by the Contractor, in whole or in part, in any suit or proceeding, is for any reason enjoined, temporarily or permanently, or is found to infringe any patent, copyright, trademark or other intellectual property right, or in the event of a settlement, is enjoined, limited or otherwise interfered with, then the Contractor, at its sole cost and expense, shall, promptly, either:

8.5.1 procure for UNDP the unrestricted right to continue using such goods or services provided to UNDP;

8.5.2 replace or modify the goods or services provided to UNDP, or part thereof, with the equivalent or better goods or services, or part thereof, that is non-infringing; *or*,

8.5.3 refund to UNDP the full price paid by UNDP for the right to have or use such goods, property or services, or part thereof.

## **9. INSURANCE AND LIABILITY:**

9.1 The Contractor shall pay UNDP promptly for all loss, destruction, or damage to the property of UNDP caused by the Contractor's personnel or by any of its subcontractors or anyone else directly or indirectly employed by the Contractor or any of its subcontractors in the performance of the Contract.

9.2 Unless otherwise provided in the Contract, prior to commencement of performance of any other obligations under the Contract, and subject to any limits set forth in the Contract, the Contractor shall take out and shall maintain for the entire term of the Contract, for any extension thereof, and for a period following any termination of the Contract reasonably adequate to deal with losses:

9.2.1 insurance against all risks in respect of its property and any equipment used for the performance of the Contract;

9.2.2 workers' compensation insurance, or its equivalent, or employer's liability insurance, or its equivalent, with respect to the Contractor's personnel sufficient to cover all claims for injury, death and disability, or any other benefits required to be paid by law, in connection with the performance of the Contract;

9.2.3 liability insurance in an adequate amount to cover all claims, including, but not limited to, claims for death and bodily injury, products and completed operations liability, loss of or damage to property, and personal and advertising injury, arising from or in connection with the Contractor's performance under the Contract, including, but not limited to, liability arising out of or in connection with the acts or omissions of the Contractor, its personnel, agents, or invitees, or the use, during the performance of the Contract, of any vehicles, boats, airplanes or other transportation vehicles and equipment, whether or not owned by the Contractor; *and*,

9.2.4 such other insurance as may be agreed upon in writing between UNDP and the Contractor.

9.3 The Contractor's liability policies shall also cover subcontractors and all defense costs and shall contain a standard "cross liability" clause.

9.4 The Contractor acknowledges and agrees that UNDP accepts no responsibility for providing life, health, accident, travel or any other insurance coverage which may be necessary or desirable in respect of any personnel performing services for the Contractor in connection with the Contract.

9.5 Except for the workers' compensation insurance or any self-insurance program maintained by the Contractor and approved by UNDP, in its sole discretion, for purposes of fulfilling the Contractor's requirements for providing insurance under the Contract, the insurance policies required under the Contract shall:

9.5.1 name UNDP as an additional insured under the liability policies, including, if required, as a separate endorsement under the policy;

9.5.2 include a waiver of subrogation of the Contractor's insurance carrier's rights against UNDP;

9.5.3 provide that UNDP shall receive written notice from the Contractor's insurance carrier not less than thirty (30) days prior to any cancellation or material change of coverage; *and*,

9.5.4 include a provision for response on a primary and non-contributing basis with respect to any other insurance that may be available to UNDP.

9.6 The Contractor shall be responsible to fund all amounts within any policy deductible or retention.

9.7 Except for any self-insurance program maintained by the Contractor and approved by UNDP for purposes of fulfilling the Contractor's requirements for maintaining insurance under the Contract, the Contractor shall maintain the insurance taken out under the Contract with reputable insurers that are in good financial standing and that are acceptable to UNDP. Prior to the commencement of any obligations under the Contract, the Contractor shall provide UNDP with evidence, in the form of certificate of insurance or such other form as UNDP may reasonably require, that demonstrates that the Contractor has taken out insurance in accordance with the requirements of the Contract. UNDP reserves the right, upon written notice to the Contractor, to obtain copies of any insurance policies or insurance program descriptions required to be maintained by the Contractor under the Contract. Notwithstanding the provisions of Article 9.5.3, above, the Contractor shall promptly notify UNDP concerning any cancellation or material change of insurance coverage required under the Contract.

9.8 The Contractor acknowledges and agrees that neither the requirement for taking out and maintaining insurance as set forth in the Contract nor the amount of any such insurance, including, but not limited to, any deductible or retention relating thereto, shall in any way be construed as limiting the Contractor's liability arising under or relating to the Contract.

**10. ENCUMBRANCES AND 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 UNDP against any monies due to the Contractor or that may become due for any work done or against any goods supplied or materials furnished under the Contract, or by reason of any other claim or demand against the Contractor or UNDP.

**11. EQUIPMENT FURNISHED BY UNDP TO THE CONTRACTOR:** Title to any equipment and supplies that may be furnished by UNDP to the Contractor for the performance of any obligations under the Contract shall rest with UNDP, and any such equipment shall be returned to UNDP at the conclusion of the 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, and the Contractor shall be liable to compensate UNDP for the actual costs of any loss of, damage to, or degradation of the equipment that is beyond normal wear and tear.

**12. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:**

12.1 Except as is otherwise expressly provided in writing in the Contract, 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 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. The Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for UNDP.

12.2 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, UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to 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.

12.3 At the request of 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 UNDP in compliance with the requirements of the applicable law and of the Contract.

12.4 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 UNDP, shall be made available for use or inspection by 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.

13. **PUBLICITY, AND USE OF THE NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS:** The Contractor shall not advertise or otherwise make public for purposes of commercial advantage or goodwill that it has a contractual relationship with UNDP or the United Nations, 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 the United Nations in connection with its business or otherwise without the written permission of UNDP.

14. **CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:** Information and data that is considered proprietary by either Party or 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:

14.1 The recipient ("Recipient") of such Information shall:

14.1.1 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*,

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

14.2 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 14, the Recipient may disclose Information to:

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

14.2.2 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:

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

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

14.2.2.3 for UNDP, the United Nations or a principal or subsidiary organ of the United Nations established in accordance with the Charter of the United Nations.

14.3 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 UNDP sufficient prior notice of a request for the disclosure of Information in order to allow UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

14.4 UNDP may disclose Information to the extent as required pursuant to the Charter of the United Nations, or pursuant to resolutions or regulations of the General Assembly or rules promulgated thereunder.

14.5 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.

14.6 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.

15. **FORCE MAJEURE; OTHER CHANGES IN CONDITIONS:**

15.1 In the event of and as soon as possible after the occurrence of any cause constituting *force majeure*, the affected Party

shall give notice and full particulars in writing to the other Party, of such occurrence or cause if the affected Party is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under the Contract. The affected Party shall also notify the other Party of any other changes in condition or the occurrence of any event which interferes or threatens to interfere with its performance of the Contract. Not more than fifteen (15) days following the provision of such notice of *force majeure* or other changes in condition or occurrence, the affected Party shall also submit a statement to the other Party of estimated expenditures that will likely be incurred for the duration of the change in condition or the event of *force majeure*. On receipt of the notice or notices required hereunder, the Party not affected by the occurrence of a cause constituting *force majeure* shall take such action as it reasonably considers to be appropriate or necessary in the circumstances, including the granting to the affected Party of a reasonable extension of time in which to perform any obligations under the Contract.

15.2 If the Contractor is rendered unable, wholly or in part, by reason of *force majeure* to perform its obligations and meet its responsibilities under the Contract, UNDP shall have the right to suspend or terminate the Contract on the same terms and conditions as are provided for in Article 16, "Termination," except that the period of notice shall be seven (7) days instead of thirty (30) days. In any case, UNDP shall be entitled to consider the Contractor permanently unable to perform its obligations under the Contract in case the Contractor is unable to perform its obligations, wholly or in part, by reason of *force majeure* for any period in excess of ninety (90) days.

15.3 *Force majeure* as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, *provided that* such acts arise from causes beyond the control and without the fault or negligence of the Contractor. The Contractor acknowledges and agrees that, with respect to

any obligations under the Contract that the Contractor must perform in areas in which 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.

#### 16. TERMINATION:

16.1 Either Party may terminate the Contract for cause, in whole or in part, upon thirty (30) day's notice, in writing, to the other Party. The initiation of conciliation or arbitral proceedings in accordance with Article 19 "Settlement of Disputes," below, shall not be deemed to be a "cause" for or otherwise to be in itself a termination of the Contract.

16.2 UNDP may terminate the Contract at any time by providing written notice to the Contractor in any case in which the mandate of UNDP applicable to the performance of the Contract or the funding of UNDP applicable to the Contract is curtailed or terminated, whether in whole or in part. In addition, unless otherwise provided by the Contract, upon sixty (60) day's advance written notice to the Contractor, UNDP may terminate the Contract without having to provide any justification therefor.

16.3 In the event of any termination of the Contract, upon receipt of notice of termination that has been issued by UNDP, the Contractor shall, except as may be directed by UNDP in the notice of termination or otherwise in writing:

16.3.1 take immediate steps to bring the performance of any obligations under the Contract to a close in a prompt and orderly manner, and in doing so, reduce expenses to a minimum;

16.3.2 refrain from undertaking any further or additional commitments under the Contract as of and following the date of receipt of such notice;

16.3.3 place no further subcontracts or orders for materials, services, or facilities, except as UNDP and the Contractor agree in writing are necessary to complete any portion of the Contract that is not terminated;

16.3.4 terminate all subcontracts or orders to the extent they relate to the portion of the Contract terminated;

16.3.5 transfer title and deliver to UNDP the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced or acquired for the portion of the Contract terminated;

16.3.6 deliver all completed or partially completed plans, drawings, information, and other property that, if the Contract had been completed, would be required to be furnished to UNDP thereunder;

16.3.7 complete performance of the work not terminated; *and,*

16.3.8 take any other action that may be necessary, or that UNDP may direct in writing, for the minimization of losses and for the protection and preservation of any property, whether tangible or intangible, related to the Contract that is in the possession of the Contractor and in which UNDP has or may be reasonably expected to acquire an interest.

16.4 In the event of any termination of the Contract, UNDP shall be entitled to obtain reasonable written accountings from the Contractor concerning all obligations performed or pending in accordance with the Contract. In addition, UNDP shall not be liable to pay the Contractor except for those goods delivered and services provided to UNDP in accordance with the requirements of the Contract, but only if such goods or services were ordered, requested or otherwise provided prior to the Contractor's receipt of notice of termination from UNDP or prior to the Contractor's tendering of notice of termination to UNDP.

16.5 UNDP may, without prejudice to any other right or remedy available to it, terminate the Contract forthwith in the event that:

16.5.1 the Contractor is adjudged bankrupt, or is liquidated, or becomes insolvent, or applies for a moratorium or stay on any payment or repayment obligations, or applies to be declared insolvent;

16.5.2 the Contractor is granted a moratorium or a stay, or is declared insolvent;

16.5.3 the Contractor makes an assignment for the benefit of one or more of its creditors;

16.5.4 a Receiver is appointed on account of the insolvency of the Contractor;

16.5.5 the Contractor offers a settlement in lieu of bankruptcy or receivership; or,

16.5.6 UNDP reasonably determines that the Contractor has become subject to a materially adverse change in its financial condition that threatens to substantially affect the ability of the Contractor to perform any of its obligations under the Contract.

16.6 Except as prohibited by law, the Contractor shall be bound to compensate UNDP for all damages and costs, including, but not limited to, all costs incurred by UNDP in any legal or non-legal proceedings, as a result of any of the events specified in Article 16.5, above, and resulting from or relating to a termination of the Contract, even if the Contractor is adjudged bankrupt, or is granted a moratorium or stay or is declared insolvent. The Contractor shall immediately inform UNDP of the occurrence of any of the events specified in Article 16.5, above, and shall provide UNDP with any information pertinent thereto.

16.7 The provisions of this Article 16 are without prejudice to any other rights or remedies of UNDP under the Contract or otherwise.

17. **NON-WAIVER OF RIGHTS:** The failure by either Party to exercise any rights available to it, whether under the Contract or otherwise, shall not be deemed for any purposes to constitute a waiver by the other Party of any such right or any remedy associated therewith, and shall not relieve the Parties of any of their obligations under the Contract.

18. **NON-EXCLUSIVITY:** Unless otherwise specified in the Contract, UNDP shall have no obligation to purchase any minimum quantities of goods or services from the Contractor, and UNDP shall have no limitation on its right to obtain goods or services of the same kind, quality and quantity described in the Contract, from any other source at any time.

#### 19. **SETTLEMENT OF DISPUTES:**

19.1 **AMICABLE SETTLEMENT:** The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the 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 Conciliation Rules then obtaining of the United Nations Commission on International Trade Law (“UNCITRAL”), or according to such other procedure as may be agreed between the Parties in writing.

19.2 **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 19.1, 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. 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.

20. **PRIVILEGES AND IMMUNITIES:** Nothing in or relating to the Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

#### 21. **TAX EXEMPTION:**

21.1 Article II, 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 restrictions, 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 exemptions of the United Nations from such taxes, restrictions, duties, or charges, the Contractor shall immediately consult with UNDP to determine a mutually acceptable procedure.

21.2 The Contractor authorizes UNDP to deduct from the Contractor’s invoices any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties, or charges under written protest. In that event, the Contractor shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized, and UNDP shall reimburse the Contractor for any such taxes, duties, or charges so authorized by UNDP and paid by the Contractor under written protest.

22. **OBSERVANCE OF THE LAW:** The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the Contract. In addition, the Contractor shall maintain compliance with all obligations

relating to its registration as a qualified vendor of goods or services to UNDP, as such obligations are set forth in UNDP vendor registration procedures.

### **23. MODIFICATIONS:**

23.1 Pursuant to the Financial Regulations and Rules of UNDP, only the Chief Procurement Officer of UNDP, or such other Contracting authority as UNDP has made known to the Contractor in writing, possesses the authority to agree on behalf of UNDP to any modification of or change in the Contract, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in the Contract shall be valid and enforceable against UNDP unless provided by a valid written amendment to the Contract signed by the Contractor and the Chief Procurement Officer of UNDP or such other contracting authority.

23.2 If the Contract shall be extended for additional periods in accordance with the terms and conditions of the Contract, the terms and conditions applicable to any such extended term of the Contract shall be the same terms and conditions as set forth in the Contract, unless the Parties shall have agreed otherwise pursuant to a valid amendment concluded in accordance with Article 23.1, above.

23.3 The terms or conditions of any supplemental undertakings, licenses, or other forms of agreement concerning any goods or services provided under the Contract shall not be valid and enforceable against UNDP nor in any way shall constitute an agreement by UNDP thereto unless any such undertakings, licenses or other forms are the subject of a valid amendment concluded in accordance with Article 23.1, above.

### **24. AUDITS AND INVESTIGATIONS:**

24.1 Each invoice paid by UNDP shall be subject to a post-payment audit by auditors, whether internal or external, of UNDP or by other authorized and qualified agents of UNDP at any time during the term of the Contract and for a period of two (2) years following the expiration or prior termination of the Contract. UNDP shall be entitled to a refund from the Contractor for any amounts shown by such audits to have been paid by UNDP other than in accordance with the terms and conditions of the Contract.

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

### **25. LIMITATION ON ACTIONS:**

25.1 Except with respect to any indemnification obligations in Article 8, above, or as are otherwise set forth in the Contract, any arbitral proceedings in accordance with Article 19.2, above, arising out of the Contract must be commenced within three years after the cause of action has accrued.

25.2 The Parties further acknowledge and agree that, for these purposes, a cause of action shall accrue when the breach actually occurs, or, in the case of latent defects, when the injured Party knew or should have known all of the essential elements of the cause of action, or in the case of a breach of warranty, when tender of delivery is made, except that, if a warranty extends to future performance of the goods or any process or system and the discovery of the breach consequently must await the time when such goods or other process or system is ready to perform in accordance with the requirements of the Contract, the cause of action accrues when such time of future performance actually begins.

26. **CHILD LABOR:** The Contractor represents and warrants that neither it, its parent entities (if any), nor any of the Contractor's subsidiary or affiliated entities (if any) 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. 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.

27. **MINES:** The Contractor warrants and represents that neither it, its parent entities (if any), nor any of the Contractor's subsidiaries or affiliated entities (if any) is engaged in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines. 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.

**28. SEXUAL EXPLOITATION:**

28.1 The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by its employees or any other persons engaged and controlled 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 reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from exchanging any money, goods, services, 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 these provisions 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.

28.2 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.

## SPECIAL CONDITIONS

The following Special Conditions of Contract shall supplement the General Conditions of Contracts for the Provision of Goods and Services (Section 9):

ACCEPTANCE OF THE PURCHASE ORDER	The resulting Purchase Order may only be accepted by the Supplier's signing and returning an acknowledgement copy within the time specified. Acceptance of the Purchase Order shall effect a contract between the Parties under which the rights and obligations of the Parties shall be governed solely by the terms and conditions of the Purchase Order, including these General Conditions. No additional or inconsistent provisions proposed by the Supplier shall bind UNDP unless agreed to in writing by a duly authorized official of UNDP.
LIQUIDATED DAMAGES FOR NOT MEETING DELIVERY (refer to Art. 7.1)	If the Supplier fails to supply the specified goods within the time period(s) stipulated by the Purchase Order, the Purchaser shall, without prejudice to its other remedies under the contract, deduct from the Purchase Order price, as liquidated damages, a sum equivalent to 0.5 percent of the price of the complete consignment or service (Consignments and Services as specified in Section 7 Price Schedule) for each day of delay until actual delivery or completion, up to a maximum deduction of 10 percent of the Purchase Order price. Once the maximum is reached, the Purchaser may consider termination of the PO.
WARRANTY (ref. to Art. 7.5)	The warranty period shall be as Required in Section 9 and following acceptance of the goods by UNDP at destination. Further details on Warranty Services required are included in Section 7.3
GOODS AND SERVICES DEFINED	<p>Goods are hereinafter deemed to include, without limitation, equipment, spare parts, commodities, raw materials, components, customized and standard software as required, intermediate products and products which the Supplier is required to supply under the Purchase Order.</p> <p>Services are to include design, installation and commissioning, training services, technical assistance and warranty services as required to supply in the Purchase Order</p>
FIRE AND EXTENDED COVERAGE INSURANCE (ref. to Art 9.2)	At all times prior to delivery, the Supplier shall effect and maintain continuous fire, hazard and extended coverage insurance upon any goods subject to this Order in an amount equal to the sound insurable value of such goods and labour incorporated therein with loss payable to the Supplier and UNDP as their interests may appear.
AFTER SALES SERVICE (ref. to Art 7.5.8)	The Supplier shall maintain or provide a local service organization constituted to handle requests from UNDP or its clients for technical assistance, maintenance, service, repairs and overhaul of the goods, as specified in Requirements Section 9.
TRADE TERMS (ref. to Art 7)	Whenever an INCOTERM is used in this Order it shall be interpreted in accordance with the INCOTERMS 2010.
PAYMENT	100% upon delivery of goods installation and training completion.
PACKAGING:	The Supplier also warrants that the goods are securely contained, packaged and marked, taking into consideration the mode(s) of shipment, in a manner so as to protect the goods during delivery to their ultimate destination.

