



## REQUEST FOR PROPOSAL (RFP) (For Low-Valued Services)

TO: All potential vendors	DATE: 19 July 2017
FROM: United Nations Development Programme UN House 14201, United Nations Street -14, Sukhbaatar District, Ulaanbaatar, Mongolia	REFERENCE: RFP/2017/011 (LLDC)

Dear Sir / Madam:

We kindly request you to submit your Proposal for a Research Study on Economic Diversification of LLDCs: Case of Mongolia, Nepal, Bhutan and Paraguay.

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

You are cordially invited to pre-bid conference that will be organized to provide information related to RFP and respond to clarifications/questions at **1 p.m., 27 July 2017** at the Conference Room of the UN House. The objective of the meeting is to enable Service Providers to understand requirements and to prepare qualified and responsive proposals.

Proposals may be submitted on or before **10 a.m., 7 August 2017** and via email, courier mail or fax to the address below:

**United Nations Development Programme**  
UN House 14201, UN Street 14, Sukhbaatar district, Ulaanbaatar, Mongolia  
**Fax: 976-11-326221; email: bids.mn@undp.org**

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

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

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

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

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

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

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

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

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

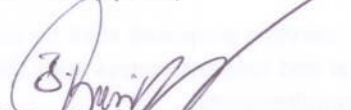
<http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

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

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

Thank you and we look forward to receiving your Proposal.

Sincerely yours,



Beate Trankmann

Resident Representative

United Nations Development Programme, Mongolia

### Description of Requirements

Context of the Requirement	<p>The objective of the research “Economic diversification of LLDCs: Case of Bhutan, Mongolia, Nepal and Paraguay”, is to support the implementation of the VPoA by determining and analysing the trends, opportunities and obstacles of economic, export and market diversification in these countries, and recommending policy options for structural transformation. Progressing economic diversification without acknowledging existing gender inequality is likely to magnify existing patterns of gender-based disadvantages. Therefore, both the analysis of current economic diversification efforts and policy options will incorporate their effects on gender equality in the above four countries.</p> <p>This study could also be beneficial for the governments of other LLDCs in formulating their national policies on structural transformation. The final research publication will be launched and distributed at a special event during an international conference by the end of 2017.</p>
Implementing Partner of UNDP	Ministry of Foreign Affairs/ITT for LLDCs
Brief Description of the Required Services <sup>1</sup>	<p>The research team is expected to study and analyse the trends, opportunities and obstacles of economic, export and market diversification in Bhutan, Nepal, Mongolia and Paraguay, accordingly to recommend policy options for further structural transformation through their final report.</p> <p>Refer to detailed TOR under Annex 4.</p>
List and Description of Expected Outputs to be Delivered	<p>The followings are the detailed list of expected works contributing to the final research report:</p> <ol style="list-style-type: none"> <li>1. Review recent studies on economic diversification in developing countries, in particular, LLDCs, conducted both nationally and internationally, and analyse the findings;</li> <li>2. Conduct interviews and consultations with relevant stakeholders, as necessary, both at data collection and validation stages of the research findings;</li> <li>3. Determine the current degree of economic, export and market diversification in the four countries, using existing measurement approaches such as the Herfindahl-Hirschman measure of concentration in conjunction with new or alternative measures, present a clear, multidimensional and insightful picture of the current state of economic diversification of the countries, covering various aspects.</li> <li>4. Determine the recent trends and patterns of economic, export and market diversification in the four countries, identify analyse the factors underlying these trends and patterns and determine opportunities and obstacles for these LLDC for further diversifying their economies;</li> <li>5. Provide an analysis on the effectiveness of economic diversification policy measures based on the review of the national policy documents,</li> </ol>

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

	<p>strategies, action plans, and reports related to economic diversification, and the relevant statistical data;</p> <p>6. Analyse the extent to which the governments and other stakeholders of the 4 participating countries integrate VPoA into their development vision, policy priorities and strategies;</p> <p>7. Compare and contrast policy and regulatory approaches to economic diversification of the 4 participating countries with other countries that have successfully diversified their economies;</p> <p>8. Highlight lessons learned on economic diversification of 4 participating countries that could possibly inform the other LLDCs;</p> <p>9. Provide policy options for governments on regulatory measures, and for specific sectors, as well as for LLDCs as a group for further advocating their need to address their special sustainable development challenges arising from landlockedness, remoteness, and geographical constraints,</p> <p>10. Present the preliminary findings at stakeholders' workshop, and incorporate the feedback in the final research report.</p>			
Person to Supervise the Work/Performance of the Service Provider	The research organization will be contracted by UNDP Mongolia and will report to the DRR, UNDP Mongolia and the ITT for LLDCs.			
Frequency of Reporting	As per the main deliverables by due dates to the UNDP DRR and to the Designated official of the ITT for LLDCs throughout the progress of the research.			
Location of work	<input type="checkbox"/> Exact Address/es [pls. specify] <input checked="" type="checkbox"/> At Contractor's Location and designated workshop places as guided by TOR and ITT for LLDCs.			
Expected duration of work	4 months through the period of 15 August – 15 December 2017			
Target start date	15 August 2017			
Latest completion date	15 December 2017			
Travels Expected for International expert (s)	Destination/s	Estimated Duration	Brief Description of Purpose of the Travel	Target Date/s
	TBC by ITT for LLDCs	TBC	For workshop	TBC
Special Security Requirements	<input type="checkbox"/> Security Clearance from UN prior to travelling <input type="checkbox"/> Completion of UN's Basic and Advanced Security Training <input checked="" type="checkbox"/> Comprehensive Travel Insurance <input type="checkbox"/> Others [pls. specify]			
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required			
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required			
Currency of Proposal	<input checked="" type="checkbox"/> Local Currency			
Value Added Tax on Price Proposal <sup>2</sup>	<input checked="" type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes to be stated separately in the Financial offer			

<sup>2</sup> VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

	<input type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes														
Validity Period of Proposals (Counting for the last day of submission of quotes)	<input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input checked="" type="checkbox"/> 120 days In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.														
Partial Quotes	<input checked="" type="checkbox"/> Not permitted														
Payment Terms <sup>3</sup>	<table border="1"> <thead> <tr> <th>Instalments</th> <th>Deliverables</th> <th>Due dates</th> </tr> </thead> <tbody> <tr> <td>1. 20% of the total payment</td> <td>Inception report, including the detailed research plan, updated research methodology, summary of desk review of existing literature with key findings</td> <td>1 month after signing the contract</td> </tr> <tr> <td>2. 30% of the total payment</td> <td>Draft research report</td> <td>2.5 months after signing the contract</td> </tr> <tr> <td>3. 50% of the total payment</td> <td>Final research report</td> <td>2 weeks before the end of the contract</td> </tr> </tbody> </table>	Instalments	Deliverables	Due dates	1. 20% of the total payment	Inception report, including the detailed research plan, updated research methodology, summary of desk review of existing literature with key findings	1 month after signing the contract	2. 30% of the total payment	Draft research report	2.5 months after signing the contract	3. 50% of the total payment	Final research report	2 weeks before the end of the contract	Upon submission and acceptance of the deliverables	
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2. 30% of the total payment	Draft research report	2.5 months after signing the contract													
3. 50% of the total payment	Final research report	2 weeks before the end of the contract													
Type of Contract to be Signed	<input type="checkbox"/> Purchase Order <input checked="" type="checkbox"/> Institutional Contract <input type="checkbox"/> Contract for Professional Services														
Criteria for Contract Award	<input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.														
Criteria for the Assessment of Proposal	<b>Technical Proposal (passing threshold - 70% of total technical score of 100)</b> <input checked="" type="checkbox"/> Expertise of the Firm – 20p;														

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

	<input checked="" type="checkbox"/> Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan – 30p; <input checked="" type="checkbox"/> Qualification and Experience of Key Personnel - 50p  <b>Financial Proposal (30%)</b> To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.
UNDP will award the contract to:	<input checked="" type="checkbox"/> One and only one Service Provider
Annexes to this RFP <sup>4</sup>	<input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3) <sup>5</sup> <input checked="" type="checkbox"/> Detailed TOR (Annex 4) <input type="checkbox"/> Others <sup>6</sup> [pls. specify]
Contact Person for Inquiries (Written inquiries only) <sup>7</sup>	<i>Procurement Officer</i> <i>Bids.mn@undp.org</i> Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.
Other Information [pls. specify]	

<sup>4</sup> Where the information is available in the web, a URL for the information may simply be provided.

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

<sup>6</sup> A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.

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

## FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL<sup>8</sup>

*(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery<sup>9</sup>)*

[insert: Location].

[insert: Date]

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

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions:

### A. Qualifications of the Service Provider

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

- a) Profile – describing the nature of business, field of expertise, special permissions/licenses, certifications, accreditations, litigation history if any;*
- b) Business Licenses – Registration Papers, Tax Payment Certification, etc.*
- c) Latest Audited Financial Statement – income statement and balance sheet to indicate its financial stability - 2016, liquidity, credit standing, and market reputation, etc. ;*
- d) Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;*
- e) Certificates and Accreditation – including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.*
- f) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.*

### B. The Proposer's responsiveness to the TOR

This section should demonstrate the Proposer's responsiveness to the TOR by

- identifying the specific components proposed, addressing the requirements, as specified, point by point;
- providing a detailed description of the essential performance characteristics proposed;
- demonstrating how the proposed approach and methodology meets or exceeds the requirements and whether it will be appropriate to the local conditions and context of the work;
- detailing reporting conditions and quality assurance mechanisms that will be put in place;
- indicating Implementation timelines/schedule; and
- describing potential risks and providing mitigation measures.

<sup>8</sup> This serves as a guide to the Service Provider in preparing the Proposal.

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

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**C. Qualifications of Key Personnel**

*The Proposer must provide:*

- a) *Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are other experts, etc.;*
- b) *CV demonstrating qualifications, educational background and experience;*
- c) *Proof of English language skills as required in the TOR;*
- d) *Staff/Time Allocation providing a spreadsheet to show the activities of each staff member and the time allocated for his/her involvement; and*
- e) *Written confirmation from each personnel that they are available for the entire duration of the contract.*

**D. Cost Breakdown by Cost Component:**

The Proposer is required to prepare the Financial Proposal in an envelope separate from the rest of the RFP as indicated in the Instruction to Proposers and are requested to provide the cost summary based on the following format/forms to ease the comparability. The proposers may provide additional detailed calculations under a separate page and in a different format. The financial evaluation shall weigh 30% of total scoring and the offerors are expected to provide realistic, logical offer based on a survey of the market, project environment, etc.

**Note:** International travel expenses in relation to workshops indicated in the TOR shall not be included in the financial proposal.

Description of Activity	UoM	Unit rate	Quantity	Total
<b>I. Personnel Services</b>				
a. Expertise 1 (Team leader/Lead Researcher)	Month		4	
b. Expertise 2 (Researcher for Bhutan)	Month		3	
c. Expertise 3 (Researcher for Mongolia)	Month		3	
d. Expertise 4 (Researcher for Nepal)	Month		3	
e. Expertise 5 (Researcher for Paraguay)	Month		3	
<b>II. Other Related Costs</b>				
	<b>UoM</b>	<b>Unit rate</b>	<b>Quantity</b>	<b>Total</b>
1. Communications				
2. Photocopy/stationery				
3. Others				
Subtotal. I+II				
VAT 10 % (for VAT payer)				
<b>Grand total</b>				

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



## General Terms and Conditions for Services

### 1.0 LEGAL STATUS:

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

### 2.0 SOURCE OF INSTRUCTIONS:

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

### 3.0 CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES:

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

### 4.0 ASSIGNMENT:

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

### 5.0 SUB-CONTRACTING:

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

### 6.0 OFFICIALS NOT TO BENEFIT:

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

### 7.0 INDEMNIFICATION:

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

### 8.0 INSURANCE AND LIABILITIES TO THIRD PARTIES:

- 8.1** The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.
- 8.2** The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or the equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.
- 8.3** The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.
- 8.4** Except for the workmen's compensation insurance, the insurance policies under this Article shall:
- 8.4.1** Name UNDP as additional insured;
  - 8.4.2** Include a waiver of subrogation of the Contractor's rights to the insurance carrier against the UNDP;
  - 8.4.3** Provide that the UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.
- 8.5** The Contractor shall, upon request, provide the UNDP with satisfactory evidence of the insurance required under this Article.

**9.0 ENCUMBRANCES/LIENS:**

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with the UNDP against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

**10.0 TITLE TO EQUIPMENT:**

Title to any equipment and supplies that may be furnished by UNDP shall rest with UNDP and any such equipment shall be returned to UNDP at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

**11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:**

- 11.1** Except as is otherwise expressly provided in writing in the Contract, the UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the UNDP under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract, and the Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the UNDP.
- 11.2** To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Contract, the UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to the UNDP a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.

**11.3** At the request of the UNDP; the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the UNDP in compliance with the requirements of the applicable law and of the Contract.

**11.4** Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of the UNDP, shall be made available for use or inspection by the UNDP at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNDP authorized officials on completion of work under the Contract.

**12.0 USE OF NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS:**

The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with UNDP, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of UNDP or THE United Nations, or any abbreviation of the name of UNDP or United Nations in connection with its business or otherwise.

**13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:**

Information and data that is considered proprietary by either Party and that is delivered or disclosed by one Party ("Discloser") to the other Party ("Recipient") during the course of performance of the Contract, and that is designated as confidential ("Information"), shall be held in confidence by that Party and shall be handled as follows:

**13.1** The recipient ("Recipient") of such information shall:

**13.1.1** use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser's Information as it uses with its own similar information that it does not wish to disclose, publish or disseminate; and,

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

**13.2** Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 13, the Recipient may disclose Information to:

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

**13.2.2** the Recipient's employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls controls it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:

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

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

**13.2.2.3** for the UNDP, an affiliated Fund such as UNCDF, UNIFEM and UNV.

**13.3** The Contractor may disclose Information to the extent required by law, provided that, subject to and without any waiver of the privileges and immunities of the United Nations, the Contractor will give the UNDP sufficient prior notice of a request for the disclosure of Information in order to allow the UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

**13.4** The UNDP may disclose Information to the extent as required pursuant to the Charter of the UN, resolutions or regulations of the General Assembly, or rules promulgated by the Secretary-General.

- 13.5 The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.
- 13.6 These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.

#### 14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

- 14.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to the UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify the UNDP of any other changes in conditions or the occurrence of any event that interferes or threatens to interfere with its performance of this Contract. On receipt of the notice required under this Article, the UNDP shall take such action as, in its sole discretion; it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.
- 14.2 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, the UNDP shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.
- 14.3 Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force.
- 14.4 The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in or for any areas in which the UNDP is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas or to any incidents of civil unrest occurring in such areas shall not, in and of itself, constitute force majeure under the Contract..

#### 15.0 TERMINATION

- 15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty (30) days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16.2 ("Arbitration"), below, shall not be deemed a termination of this Contract.
- 15.2 UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.
- 15.3 In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract.
- 15.4 Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, the UNDP may, without prejudice to any other right or remedy it may have under the terms of these conditions, terminate this Contract forthwith. The Contractor shall immediately inform the UNDP of the occurrence of any of the above events.

## 16.0 SETTLEMENT OF DISPUTES

- 16.1 Amicable Settlement:** The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.
- 16.2 Arbitration:** Any dispute, controversy, or claim between the Parties arising out of the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 16.1, above, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. For all evidentiary questions, the arbitral tribunal shall be guided by the Supplementary Rules Governing the Presentation and Reception of Evidence in International Commercial Arbitration of the International Bar Association, 28 May 1983 edition. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 32 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

## 17.0 PRIVILEGES AND IMMUNITIES:

Nothing in or relating to this Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

## 18.0 TAX EXEMPTION

- 18.1** Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter alia that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with the UNDP to determine a mutually acceptable procedure.
- 18.2** Accordingly, the Contractor authorizes UNDP to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with the UNDP before the payment thereof and the UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide the UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

## 19.0 CHILD LABOUR

- 19.1** The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

**19.2** Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

**20.0 MINES:**

**20.1** The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

**20.2** Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

**21.0 OBSERVANCE OF THE LAW:**

The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

**22.0 SEXUAL EXPLOITATION:**

**22.1** The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by it or by any of its employees or any other persons who may be engaged by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall refrain from, and shall take all appropriate measures to prohibit its employees or other persons engaged by it from, exchanging any money, goods, services, offers of employment or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The Contractor acknowledges and agrees that the provisions hereof constitute an essential term of the Contract and that any breach of this representation and warranty shall entitle UNDP to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.

**22.2** The UNDP shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.

**23.0 SECURITY:**

**23.1** The Contractor shall:

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

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

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

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

#### **25.0 ANTI-TERRORISM:**

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

#### **26.0 AUTHORITY TO MODIFY:**

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

**Terms of Reference for an Institution to prepare a research report on  
“Economic diversification of LLDCs: Case of Mongolia, Nepal, Bhutan and Paraguay”**

<b>Project Title:</b>	<b>Economic diversification of LLDCs: The Case of Mongolia, Nepal, Bhutan and Paraguay</b>
<b>Additional category:</b>	LLDC International Think Tank
<b>Location:</b>	Home-based
<b>Type of Contract:</b>	Institutional
<b>Languages Required:</b>	English
<b>Expected Duration of Assignment:</b>	4 months (15 August – 15 December 2017)
<b>Application Deadline:</b>	31 July 2017

### **1. Background and Rationale**

Many landlocked developing countries rely heavily on mineral resources and low-value agricultural products for their exports to a limited number of markets, making them highly vulnerable to commodity price and demand volatility. The problem is further exacerbated by their low productive capacities and structural weaknesses, which limit the value added to their exports and the diversification of their exports and markets. There is a need for LLDCs to find alternative sources of profit and drivers of economic growth beyond the resources sector, and avoid the potential effects of ‘Dutch disease’.

One of the specific objectives of the Vienna Programme of Action (VPoA) for LLDCs, is *“To promote growth and increased participation in global trade, through structural transformation related to enhance productive capacity development, value addition, diversification and reduction of dependency on commodities”*.

Higher-value and low-bulk exports are particularly crucial for landlocked developing countries. In this context, it is important to place proper emphasis on the development of manufacturing, agriculture and the services sector, including finance, information and communication technologies and tourism, as appropriate to national circumstances. Tourism can play an important role in building the economic sector, providing employment and generating alternative sources of foreign exchange.

The objective of the research “Economic diversification of LLDCs: Case of Bhutan, Mongolia, Nepal and Paraguay”, is to support the implementation of the VPoA by determining and analysing the trends, opportunities and obstacles of economic, export and market diversification in these countries, and recommending policy options for structural transformation. Progressing economic diversification without acknowledging existing gender inequality is likely to magnify existing patterns of gender-based disadvantages. Therefore, both the analysis of current economic diversification efforts and policy options will incorporate their effects on gender equality in the above four countries.

This study could also be beneficial for the governments of other LLDCs in formulating their national policies on structural transformation. The final research publication will be launched and distributed at a special event during an international conference by the end of 2017.

### **2. Scope of work**

The research study aims to analyse the trends, opportunities and obstacles of economic, export and market diversification in Bhutan, Nepal, Mongolia and Paraguay and to recommend policy options for further structural transformation.



- a. Review recent studies on economic diversification in developing countries, in particular, LLDCs, conducted both nationally and internationally, and analyse the findings;
- b. Conduct interviews and consultations with relevant stakeholders, as necessary, both at data collection and validation stages of the research findings;
- c. Determine the current degree of economic, export and market diversification in the four countries, using existing measurement approaches such as the Herfindahl-Hirschman measure of concentration in conjunction with new or alternative measures, present a clear, multidimensional and insightful picture of the current state of economic diversification of the countries, covering various aspects, including but not limited to the following:
  - a. Economic activity contribution and concentration
  - b. Value added contribution and concentration
  - c. Labour force concentration
  - d. Productivity
  - e. Foreign direct investment, size and sectors
  - f. Private sector investment, industrialization, competitiveness, technological innovations etc
  - g. Effects on gender equality in different sectors;
- d. Determine the recent trends and patterns of economic, export and market diversification in the four countries, identify analyse the factors underlying these trends and patterns and determine opportunities and obstacles for these LLDC for further diversifying their economies;
- e. Provide an analysis on the effectiveness of economic diversification policy measures based on the review of the national policy documents, strategies, action plans, and reports related to economic diversification, and the relevant statistical data;
- f. Analyse the extent to which the governments and other stakeholders of the 4 participating countries integrate VPoA into their development vision, policy priorities and strategies;
- g. Compare and contrast policy and regulatory approaches to economic diversification of the 4 participating countries with other countries that have successfully diversified their economies;
- h. Highlight lessons learned on economic diversification of 4 participating countries that could possibly inform the other LLDCs;
- i. Provide policy options for governments on regulatory measures, and for specific sectors, as well as for LLDCs as a group for further advocating their need to address their special sustainable development challenges arising from landlockedness, remoteness, and geographical constraints,
- j. Present the preliminary findings at stakeholders' workshop, and incorporate the feedback in the final research report,

### 3. Team composition

The research team shall consist of one Lead researcher and four national researchers. Each national researcher will cover one country – Bhutan, Mongolia, Nepal or Paraguay.

	Duration of assignment	
1 Lead researcher	4 months in total	August – December 2017
1 Researcher for Bhutan	3 months in total	August – November 2017
1 Researcher for Mongolia	3 months in total	August – November 2017
1 Researcher for Nepal	3 months in total	August – November 2017
1 Researcher for Paraguay	3 months in total	August – November 2017

**Within the Scope of work specified above, the tasks of the Lead researcher/international consultant and national researchers include the following:**

**Lead researcher:**

- Coordinate work tasks to individual national researchers from Bhutan, Mongolia, Nepal and Paraguay and maintain close communications with both the national researchers and the ITT for LLDCs;
- Provide overall methodological guidance and quality assurance, consolidate the outcomes of reports presented by the national researchers, and provide an overall comparative analysis of the economic diversification of all four researched countries, revealing common features and differences, and lessons learned from research countries that could be possibly applied in other LLDCs;
- Submit the deliverables specified in the contract in due time;
- Ensure the quality, validity and consistency of the final research report;

**National researchers:**

- Under the methodological guidance of the Lead researcher, conduct data collection and analysis specified in the Scope of work;
- Maintain regular communications and consult the progress with the Lead Researcher, other National Researchers as well as the team of the ITT for LLDC.
- Attend international workshop among representatives of governments and academic institutions of Bhutan, Mongolia, Nepal and Paraguay organised by the ITT for LLDCs and introduce and validate the result of the research;

**4. Duty station**

Home based, with travels to the international workshop to present the preliminary findings of the research and potentially, to another workshop to launch the final report (international travel expenses related to attending the workshops are not to be included in the price proposal).

**5. Institutional Setting and Reporting Mechanism**

The research organization will be contracted by UNDP Mongolia and will report to the DRR, UNDP Mongolia and the ITT for LLDCs.

The present ToR may be subject to modification, without changing the overall objective and the scope of work, on the basis of mutual consultations.

**6. Payment schedule and deliverables**

Instalments	Deliverables	Due dates	Upon submission and acceptance of the deliverables
4. 20% of the total payment	Inception report, including the detailed research plan, updated research methodology, summary of desk review of existing literature with key findings	1 month after signing the contract	
5. 30% of the total payment	Draft research report	2.5 months after signing the contract	
6. 50% of the total payment	Final research report	2 weeks before the end of the contract	

**7. Qualification requirements**

The assignment will be carried out by a legal entity (Consultancy Company, academic institution, NGO, etc.).

**Requirements for the legal entity:**

- A minimum of five years of experience in economic development research;
- Proven experience in conducting research and assignments of similar nature and complexity.

**Qualification requirements for Lead researcher/International consultant**

- Master's degree or equivalent in economics, international economics, trade policy, business administration, international relations or other related fields;
- Minimum of 10 years of research experience in relevant fields, with international research publications;
- Experience of leading international research team;
- Proven experience of mainstreaming gender aspects in research studies;
- Excellent English writing capability;

**Qualification requirements for National researchers**

- Master's Degree or equivalent in economics, international economics, trade policy, business administration, international relations or other related fields
- Minimum of 10 years of research experience in relevant fields;
- Nationality or prior extensive experience and strong knowledge of the respective country of research: Bhutan, Mongolia, Nepal and Paraguay;
- Experience of working with international team of researchers;
- Proven experience of mainstreaming gender aspects in research studies;
- Excellent English writing capability

**Criteria for selection of the best offer**

Combined Scoring method will be used, where the technical proposal will be weighted a max. of 70%, and combined with the price offer which will be weighted a max of 30%. Below is the breakdown of technical proposal scores.

- Qualifications of the legal entity – 20%
- Proposed methodology – 30
- Qualifications of the key personnel – 50%

**Approved by:**

Daniela Gasparikova  
Deputy Resident Representative  
UNDP Mongolia

