



REQUEST FOR PROPOSAL (RFP)

<u>Project No.:</u> 00120555 <u>Project Name:</u> Plan Iniciación IRDH2020	<u>Date:</u> December 20, 2019
	<u>Ref:</u> 16859 UNDP 2019 - Inputs for the Regional Human Development Report – Survey

Dear Sir / Madam:

We kindly request you to submit a Proposal for Inputs for the Regional Human Development Report – Survey.

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

Proposals may be submitted under **Ref: 16859 UNDP 2019 – Inputs for the Regional Human Development Report – Survey**, no later than January 15, 2020 at 15:00 (UTC /GMT -5), time of the Republic of Panama.

United Nations Development Programme
Procurement Unit
Email: procurement.rblac.regionalhub@undp.org

Your Proposal must be expressed in English, and valid for a minimum period of 90 days.

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

Proposals 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.

Proposals that comply with all the requirements, meet all the evaluation criteria and offer 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 Center /Entity 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, 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 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 Center /Entity 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, nor be responsible for any costs associated with a Center/Entity 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 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/business/protest-and-sanctions/>

UNDP encourages every prospective Center /Entity 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 Center /Entity to adhere to the UN Supplier Code of Conduct found in this link: http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely,

UNDP Procurement Unit

DESCRIPTION OF REQUIREMENTS

Context of the Requirement:	A short survey, covering all Latin American countries and at least 4 countries in the Caribbean.
Project:	Project: 00120555; Project Name: Plan Iniciación IRDH2020.
Brief Description of the Required Services:	A properly labeled dataset in Stata containing the answers to the survey (basic questionnaire plus UNDP questions) as well as survey weights. Guidelines as required for data analysis.
List and Description of Expected Outputs to be Delivered:	The survey firm will have the following responsibilities: <ul style="list-style-type: none">• Revise and pilot the survey questions to adjust them, iterating as needed with the UNDP team;• Apply the survey questionnaire to collect the data. Data collection must include quality control;• Organize the data collected in a clean dataset (in Excel or Stata).
Person to Supervise the Work /Performance of the Center /Entity:	RBLAC Chief Economist.
Frequency of Reporting:	As described in TORs (Annex 4).
Progress Reporting Requirements:	As described in TORs (Annex 4).
Location of work:	Remote.
Expected duration of work:	8 months, extendable by mutual agreement.
Target start date:	To be announced.
Latest completion date:	8 months after the start date.
Expected Travels:	Not applicable.
Special Security Requirements:	The Contractor shall remain solely responsible for the security of its personnel.

Facilities to be Provided by UNDP:	Not applicable.
Implementation Schedule indicating breakdown and timing of activities /sub-activities:	Required.
Survey firm name and profile	Required.
Currency of Proposal:	United States Dollars (USD).
Value Added Tax on Price Proposal:	Not to be included.
Validity Period of Proposals:	90 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:	Not permitted.
Payment Terms:	<p>Payment schedule:</p> <ul style="list-style-type: none"> ▪ 25% against final version of questionnaire agreed with UNDP team after pilot; ▪ 25% against first preliminary dataset with survey results. Dataset and guidelines allowing UNDP team to start Stata coding for survey processing; ▪ 25% against second preliminary dataset with survey results. Dataset and guidelines allowing UNDP team to start survey processing and analysis; ▪ 25% against final dataset with survey results. Dataset and guidelines allowing UNDP team to process and analyse survey results.
Person(s) to review /inspect /approve outputs/completed services and authorize the disbursement of payment:	RBLAC Chief Economist.

Type of Contract to be Signed:	A Contract for Goods and /or Services.
Criteria for Contract Award:	<p>Highest combined score (based on 70% technical offer and 30% price weight distribution).</p> <p>Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criterion 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.</p>
Criteria for the Assessment of Proposal:	<ul style="list-style-type: none"> • <u>Technical Proposal (70%)</u> Survey firm profile (400 points); Relevance for the RHDR of historical dataset made available to UNDP (100 points). • <u>Financial Proposal (30%)</u> Full points will be awarded to cost proposals per policy brief /advisory at or below UNDP's reservation price.
UNDP will award the contract to:	One survey firm.
Annexes to this RFP:	<ul style="list-style-type: none"> • Description of Requirements (Annex 1); • Form for Submission of Firm's Proposal (Annex 2); • General Terms and Conditions for Services (Annex 3); • Terms of Reference (Annex 4); • RHDR Concept Note (Annex 5); • Evaluation Matrix (Annex 6).
Contact for Inquiries (written inquiries only):	<p>UNITED NATIONS DEVELOPMENT PROGRAMME PROCUREMENT UNIT</p> <p>procurement.rblac.regionalhub@undp.org</p> <p>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.</p>
Deadline for Inquiry Submission:	Before January 3, 2020 at 15:00 (UTC /GMT -5).

<p>Other Information Instructions to send proposals:</p>	<ul style="list-style-type: none"> • Official address to send a proposal: procurement.rblac.regionalhub@undp.org • Documents must be out of virus or damaged folders, in .pdf format; • Size of the documents: max. 4MB for each mail.
<p>Required Documents that must be Submitted to Establish Qualification of Proposers (In “Certified True Copy” form only):</p>	<p>The proposal should include an index of all the documentation that has been sent.</p> <p>There is no restriction on the number of sent mails, being the only restriction the size limit of 4MB.</p> <p>Each proposer is responsible to send the offer on the time and date required.</p> <p>If the proposal is sent to a private address, it could be rejected.</p> <ul style="list-style-type: none"> • <u>Signed Annex 2;</u> • <u>Firm profile;</u> • <u>Legal documents:</u> company constitution, legal representing, etc.; • <u>Track record and experience;</u> • <u>Written Self-Declaration:</u> that the Center /Entity is not in the UN Security Council 1267 /1989 List, UN Procurement Division List or another UN Ineligibility List; • <u>Three letters of recommendation</u> from former clients (government agencies, research centers or multilaterals).

FORM FOR SUBMISSION OF FIRMS' PROPOSAL

(This Form must be submitted only using the Firms' Official Letterhead/Stationery¹)

[insert: Location].

[insert: Date]

To: Panama Regional HUB – Procurement Unit

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 Firm

The Firm 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, licenses, certifications, accreditations;*
- b) Business Licenses – Registration Papers, Tax Payment Certification, etc.;*
- c) 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. Agreement on Methodology for the Completion of Services

The Firm must provide a written statement signed by its legal representative agreeing to participate in Inputs for the Regional Human Development Report – Survey in the terms described in the Detailed TOR (Annex 4).

C. Relevance of Historical Dataset Available

The Firm must provide:

- a) An Excel, Word or PDF file containing the basic questionnaire the firm uses periodically to collect data from the region, to show the historical survey data that would be available as a complement to the questions provided by UNDP. If there are questions from previous questionnaires that may apply to the topics of the UNDP LAC Regional Human Development Report, an Excel, Word or PDF file showing these questions and the years for which they are available.*
- b) A list of the countries for which this information is available.*

¹ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

D. Cost breakdown of participation

The firm must submit a lump sum fee proposal.

*[Name and Signature of the Center/Entity'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, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:

- 13.2.2.1** a corporate entity in which the Party owns or otherwise controls, whether directly or indirectly, over fifty percent (50%) of voting shares thereof; or,
- 13.2.2.2** any entity over which the Party exercises effective managerial control; or,
- 13.2.2.3** for the UNDP, an affiliated Fund such as UNCDF, UNIFEM and UNV.

- 13.3** The Contractor may disclose Information to the extent required by law, provided that, subject to and without any waiver of the privileges and immunities of the United Nations, the Contractor will give the UNDP sufficient prior notice of a request for the disclosure of Information in order to allow the UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.
- 13.4** The UNDP may disclose Information to the extent as required pursuant to the Charter of the UN, resolutions or regulations of the General Assembly, or rules promulgated by the Secretary-General.
- 13.5** The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.
- 13.6** These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.

14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS:

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

15.0 TERMINATION:

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

16.0 SETTLEMENT OF DISPUTES:

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

17.0 PRIVILEGES AND IMMUNITIES:

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

18.0 TAX EXEMPTION:

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

19.0 CHILD LABOUR:

- 19.1** The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.
- 19.2** Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

20.0 MINES:

- 20.1** The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.
- 20.2** Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

21.0 OBSERVANCE OF THE LAW:

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

22.0 SEXUAL EXPLOITATION:


- 22.1** The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by it or by any of its employees or any other persons who may be engaged by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall

refrain from, and shall take all appropriate measures to prohibit its employees or other persons engaged by it from, exchanging any money, goods, services, offers of employment or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The Contractor acknowledges and agrees that the provisions hereof constitute an essential term of the Contract and that any breach of this representation and warranty shall entitle UNDP to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.

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

23.0 AUTHORITY TO MODIFY:

Pursuant to the Financial Regulations and Rules of UNDP, only the UNDP Authorized Official possesses the authority to agree on behalf of UNDP to any modification of or change in this 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 this Contract shall be valid and enforceable against UNDP unless provided by an amendment to this Contract signed by the Contractor and jointly by the UNDP Authorized Official.

UNITED NATIONS DEVELOPMENT PROGRAMME REGIONAL BUREAU FOR LATIN AMERICA AND THE CARIBBEAN (RBLAC)		
TERMS OF REFERENCE		
A. GENERAL INFORMATION		
Title:	Inputs for the Regional Human Development Report – Survey.	
Type of Contract:	Contract for Goods and /or Services.	
Director Supervisor:	RBLAC Chief Economist.	
Section:	RBLAC SDG and Development Policy team.	
Duty Station:	Remote.	
Expected Duration:	8 months, extendable by mutual agreement.	
B. BACKGROUND		
<p>Persistent high inequality and poor growth performance are the distinctive features of Latin America and Caribbean. The Regional Human Development Report for Latin America and the Caribbean (RHDRLAC) 2019: “Escaping from the High-Inequality Low-Growth Trap” proposes that these two phenomena are related, and argues that to increase human development and, at the same time, accelerate growth, the Region needs to address the reasons behind the persistence of inequality. These reasons are more profound than deficiencies in the quality of education or in the design of fiscal systems and are related to the Region’s faulty institutions.</p> <p>The report will argue that the Region’s is caught in a high-inequality low-growth trap as a result of a complex set of factors which, jointly considered, make it difficult for all individuals to have the same opportunity of enjoying a healthy, productive and full-filling life regardless of the circumstances of their birth or others over which they have no control. These factors have locked our societies in a bad equilibrium where segments of the population are systematically left behind and where transformative economic growth is elusive. These factors reinforce each other and self-perpetuate, causing a vicious circle that is hard to break – thus a trap.</p> <p>Many factors trap the Region in its current predicament. The report will explore deeply three that are systemic: concentration of power; conflict and violence; and, paradoxically, poorly conceived redistributive policies. Each of</p>		

these factors will be analyzed from a dual perspective: their contribution to inequality, and their impact on productivity and economic growth. The report will pay special attention on the differential impact of these factors on women, in recognition that this is the largest population group still left behind in many dimensions, and that this situation contributes to our societies' inequality and poor growth performance.

The report will open with a characterization of the persistence of inequality in LAC, considering (i) income and other dimensions of inequality; (ii) inequalities across different population segments defined by their circumstances at birth; and (iii) the transmission of inequality: how past inequalities shape present and future inequalities. In parallel, it will document the Region's poor economic performance, focusing in particular on productivity as a determinant of long-term growth. As part of the motivation, it will also present an overview of perceptions of inequality in LAC that will be discussed in the light of facts and it will question the extent to which the way we feel towards inequality as individuals and how this shapes our policy preferences, is in itself part of the trap. With this introduction, the report will move onto the analysis of three systemic factors behind the high-inequality low-growth trap, meant to be the core of the work.

A final chapter will discuss policy recommendations to break free from the Region's current trap and move on to a better equilibrium. Recognizing that this is an inherently long-term process requiring to overcome complex political economy challenges, it will consider both the potential scope for "win-win" policies which may help produce results in the short-term, and interventions involving trade-offs whose political economy is more challenging.

A central input of the report will be a short survey, covering all Latin American countries (including Dominican Republic and Haiti) and *at least* 4 countries in the anglophone Caribbean: Jamaica, Barbados, Guyana and Trinidad & Tobago. UNDP LAC will provide 15 questions that will ideally complement a pre-existing questionnaire. The survey must be representative by country and allow analysis by income, schooling attainment, age groups, and gender.

C. SCOPE

The survey firm will have the following responsibilities:

- Revise and pilot the survey questions to adjust them, iterating as needed with the UNDP team;
- Apply the survey questionnaire to collect the data. Data collection must include quality control;
- Organize the data collected in a clean dataset (in Excel or Stata).

D. EXPECTED KEY RESULTS AND PAYMENT

A properly labeled dataset in Stata containing the answers to the survey (basic questionnaire plus UNDP questions) as well as survey weights. Guidelines as required for data analysis.

E. INSTITUTIONAL ARRANGEMENTS

UNDP will provide 15 questions to be added, after pilot proof, to basic survey questionnaire. UNDP will receive clean labeled dataset including answers to basic survey questionnaire as well as weights required for data analysis.

F. SCOPE OF BID PRICE AND SCHEDULE OF PAYMENTS

- Survey firm will be required to submit a fee proposal;
- Payment schedule:
 - 25% against final version of questionnaire agreed with UNDP team after pilot;
 - 25% against first preliminary dataset with survey results. Dataset and guidelines allowing UNDP team to start Stata coding for survey processing;
 - 25% against second preliminary dataset with survey results. Dataset and guidelines allowing UNDP team to start survey processing and analysis;
 - 25% against final dataset with survey results. Dataset and guidelines allowing UNDP team to process and analyse survey results.

G. RECRUITMENT QUALIFICATIONS

- Firms must show extensive previous experience in cross-country surveys in the region;
- In order to be considered, each firm must provide:
 - 1) A detailed description of the firm's experience in similar surveys;
 - 2) An Excel, Word or PDF file containing the basic questionnaire the firm uses periodically to collect data from the region, to show the historical survey data that would be available as a complement to the questions provided by UNDP. If there are questions from previous questionnaires that may apply to the topics of the UNDP LAC Regional Human Development Report (see RHDR Concept Note in Annex 5), an Excel, Word or PDF file showing these questions and the years for which they are available;

- 3) A list of the countries the firm will be able to cover, and a precise description of the representativeness of the survey proposed;
- 4) Letters of recommendation from three former clients – government agencies, research centres or multilaterals.

REGIONAL HUMAN DEVELOPMENT REPORT FOR LATIN AMERICA AND THE CARIBBEAN 2019

“Escaping from the High-Inequality Low-Growth Trap”

CONCEPT NOTE

Overview

Persistent high inequality and poor growth performance are the distinctive features of Latin America and Caribbean. The Regional Human Development Report for Latin America and the Caribbean (RHDLAC) 2019: *“Escaping from the High-Inequality Low-Growth Trap”* proposes that these two phenomena are related, and argues that to increase human development and, at the same time, accelerate growth, the Region needs to address the reasons behind the persistence of inequality. These reasons are more profound than deficiencies in the quality of education or in the design of fiscal systems and are related to the Region’s faulty institutions.

The report will argue that the Region’s is caught in a high-inequality low-growth trap as a result of a complex set of factors which, jointly considered, make it difficult for all individuals to have the same opportunity of enjoying a healthy, productive and full-filling life regardless of the circumstances of their birth or others over which they have no control. These factors have locked our societies in a bad equilibrium where segments of the population are systematically left behind and where transformative economic growth is elusive. These factors reinforce each other and self-perpetuate, causing a vicious circle that is hard to break – thus a trap.

Many factors trap the Region in its current predicament. The report will explore deeply three that, *mutatis mutandis*, are systemic: concentration of power; conflict and violence; and, paradoxically, poorly conceived redistributive policies. Each of these factors will be analyzed from a dual perspective: their contribution to inequality, and their impact on productivity and economic growth. The report will pay special attention on the differential impact of these factors on women, in recognition that this is the largest population group still left behind in many dimensions, and that this situation contributes to our societies’ inequality and poor growth performance.

The report will open with a characterization of the persistence of inequality in LAC, considering (i) income and other dimensions of inequality; (ii) inequalities across different population segments defined by their circumstances at birth; and (iii) the transmission of inequality: how

past inequalities shape present and future inequalities. In parallel, it will document the Region's poor economic performance, focusing in particular on productivity as a determinant of long-term growth. As part of the motivation, it will also present an overview of perceptions of inequality in LAC that will be discussed in the light of facts and, drawing on the lessons from moral psychology and behavioral economics, it will question the extent to which the way we feel towards inequality as individuals is in itself part of the trap. With this introduction, the report will move onto the analysis of three systemic factors behind the high-inequality low-growth trap, meant to be the core of the work.

A final chapter will discuss policy recommendations to break free from the Region's current trap and move on to a better equilibrium. Recognizing that this is an inherently long-term process requiring to overcome complex political economy challenges, it will consider both the potential scope for "win-win" policies which may help produce results in the short-term, and interventions involving trade-offs whose political economy is more challenging.

The RHDRLAC 2019 will be composed of six chapters organized in three parts, as outlined in Box 1. A more detailed description of each chapter follows below.

Box 1. Proposed structure of RHDRLAC 2019

Part I. Trapped? Inequality and low growth: persistence and perceptions

Chapter 1: The persistence of inequality and low growth in Latin America and the Caribbean

- *Inequality of income and other dimensions of inequality;*
- *Inequality of opportunity;*
- *Inter-generational social mobility;*
- *Low growth.*

Chapter 2: Perceptions and preferences about inequality in LAC

- *Misinformed: How unequal we think we are vs. how unequal we really are;*
- *How perceptions shape our policy preferences;*
- *Our predisposition towards or against inequality and why it matters.*

Part II. Systemic factors behind the Region's high-inequality low-growth trap

Chapter 3: Concentration of power

- *Market power, concentration of wealth and political power;*

- *Business groups, multinational corporations, and labor elites;*
- *Implications for economic growth.*

Chapter 4: Criminal and political violence in LAC

- *The patterns of criminal and political violence and their differential effects across groups;*
- *The effects of violence on inequality at the subnational level;*
- *Inequality as a trigger for violence;*
- *Implications for economic growth.*

Chapter 5: Well-intended but poorly conceived redistributive policies

- *Labor and social insurance policies;*
- *Taxes and subsidies;*
- *Implications for economic growth.*

Part III. Breaking free: institutions and policies for inclusive growth

Chapter 6: A route for action

- *Lessons learned;*
- *Policy recommendations.*

Proposed Chapter Summaries

Introduction

This will be a short 3 to 4-page introduction to the whole report. Without laying out a full conceptual framework, it will stress that inequality and low growth are not separate phenomena, but both result from an underlying political equilibrium that creates a trap. LAC societies were born unequal as direct European political domination in the Region came to an end between the 19th and the 20th Century. Since then, inequality has persisted partly because powerful groups inside each country are able to implement policies to create and protect rents. These policies concentrate income but also cause inefficiencies that reduce growth. In parallel, high inequality induces a demand for redistributive policies, some of which generate additional inefficiencies that also hurt productivity and punish growth, without really correcting the underlying reasons behind unequal outcomes. Finally, contexts of high inequality and low growth induce frustration and induce certain groups into political violence, which in some cases morphs into criminal violence and other forms of dysfunctional social behaviors. Violence contributes to inequality as not all groups are equally affected, on one hand; and punishes growth, on the other, as corruption and extortion weaken state institutions and spill-over into economic activity. Understanding this high-inequality low-growth trap is essential to design policies to escape from

it. While the relative weight of the factors analyzed in the report varies from country to country there are general lessons that are useful for the Region as a whole.

Part I. Trapped? Inequality and low growth: persistence and perceptions

Chapter 1: The persistence of inequality and low growth in Latin America and the Caribbean

The chapter will be composed of four sections. The first will present evidence to show that LAC has been a poor performer relative to other regions fighting income inequality and that this results in it currently being the most unequal region of the world. It will also show that income inequality is highly correlated with other dimensions of inequality, including access to state services and public goods.

A second section, drawing on the literature about functioning and capabilities (terminology coined by Amartya Sen, and developed by himself and others), will present evidence to show that some population groups in the region do not face the same choice sets as others. These groups are held back by their circumstances at birth: their parents' education, the characteristics of their place of birth, their ethnicity and their gender. This evidence will be used to show, among other things, that a region's or a country's *per capita* GDP hides significant differences in welfare across population groups and that to that extent is a poor summary measure of development.

A third section will show that unequal opportunity in LAC translates into low intergenerational social mobility contributing to the persistence of inequality over time. It will show how much of an adult person's school attainment is explained by his or her parents' education.

The final section will document the Region's poor economic performance. It will provide empirical evidence indicating that LAC has underperformed relative to almost all other regions of the world. It will then point out to low or stagnant productivity growth as the core explanation for the Region's low growth, although it will also point out that underinvestment in public infrastructure and, in some countries, low participation of women in economic activity also matter (an important point to the extent that these two factors are endogenous to social programs, taxes and the composition of public spending).

Chapter 2: Perceptions and preferences about inequality in LAC

The chapter will have three sections. The first section will present new survey data about perceived inequality in LAC and discuss it the light of true inequality (as measured by household surveys representative of the population). Mismatches between perceptions and reality will be analyzed for different population segments identified by their place in the age, schooling attainment and income distributions, as well as by their gender, their religious beliefs and their country.

The second section will connect perceptions of inequality with manifested preferences about a range of policies, focusing in particular on preferences over direct and indirect taxation and transfers to households and businesses.

The third section will discuss the experimental evidence from moral psychology and behavioral economics about how individuals react towards different forms of inequality in their daily lives. It will explore how these reactions vary across different population groups in LAC identified, as before, by their place in the age, schooling attainment and income level, as well as by their gender, religious beliefs and country.

The evidence presented in the chapter, together with the findings from chapter 1, will be used to reflect about how unequal opportunities and low social mobility determine the efforts people make (or don't make) during their lifetimes to pursue their aspirations, as well as how they contribute to shaping those aspirations. These aspirations, together with people's preferences over taxation and transfers, play a very important role in the design of policies to reduce inequality and, indirectly, on policies that impact growth.

Part II. Systemic factors behind the Region's high-inequality low-growth trap

Chapter 3: Concentration of power

The chapter will be composed of four sections. The first section will explore market concentration and market power in their relation to inequality. It will document the direct and indirect effects of unwarranted market power, analyzing: (i) the differential impact of market power on the living costs of poorer versus richer households; (ii) the connection between market power and within firm labor income dispersion; (iii) the extent to which firms with market power contribute to the concentration of wealth among small groups of the population and the regulatory frameworks under which this occurs; and (iv) the channels through which concentration of wealth from market power translates into concentration of power and capacity to influence policy in a way that contributes to maintaining the *status quo* and perpetuating inequality. This section will use quantitative evidence, when possible, as well as case studies.

A second section will consider how, at least in some countries in the Region, powerful unions in sectors with high market concentration, or outright monopolies (public or private), share in the rents derived from monopoly behavior, and in turn de facto collude with large business owners (or with the government) to impede competition and perpetuate the concentration of power and special privileges.

The third section will explore the relation between persistent inequality and the way in which business sectors in LAC are organized, in dimensions different than market concentration and market power. It will revise the roles played by business groups and multinational corporations in shaping labor markets characterized by the prevalence of low-skilled workers and high informality. This section will question the need for policies explicitly aimed at shaping the LAC business sectors differently, as opposed to focusing the attention only on perfecting the rules of

the game and letting markets organize themselves in response to them. This line of argument is put forth by Ben Ross Schneider (2013).

A final section will reflect on the lessons from the previous sections and discuss them in the light of their impact on productivity and economic growth.

Chapter 4: Criminal and political violence in LAC

The chapter will consist of four sections. The first section will describe the patterns of criminal and political violence in LAC and characterize the victims of violence by income, gender, ethnicity and country. It will discuss the evidence available about the impact of violence on the most vulnerable populations, and the impact of governance by non-state armed groups: criminal and rebel groups affect people not only by using violence but also by governing them. The outcomes include not only victimization but also violation of rights under coercive local regimes in which these groups operate as *de facto* rulers. This line of argument is put forth by Ana Arjona (2016).

The second section will explore how violence affects inequality at the subnational level through its effects on representation and the quality of local governments. At the subnational level, violence affects the political class: it determines who goes into politics, who is elected, and the policy priorities of elected officials.

The section will also explore how violence impacts state capacity: its effectiveness and legitimacy. In this context, the discussion will touch on the links between a state weakened by violence, and a state weakened by rent-seeking groups (as discussed in chapter 3). Weak states, in turn, are more vulnerable to corruption, an element that also contributes to inequality and low growth, as large and powerful firms at times bend the laws in their benefit, while small and vulnerable firms are deterred by extortion from gangs and bribes by corrupt officials.

The third section will discuss the empirical evidence about the other causality direction, from inequality to violence and crime, in order to show how the vicious circle closes.

In a final section, the chapter will reflect on the lessons from the previous sections and discuss them in the light of their impact on productivity and economic growth.

Chapter 5: Well-intended but poorly conceived redistributive policies

This chapter will discuss concrete examples of policies that instead of contributing to the long-term reduction of inequality as they are supposed to, end up contributing to inefficient and fragmented welfare states, reduce productivity and, indirectly, contribute to the perpetuation of inequality as low-income workers face very adverse conditions in the labor market. This line of argument is put forth by Santiago Levy (2008).

In a first section, the chapter will examine examples of labor and social insurance policies that arise as a promise of protection to workers -severance payments, health insurance, subsidized

pensions, minimum wages. This section will discuss the quantitative evidence available about the impact of these policies on the behavior of firms and workers, particularly in contexts where there is a large informal sector. It will also evaluate the trade-offs between reduced inequality and social benefits, on one hand; and diminished opportunities for firm development and worker advancement, on the other hand.

In a second section, the chapter will examine examples of seemingly redistributive fiscal policies that hurt growth and, in doing so, indirectly hurt workers by reducing their opportunities for finding better jobs, particularly low-income ones. These include special tax systems for micro and small firms, exemptions and special regimes in the value added tax, payroll taxes conceived to finance social programs -skills training and others-, as well as unconditional monetary or non-monetary transfers to households. As in the previous case, this section will discuss the empirical evidence available on the impact of these policies on inequality and how they contribute to shaping inefficient welfare states and to resource misallocations that lower productivity.

A final section will reflect on the lessons from the previous sections and discuss them in the light of their impact on productivity and economic growth.

Part III. Breaking free: institutions and policies for inclusive growth.

Chapter 6: A route for action

In closing, this chapter will examine how countries in the Region can break free from their high-inequality low-growth trap and enter a virtuous path of lower inequality and higher economic growth. While the revision of the factors behind this trap did not pretend, as stated, to be all encompassing, the analysis presented throughout the report will allow to identify concrete areas for action and policy reform that could have a positive effect in the short-run and contribute to breaking out of these traps in the long run. Focus will be primarily on win-win solutions that do not involve trade-offs between equity and efficiency and that, for the same reason, will delineate a road map towards a better equilibrium for the countries in the Region.

References

Arjona, A. (2016). *Rebelocracy: Social Order in the Colombian Civil War* (Cambridge Studies in Comparative Politics). Cambridge: Cambridge University Press.

Levy, S. (2008). *Good Intentions, Bad Outcomes. Social Policy, Informality, and Economic Growth in Mexico*. Brookings Institution Press.

Schneider, B. (2013). *Hierarchical Capitalism in Latin America: Business, Labor, and the Challenges of Equitable Development* (Cambridge Studies in Comparative Politics). Cambridge: Cambridge University Press.

EVALUATION MATRIX

The technical and financial aspects of every proposal submitted will be evaluated using the following matrix:

<i>PRELIMINARY REVISION - Documents included with the offer</i>	<i>(Pass/Fail)</i>
<i>Signed Annex 2.</i>	<i>Pass/Fail</i>
<i>Firm profile: A presentation of the participating firm, describing its main experience. May include printed brochures and product catalogues relevant to the goods /services being procured.</i>	<i>Pass/Fail</i>
<i>Legal documents: company constitution, legal representing, etc.</i>	<i>Pass/Fail</i>
<i>Track record and experience.</i>	<i>Pass/Fail</i>
<i>Written Self-Declaration: that the Center /Entity is not in the UN Security Council 1267 /1989 List, UN Procurement Division List or another UN Ineligibility List.</i>	<i>Pass/Fail</i>
<i>Three letters of recommendation from former clients (government agencies, research centers or multilaterals).</i>	<i>Pass/Fail</i>
<i>PRELIMINARY REVISION RESULT</i>	<i>PASS/FAIL</i>

TECHNICAL EVALUATION	Maximum Score
<p><i>2.1 Experience in cross-country surveys in the region in the last fifteen years:</i></p> <p> <i>More than 10 surveys 100 points</i> <i>6 to 10 surveys 50 points</i> <i>1 to 5 surveys 25 points</i> <i>No previous experience in the region..... 0 points</i> </p>	100
<p><i>2.2 Historical survey data available as a complement to the questions provided by UNDP and aligned with objectives of the RHDR:</i></p> <p> <i>More than 10 questions 100 points</i> <i>6 to 10 questions 50 points</i> <i>1 to 5 questions 25 points</i> <i>0 questions 0 points</i> </p>	100
<p><i>2.3 Caribbean countries covered:</i></p> <p> <i>All countries 100 points</i> <i>More than 6 countries but not all 80 points</i> <i>5 to 6 countries 60 points</i> <i>4 countries 50 points</i> </p>	100
<p><i>2.4 Data analysis possible by:</i></p> <p> <i>Income, schooling, age and gender, religion and political affiliation 100 points</i> <i>Income, schooling, age and gender, and religion 80 points</i> <i>Income, schooling, age and gender 60 points</i> </p>	100
<p><i>2.5 Years since firm creation:</i></p> <p> <i>More than 10 years100 points</i> <i>6 to 10 years 80 points</i> <i>2 to 5 years 60 points</i> <i>1 to 2 years 40 points</i> </p>	100
TECHNICAL EVALUATION RESULT	500