



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

<b>To all potential bidders/companies</b>	DATE: 10/01/20
	REFERENCE: RFP/FJI10-001-2020

Dear Sir / Madam:

We kindly request you to submit your Proposal for the **Country Diagnostics for Fiji, Vanuatu and Solomon Islands: E-KYC and Credit Reporting**

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

Proposals may be submitted on or before **24<sup>th</sup> January 2020** (New York Time as appears on E-tendering Event) via UNDP eTendering system.

Please acknowledge receipt of this RFP by sending an email to [procurement.fj@undp.org](mailto:procurement.fj@undp.org), indicating whether you intend to submit a proposal or otherwise. You may also utilize the "Accept Invitation" function in eTendering system, by registering at <https://etendering.partneragencies.org>. The Bidder's Guide has been uploaded on the e-tendering site for registration purposes. Once registered, login and find the following event:

**BU Code: FJI**

**Event ID: 0000005165**

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

In the course of preparing your Proposals 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/procurement/business/protest-and-sanctions.html>

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 :  
[https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscoc/conduct\\_english.pdf](https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscoc/conduct_english.pdf)

Thank you and we look forward to receiving your Proposal.

Sincerely yours,



Ronald Kumar  
Procurement Analyst

## Description of Requirements

Context of the Requirement	<p><b>Pacific Financial Inclusion Programme</b></p> <p>PFIP is a Pacific-wide programme that has helped over 2 million low-income Pacific Islanders gain access to financial services and financial education. It achieves these results by funding innovation with financial services and delivery channels, supporting policy and regulatory initiatives, and empowering consumers.</p> <p>PFIP operates from the UNDP Pacific Office in Fiji and has offices in Papua New Guinea, Samoa, Vanuatu and the Solomon Islands. It is jointly administered by the UN Capital Development Fund (UNCDF) and the United Nations Development Programme (UNDP) and receives funding from the Australian Government, the European Union and the New Zealand Government.</p> <p><b>Background on the assignment</b></p> <p>Identification credentials for the purpose of accessing and using financial services continues to be a barrier worldwide with an estimated 1.7 billion people being unable to prove who they are. At the request of the Central Banks of Vanuatu, Solomon Islands and Fiji, the UNCDF's Pacific Financial Inclusion Programme (PFIP) is planning to support the implementation of an e-KYC and digital credit history reporting solution to help advance financial inclusion in those Pacific countries.</p> <p>Based on the experience from UNCDF colleagues in Sierra Leone, the initiative plans to use a two-pronged open-source secure digital solution targeting self-sovereign identification of individuals and businesses as well as for the storage of credit history. When integrated into the financial sector, it extends reliable, secure credit reporting to all levels of the economy, and provides a pathway for unbanked borrowers to use their informal financial history to become banked.</p> <p>The initiative envisions an integration of the solution with existing government identity systems and with financial service providers, as well as the creation of a digital, self-sovereign credit bureau. Once fully integrated, the e-KYC and Digital Credit History Reporting Platform will enable nationwide e-KYC and credit reporting by all financial institutions in Vanuatu, Solomon Islands and Fiji.</p> <p>As part of this work, the UNCDF-PFIP has already commissioned an initial scoping study for Fiji specifically and is now planning to undertake a country diagnostic exercise for Vanuatu, Solomon Islands and Fiji at the specific request of its central bank partners in those countries. The primary objective of these country diagnostics is to understand the current situation in Vanuatu, Solomon Islands and Fiji and to provide recommendations in regard to a potential implementation of the e-KYC and digital credit history solution.</p>
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Implementing Partner of UNDP	Central Bank of Solomon Islands (CBSI), Reserve Bank of Fiji (RBF) and Reserve Bank of Vanuatu (RBV)
Brief Description of the Required Services <sup>1</sup>	<p><b>Scope of Work</b></p> <p>The firm can use any analysis framework/toolkit, such as those from Good ID, WorldBank's ID4D and ITU, or a combination thereof, as long as they cover at least the following elements:</p> <p><u>Policy, Legal and Regulatory Environment:</u></p> <ul style="list-style-type: none"> <li>○ Conduct a situational analysis to identify the current assets available, such as existing ID schemes and credit reference bureaus that can participate in a unified scheme for e-KYC and Digital Credit Bureau.</li> <li>○ Determine country's institutional and legislative ability to establish supportive regulatory frameworks in the implementation of e-KYC and Digital Credit Bureaus, including the following: <ul style="list-style-type: none"> <li>○ Analyse strengths and weaknesses of the country's policies and legal framework on data privacy, collection and storage, as well consumer protection</li> <li>○ Review existing mechanisms and regulations on data and consumer protection and recommend appropriate framework that help build consumer trust in financial service institutions.</li> <li>○ Analyse availability and effectiveness of existing complaint handling mechanisms and design appropriate grievance redressal systems, protection of user information mechanism.</li> </ul> </li> <li>○ Identify and recommend what is required in terms of technical assistance and financial support to bring about the necessary legal and regulatory changes including actors and timelines to successfully implement the e-KYC and Digital Credit Bureau solution, taking into account past experiences from other, but similar investments, such as national payments systems.</li> </ul> <p><u>Enabling Infrastructure and Stakeholders:</u></p> <ul style="list-style-type: none"> <li>○ Identify stakeholders and potential champions in implementing the e-KYC and Digital Credit Bureau solution.</li> <li>○ Review associated strategies and capacities of all stakeholders involved that impact this initiative and provide recommendations on how these can be strengthened.</li> <li>○ Advise on the possibility and the country's capacity of forming a cross-sectoral and inter-agency steering committee that can drive the agenda with minimal political interference or sectoral bias. <ul style="list-style-type: none"> <li>○ Define and elaborate on coordination and governance necessary to successfully implement the solution.</li> <li>○ Identify the roles and responsibilities of solution provider vis-a-vis UNCDF-PFIP vis-a-vis local institutions.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Document the existing technology architecture and recommend identify potential issues and constraints regarding the solutions architecture and implementation of system integrations.</li> </ul> <p><u>Trust Framework, Governance Scheme and Business Model:</u></p> <ul style="list-style-type: none"> <li>○ Identify and evaluate potential designs for a trust framework and structure of scheme governance and how this relates to the existing legislative environment and rules together with adjudication.</li> <li>○ Calculate costs and identify appropriate ownership of costs related to development and ongoing operations, maintenance, upgrading of associated hardware and software for all stakeholders involved.</li> <li>○ Identify potential revenue streams for both the e-KYC and Digital Credit Bureau solution and prepare a financial case to show how these.</li> <li>○ Identify the incentive mechanisms for various stakeholders involved in the implementation of the solution. Assess gaps and recommend appropriate incentives to encourage adoption.</li> <li>○ Determine enrolment related obstacles for different segments of the populations (for eg children, women, youth, disabled individuals, remote individuals and cultural and religious holdouts).</li> <li>○ The reviews for the above, will be undertaken via a combination of online interviews and the review of prepared documentation.</li> </ul>										
List and Description of Expected Outputs to be Delivered	<p>It is expected that four disbursements will be made on this activity to the successful bidder, which responds to each of the deliverables below.</p> <ul style="list-style-type: none"> <li>● Inception report, combined for all 3 countries</li> <li>● Separate reports for all 3 countries: <ul style="list-style-type: none"> <li>○ Draft report</li> <li>○ One final report</li> <li>○ Presentation with main findings and recommendations</li> </ul> </li> </ul> <table border="1"> <thead> <tr> <th>Deliverable</th><th>Estimated date</th></tr> </thead> <tbody> <tr> <td>Inception report</td><td>2 March 2020</td></tr> <tr> <td>Draft + Final report and presentation - Vanuatu</td><td>1 April 2020</td></tr> <tr> <td>Draft + Final report and presentation - Fiji</td><td>14 May 2020</td></tr> <tr> <td>Draft + Final report and presentation - Solomon Islands</td><td>26 June 2020</td></tr> </tbody> </table>	Deliverable	Estimated date	Inception report	2 March 2020	Draft + Final report and presentation - Vanuatu	1 April 2020	Draft + Final report and presentation - Fiji	14 May 2020	Draft + Final report and presentation - Solomon Islands	26 June 2020
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Person to Supervise the Work/Performance of the Service Provider	For the duration of the contract, the successful bidder will report to the PFIP Programme Manager, or his delegate.										
Frequency of Reporting	<i>Fortnightly</i>										
Progress Reporting Requirements	As and when required										
Location of work	Home-based, with travel to Vanuatu, Solomon Islands and Fiji										

Expected duration of work	84 Days																			
Target start date	10 <sup>th</sup> February 2020																			
Latest completion date	30 June 2020																			
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Special Security Requirements	<input checked="" type="checkbox"/> NA																			
Facilities to be Provided by the Central Bank Partners or the UNCDF offices in Suva, Honiara or Port Vila	None																			
Implementation Schedule indicating breakdown and timing of activities/sub-activities	Required																			
Names and curriculum vitae of individuals who will be involved in completing the services	Required																			
Currency of Proposal	United States Dollars																			

Value Added Tax on Price Proposal <sup>2</sup>	Must be exclusive of VAT and other applicable indirect taxes																				
Validity Period of Proposals (Counting for the last day of submission of quotes)	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	Not permitted																				
Payment Terms <sup>3</sup>	<table><tr><th>Outputs</th><th>%</th><th>Timing</th><th>Condition for Payment Release</th></tr><tr><td>Inception report with detailed workplan, timelines and deliverables</td><td>25%</td><td>2<sup>nd</sup> March 2020</td><td rowspan="4">Within thirty (30) days from the date of meeting the following conditions:  a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and  b) Receipt of invoice from the Service Provider.</td></tr><tr><td>Draft + Final Report and presentation – Vanuatu</td><td>25%</td><td>1<sup>st</sup> April 2020</td></tr><tr><td>Draft + Final Report and presentation - Fiji</td><td>25%</td><td>14<sup>th</sup> May 2020</td></tr><tr><td>Draft + Final Report and presentation – Solomon Islands</td><td>25%</td><td>26<sup>th</sup> June 2020</td></tr></table>				Outputs	%	Timing	Condition for Payment Release	Inception report with detailed workplan, timelines and deliverables	25%	2 <sup>nd</sup> March 2020	Within thirty (30) days from the date of meeting the following conditions:  a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and  b) Receipt of invoice from the Service Provider.	Draft + Final Report and presentation – Vanuatu	25%	1 <sup>st</sup> April 2020	Draft + Final Report and presentation - Fiji	25%	14 <sup>th</sup> May 2020	Draft + Final Report and presentation – Solomon Islands	25%	26 <sup>th</sup> June 2020
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Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Bram Peters, Program Manager, PFIP																				
Deadline for Submission	24 <sup>th</sup> January 2020 (as per eTendering deadline)																				
Mode of Submission	The proposal shall only be submitted through UNDP eTendering system.  <b>BU Code: FJI</b> <b>Event ID: 0000005165</b>																				
Type of Contract to be Signed	<input checked="" type="checkbox"/> Contract for Professional Services																				

Criteria for Contract Award	<p>☑ Highest Combined Score (based on the 70% technical offer and 30% price weight distribution)</p> <p><b>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.</b></p>
Criteria for the Assessment of Proposal	<p><b>Eligibility Criteria</b></p> <ul style="list-style-type: none"> <li>✓ Valid business registration.</li> <li>✓ Minimum 5 years of experience in working on assignments re financial services, digital economy, payments, digital ID or associated topics.</li> </ul> <p><b><u>Technical Proposal (70%)</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Expertise of the firm (20%)</u></b> <ul style="list-style-type: none"> <li>✓ Prior experience working in the Pacific or other developing countries</li> <li>✓ Prior experience working on the cross-section of legal/regulatory aspects, ICT systems and business operationalizations regarding implementations and/or assessments of e-KYC/ digital ID and/or digital credit reporting solutions</li> </ul> </li> <li>• <b><u>Methodology (15%)</u></b> <ul style="list-style-type: none"> <li>✓ Appropriateness of the proposed methodology to the conditions and timelines of the RFP</li> </ul> </li> <li>• <b><u>Qualifications and Experience of Key Personnel (35%)</u></b> <ul style="list-style-type: none"> <li>✓ Team lead: Masters' degree in Business Economic, International Development, social science or related. Additional qualifications in engineering and systems architecture are considered an advantage.</li> <li>✓ Team lead: Minimum 5 years of experience working on the cross-section of legal/regulatory aspects, ICT systems and business operationalizations regarding implementations and/or assessments of e-KYC/ digital ID and/or digital credit reporting solutions</li> <li>✓ Other experts: Minimum 3 years of experience with the legal and regulatory aspects of implementations and/or assessments of e-KYC/ digital ID and digital credit reporting solutions.</li> <li>✓ Other experts: Minimum 3 years of experience with ICT systems related aspects of implementations and/or assessments of e-KYC/ digital ID and digital credit reporting solutions.</li> <li>✓ All team members: Demonstrated experience in public-private partnership initiatives involving a wide variety of stakeholders.</li> </ul> </li> </ul> <p><b><u>Financial Proposal (30%)</u></b></p> <p>To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.</p>



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>
Contact Person for Inquiries (Written inquiries only) <sup>6</sup>	<p>Mr. Deepak A. Naicker  Procurement Associate  Ph: 3312500  Email: <a href="mailto:procurement.fj@undp.org">procurement.fj@undp.org</a></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>
Other Information	<p>The submission should include:</p> <ol style="list-style-type: none"> <li>1) Expertise of the firm: portfolio of previous relevant work</li> <li>2) Methodology outlining a planning that is appropriate to the conditions and timelines of the RFP;</li> <li>3) Management structure and qualification of key personnel, including CV's of staff that will be working on this contract. The company shall propose a team between 2 and 4 team members to complete the assignment.</li> </ol>

i

## Annex 2

### FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL<sup>7</sup>

Kadavu House, Suva  
January 24, 2020

To: Ronald Kumar, Procurement Analyst  
UNDP Pacific Office in Fiji

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 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, licenses, certifications, accreditations;*
- b) Business Licenses – Registration Papers, Tax Payment Certification, etc.*
- c) Statement of Good health interms of financial standing for the company*
- 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 (names and email contact;*

#### B. Proposed Methodology for the Completion of Services

*The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.*

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<sup>7</sup> This serves as a guide to the Service Provider in preparing the Proposal.

C. **Qualifications of Key Personnel**

*The Service Provider must provide:*

- a) *Names and qualifications of the key personnel that will perform the services indicating who is Project lead, who are supporting, etc.;*
- b) *CVs demonstrating qualifications must be submitted; and*
- c) *Written confirmation from each personnel that they are available for the entire duration of the contract.*

D. **Cost Breakdown per Deliverable\***

	<b>Deliverables</b> <i>[list them as referred to in the RFP]</i>	<b>Percentage of Total Price (Weight for payment)</b>	<b>Price (Lump Sum, All Inclusive)</b>
1	Inception report with detailed workplan, timelines and deliverables	25%	
2	Draft + Final Report and presentation – Vanuatu	25%	
3	Draft + Final Report and presentation – Fiji	25%	
4	Draft + Final Report and presentation – Solomon Islands	25%	
	<b>Total</b>	<b>100%</b>	

*\*This shall be the basis of the payment tranches*

E. **Cost Breakdown by Cost Component [This is only an Example]:**

<b>Description of Activity</b>	<b>Unit Cost - Fee per day</b>	<b>Total Period of Engagement</b>	<b>No. of days</b>	<b>Total Rate</b>
<b>I. Personnel Services</b>				
Project Team Lead				
Personnel 1 (specify title)				
Personnel 2 (specify title)				
<b>II. Out of Pocket Expenses</b>				
Travel Costs (specify for tickets etc)				
Daily Allowance				
Others (specify)				
<b>III. Other Related Costs (specify)</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 it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:

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

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

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

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

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

**13.5** The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.

- 13.6** These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.

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

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

#### **15.0 TERMINATION**

- 15.1** Either party may terminate this Contract for cause, in whole or in part, upon thirty (30) days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16.2 ("Arbitration"), below, shall not be deemed a termination of this Contract.
- 15.2** UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.



**15.3** In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract.

**15.4** Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, the UNDP may, without prejudice to any other right or remedy it may have under the terms of these conditions, terminate this Contract forthwith. The Contractor shall immediately inform the UNDP of the occurrence of any of the above events.

## **16.0 SETTLEMENT OF DISPUTES**

**16.1 Amicable Settlement:** The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.

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

## **17.0 PRIVILEGES AND IMMUNITIES:**

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

## **18.0 TAX EXEMPTION**

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

## **19.0 CHILD LABOUR**

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

## **20.0 MINES:**

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

## **21.0 OBSERVANCE OF THE LAW:**

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

**22.0 SEXUAL EXPLOITATION:**

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

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

**23.0 AUTHORITY TO MODIFY:**

Pursuant to the Financial Regulations and Rules of UNDP, only the UNDP Authorized Official possesses the authority to agree on behalf of UNDP to any modification of or change in this 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.