



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

ALL Prospective Interested Firms	DATE: May 15, 2020
	REFERENCE: RFP No. 65943- CONSULTANCY ON SALARIES AND BENEFITS FOR SC.

Dear Sir / Madam:

We kindly request you to submit your Proposal for a **CONSULTANCY ON SALARIES AND BENEFITS FOR SERVICE CONTRACT HOLDERS**. Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Proposals may be submitted on or before **Sunday, June 21, 2020, only** via email to procurement.na@undp.org , or posted at undp jobsite link; addressed as below:

RFP No. 65943- CONSULTANCY ON SALARIES AND BENEFITS FOR SC.
RESIDENT REPRESENTATIVE, NAMIBIA
United Nations Development Programme
38-44 Stein Street, Klein Windhoek, Private Bag 13329 Windhoek
UNDP Namibia Procurement

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

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

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

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

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

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

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

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

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

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

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

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

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

**Megan Van Turah
Operations Analyst
5/15/2020**

Description of Requirements

Context of the Requirement	<i>CONSULTANCY ON SALARIES AND BENEFITS FOR SERVICE CONTRACT HOLDERS</i>
Implementing Partner of UNDP	
Description of the Required Services Brief ¹	<p>a) The selected firm guided by the requirements of the Handbook shall compile and suggest to UNDP a list of employers which may be considered as comparators for the purpose of establishing SC remuneration. The list shall be subjected to the final approval by UNDP. The comparator employers recommended must meet the criteria specified in the Handbook.</p> <p>b) Where the comparators are partners of UNDP, or known to UNDP, including other UN agencies, UNDP will assist the selected firm in determining the right contact persons in order to carry out the survey. However, knowledge of the local market and the ability to identify and reach out to appropriate comparator employers is a critical deliverable of the selected vendor.</p> <p>c) The firm shall collect the following minimum information from each of these comparators:</p> <p>i) Job description of the position similar to those identified in the Handbook for the purpose of job matching on the nature, complexities and responsibilities of each compared position of existing SC levels;</p> <p>ii) Collect and analyse the salary structures and associated benefits (including typical allowances and benefits package both monetary and non-monetary) of the selected comparators organizations for existing SC Job descriptions.</p> <p>iii) Summary information on the comparator employer (size, number of employees, length of time present in the location etc. as specified in the Handbook.</p> <p>d) The firm shall present a draft analysis report to UNDP Namibia and make recommendations on the proposed salary scale. Taking into consideration other UN agencies' scales for similar contractual (non-staff member) modalities.</p> <p>e) The firm shall prepare a Final Report, incorporating comments from UNDP, containing of all the items listed in Section 4 below.</p> <p>f) The firm shall maintain complete confidentiality of all data and documents provided by the selected comparator employers and that of UNDP. Data from comparator employers will be shared with UNDP only and either in aggregate or without organization name designation.</p>

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

<p>List and Description of Expected Outputs to be Delivered</p>	<p>Deliverables</p> <p>Based on the established UNDP Handbook on Setting Remuneration for Service Contract Personnel and within the timeframe specified, the contracted firm is expected to submit a report which includes, but not limited to the following outputs:</p> <ul style="list-style-type: none"> a) Details and Summary of data collected from the comparators showing TOR matches and the evaluation of their remuneration package; b) The Minimum and Maximum Remuneration values of all job matches obtained from the comparators; c) A Report on final survey findings with comparison and analysis of the survey results, recommendations related to remuneration packages; d) A summary table of Comparators practises on remunerations compared to UNDP Namibia Salary Scales for General Service and National Officers; e) A proposal with options for a revised remuneration scale for Service Contract holders as set out in the UNDP Handbook of Setting Remuneration for Service Contract Personnel (options at the 40th, 50th and 60th percentile levels); f) A comparison of other UN salary scales for similar contractual modalities. g) All completed questionnaires together with relevant salary scale and all relevant documentations and correspondences received from the respective comparators; h) As and when required by UNDP, the firm shall conduct a presentation of the process and the results to any relevant audience that UNDP may organize. <p>Institutional Arrangement</p> <p>The work of the firm that will be engaged shall be supervised by UNDP Deputy Resident Representative and Operations Analyst in UNDP Namibia. As such, submission of the firm's reports shall be coursed through them. The confirmation of acceptability of report contents, the authorization of disbursement of payment, and evaluation of payment shall all be undertaken by these UNDP Personnel.</p> <p>The UNDP Deputy Resident Representative and Operations Analyst may bring in other parties within UNDP or the UN system to assist in the review of the outputs, as and when deemed necessary.</p>
<p>Person to Supervise the Work/Performance of the Service Provider</p>	<p><i>Armstrong Alexis, UNDP Deputy Resident Representative and Megan Van Turah, Operations Analyst</i></p>
<p>Frequency of Reporting</p>	
<p>Progress Reporting Requirements</p>	
	<p>X [Windhoek, Namibia]</p>

Location of work	X At Contractor's Location (Home Based)																		
Expected duration of work	8 Weeks																		
Target start date	15 July 2020																		
Latest completion date	7 September 2020																		
Travels Expected	<table border="1"> <thead> <tr> <th>Destination/s</th><th>Estimated Duration</th><th>Brief Description of Purpose of the Travel</th><th>Target Date/s</th></tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>			Destination/s	Estimated Duration	Brief Description of Purpose of the Travel	Target Date/s												
Destination/s	Estimated Duration	Brief Description of Purpose of the Travel	Target Date/s																
Special Security Requirements	<input type="checkbox"/> Security Clearance from UN prior to travelling (N/A) <input type="checkbox"/> Completion of UN's Basic and Advanced Security Training (N/A) <input type="checkbox"/> Comprehensive Travel Insurance (N/A) <input type="checkbox"/> Others <i>[pls. specify]</i>																		
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	<input type="checkbox"/> Office space and facilities (N/A) <input type="checkbox"/> Land Transportation (N/A) <input type="checkbox"/> Others <i>[pls. specify]</i>																		
Implementation Schedule indicating breakdown and timing of activities/sub-activities	X Required																		
Names and curriculum vitae of individuals who will be involved in completing the services	X Required																		
Currency of Proposal	X Local Currency																		
Value Added Tax on Price Proposal²	X must be inclusive of VAT and other applicable indirect taxes																		
Validity Period of Proposals (Counting for the last day of submission of quotes)	X 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	X Not permitted																		

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

Payment Terms³	Payment under the contract will be output based and will be made upon satisfactory completion of the assignment or based on appropriate percentages corresponding to milestone accomplishments as may be proposed by the contracted firm.
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Armstrong Alexis , UNDP Deputy Resident Representative and Megan Van Turah, Operations Analyst
Type of Contract to be Signed	X Contract for Professional Services
Criteria for Contract Award	X Highest Combined Score (based on the 70% technical offer and 30% price weight distribution)
Criteria for the Assessment of Proposal	X Technical Proposal (70%) X Expertise of the Firm [20%] X Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan [40%] X Management Structure and Qualification of Key Personnel [10%] Financial Proposal (30%) To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.
UNDP will award the contract to:	X One and only one Service Provider
Annexes to this RFP⁴	X Form for Submission of Proposal (Annex 2) X General Terms and Conditions / Special Conditions (Annex 3) X Detailed TOR
Contact Person for Inquiries (Written inquiries only)⁵	Email : procurement.na@undp.org Att: Megan Van Turah, Operations Analyst Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.
Other Information [pls. specify]	

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

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

⁵ This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

PROPOSED FORM (FORMAT) FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL⁶

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery⁷)

[insert: Location]

[insert: Date]

To: **Mr. Armstrong Alexis, UNDP Deputy Resident Representative,
United Nations Development Programme, 38 Stein Street, Klein Windhoek,
Private Bag 13329, Windhoek.**

Dear Sir/Madam:

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

A. **Qualifications of the Service Provider**

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

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

B. **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.

⁶ This serves as a guide to the Service Provider in preparing the Proposal.

⁷ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

C. Qualifications of Key Personnel

If required by the RFP, the Service Provider must provide :

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

D. Cost Breakdown per Deliverable*

	Deliverables <i>[list them as referred to in the RFP]</i>	Percentage of Total Price <i>(Weight for payment)</i>	Price <i>(Lump Sum, All Inclusive)</i>
1	Deliverable 1		
2	Deliverable 2		
3		
	Total	100%	

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

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

Description of Activity	Remuneration per Unit of Time	Total Period of Engagement	No. of Personnel	Total Rate
I. Personnel Services				
1. Services from Home Office				
a. Expertise 1				
b. Expertise 2				
2. Services from Field Offices				
a. Expertise 1				
b. Expertise 2				
3. Services from Overseas				
a. Expertise 1				
b. Expertise 2				
II. Out of Pocket Expenses				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
III. Other Related Costs				

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

(FIRMS/COMPANIES ARE WELCOME TO USE THEIR OWN FORMAT GUIDED BY THE ABOVE PROPOSED FORMAT REQUIRED BY UNDP)

TERMS OF REFERENCE

CONSULTANCY ON SALARIES AND BENEFITS FOR SERVICE CONTRACT HOLDERS

1. Background

UNDP Namibia uses a broadband remuneration system for its Service Contract Holders. Individuals contracted under SC modality are considered as local personnel and not UN staff members. Therefore, they are not covered by the UN Staff Regulations and Rules.

The Service Contract remuneration system and salary scales are distinctly different than UN staff salaries in purpose, design, comparator labour market and percentile within targeted labour market. The SC remuneration system is designed to provide for wide remuneration ranges with support flexibility in engagement and movement through service quality evaluation measures.

Engagement of personnel using the SC modality is not intended to support extended employment, nor create a career track. Individuals hired under Service Contract are typically engaged only by UNDP for the duration of a project and are therefore expected to return to the national labour market at the conclusion of the project or when the function is no longer required by the project.

The basis for the establishment of conditions of service for SC holders is the corresponding local labour market and must be consistent with prevailing levels of pay for similar services, similar contract conditions and comparable work in the local labour market. It is therefore necessary to gather information on local conditions of employment in a structured manner to support construction of SC remuneration scales. In keeping with the objective of simplicity, SC remuneration scales must be designed to be comprehensive, inclusive of the value of typical allowances and benefits that are found in the local labour market. The objective here is not to manage separate allowances and benefits for SC holders. Rather, the value of these should be included in the remuneration scales such that these scales are broadly competitive with the total remuneration values for the desired market position.

Given this, the remuneration package under the SC is set at the gross level and may include an additional lump sum for participation in national social insurance programmes that are mandatory.

UNDP Namibia would like to review the current remuneration of Service Contract Holders in accordance with the set standards and procedures as set out in the UNDP Handbook on setting Remuneration for Service Contract Personnel herein referred to Annex A.

In this context, UNDP would like to engage the services of a reputable and technically qualified firm with extensive expertise in labour market analyses, compensation and benefits system, management and organizational development to undertake the salary survey process.

UNDP therefore hereby solicits proposals from interested firms to conduct a salary survey and support UNDP in establishing a revised and reasonable salary scale for SC holders based on the existing prevailing market rates and in accordance with the policies and procedures provided in Annex A.

2. Objectives of the consultancy

In accordance with the established UNDP policies governing Service Contracts (see Annex B); and based on the established UNDP methodology described in the Handbook on Setting Remuneration for Service Contract Personnel (Annex A), and existing SC salary scale (See Annex C); the selected firm will conduct an independent survey for the purpose of updating the current salary scale.

Upon completion of the survey, the results will be shared with other UN agencies applying similar contractual modalities to reach a consensus on the optimum rates that should be applied to SC holders.

3. Scope of assignment

- a) The selected firm guided by the requirements of the Handbook shall compile and suggest to UNDP a list of employers which may be considered as comparators for the purpose of establishing SC remuneration. The list shall be subjected to the final approval by UNDP. The comparator employers recommended must meet the criteria specified in the Handbook.
- b) Where the comparators are partners of UNDP, or known to UNDP, including other UN agencies, UNDP will assist the selected firm in determining the right contact persons in order to carry out the survey. However, knowledge of the local market and the ability to identify and reach out to appropriate comparator employers is a critical deliverable of the selected vendor.
- c) The firm shall collect the following minimum information from each of these comparators:
 - i) Job description of the position similar to those identified in the Handbook for the purpose of job matching on the nature, complexities and responsibilities of each compared position of existing SC levels;
 - ii) Collect and analyse the salary structures and associated benefits (including typical allowances and benefits package both monetary and non-monetary) of the selected comparators organizations for existing SC Job descriptions.
 - iii) Summary information on the comparator employer (size, number of employees, length of time present in the location etc. as specified in the Handbook.
- d) The firm shall present a draft analysis report to UNDP Namibia and make recommendations on the proposed salary scale. Taking into consideration other UN agencies' scales for similar contractual (non-staff member) modalities.
- e) The firm shall prepare a Final Report, incorporating comments from UNDP, containing of all the items listed in Section 4 below.
- f) The firm shall maintain complete confidentiality of all data and documents provided by the selected comparator employers and that of UNDP. Data from comparator employers will be shared with UNDP only and either in aggregate or without organization name designation.

4. Deliverables

Based on the established UNDP Handbook on Setting Remuneration for Service Contract Personnel and within the timeframe specified, the contracted firm is expected to submit a report which includes, but not limited to the following outputs:

- a) Details and Summary of data collected from the comparators showing TOR matches and the evaluation of their remuneration package:

- b) The Minimum and Maximum Remuneration values of all job matches obtained from the comparators;
- c) A Report on final survey findings with comparison and analysis of the survey results, recommendations related to remuneration packages;
- d) A summary table of Comparators practises on remunerations compared to UNDP Namibia Salary Scales for General Service and National Officers;
- e) A proposal with options for a revised remuneration scale for Service Contract holders as set out in the UNDP Handbook of Setting Remuneration for Service Contract Personnel (options at the 40th, 50th and 60th percentile levels);
- f) A comparison of other UN salary scales for similar contractual modalities.
- g) All completed questionnaires together with relevant salary scale and all relevant documentations and correspondences received from the respective comparators;
- h) As and when required by UNDP, the firm shall conduct a presentation of the process and the results to any relevant audience that UNDP may organize.

5. Institutional Arrangement

The work of the firm that will be engaged shall be supervised by UNDP Deputy Resident Representative and Operations Analyst in UNDP Namibia. As such, submission of the firm's reports shall be coursed through them. The confirmation of acceptability of report contents, the authorization of disbursement of payment, and evaluation of payment shall all be undertaken by these UNDP Personnel.

The UNDP Deputy Resident Representative and Operations Analyst may bring in other parties within UNDP or the UN system to assist in the review of the outputs, as and when deemed necessary.

6. Expected duration of assignment

The task is expected to be completed within eight (8) weeks from the date of signing the contract. The firm, therefore, is required to prepare and submit the entire plan in a way that allows achievement of all deliverables within the 8-week period.

7. Duty Station

The selected firm shall not be required to be present at UNDP office, and may work in its own office with coordinated visits to UNDP. As and when required by UNDP, it is also expected to visit comparators in the course of undertaking the assignment.

8. Qualification/Experience

The contracted firm will meet the following minimum requirements:

- Proven track record in the area of compensation and benefits analysis preferably for multinational companies and international organizations.
- Familiarity with labour market issues.
- Ability to render consulting services in the most professional, effective and efficient manner.
- Fluent in English.
- Excellent writing and presentation skills (all required reports shall be written in English).

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- Familiarity with the UNDP rules and regulations and experience within UN system would be an advantage.
- At least 3 years of experience undertaking salary survey for non-profit organizations will be an asset.

9. Recommended Presentation of Proposals

The details of the Technical and Financial proposals along with the evaluation criteria should be specified in the RFP as per UNDP established procurement standards at the time of advertisement.

Financial Proposal

The Financial Proposal shall contain the final and all-inclusive total price offer for the full range of services required, broken down into all major cost components associated with the services. Any output and activities described in the Financial Proposal but not priced in the Financial Proposal, shall be assumed to be included in the prices of other activities or items, as well as in the final total price.

10. Payment Terms

Payment under the contract will be output based and will be made upon satisfactory completion of the assignment or based on appropriate percentages corresponding to milestone accomplishments as may be proposed by the contracted firm.

11. Confidentiality

It is mandatory that the contracted firm and its employees engaged with UNDP maintain the highest level of confidentiality with respect to all information provided before, during and after the completion of the assignment by UNDP and all comparator employers. The firm shall maintain complete confidentiality of all data and documentations provided by selected comparator employers and by that of UNDP. Data from comparator employers will be shared with UNDP only and either in aggregate or without organization name designation. The contracted firm and its employee shall practise highest standard of professional and ethical values and norms in providing this consultancy services.

12. Annexes to this TOR

- a) [UNDP Handbook on Setting Remuneration for Service Contract Personnel](#)
- b) [UNDP Policies and Procedures Governing Service Contracts](#)
- c) Current Service Contract Salary Scale of the UNDP Country Office to be provided by the country office.

General Terms and Conditions for Services

1.0 LEGAL STATUS:

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

2.0 SOURCE OF INSTRUCTIONS:

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

3.0 CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES:

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

4.0 ASSIGNMENT:

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

5.0 SUB-CONTRACTING:

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

6.0 OFFICIALS NOT TO BENEFIT:

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

7.0 INDEMNIFICATION:

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other

intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

8.0 INSURANCE AND LIABILITIES TO THIRD PARTIES:

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

9.0 ENCUMBRANCES/LIENS:

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

10.0 TITLE TO EQUIPMENT:

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

11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

- 11.1** Except as is otherwise expressly provided in writing in the Contract, the UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the UNDP under the Contract and which bear a direct relation to or are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract, and the Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the UNDP.

- 11.2** To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under the Contract, the UNDP does not and shall not claim any ownership interest thereto, and the Contractor grants to the UNDP a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.
- 11.3** At the request of the UNDP; the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to the UNDP in compliance with the requirements of the applicable law and of the Contract.
- 11.4** Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of the UNDP, shall be made available for use or inspection by the UNDP at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNDP authorized officials on completion of work under the Contract.

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

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

13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:

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

- 13.1** The recipient ("Recipient") of such information shall:
 - 13.1.1** use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser's Information as it uses with its own similar information that it does not wish to disclose, publish or disseminate; and,
 - 13.1.2** use the Discloser's Information solely for the purpose for which it was disclosed.
- 13.2** Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 13, the Recipient may disclose Information to:
 - 13.2.1** any other party with the Discloser's prior written consent; and,
 - 13.2.2** the Recipient's employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls controls it, or with which it is under common control, who have a need to know such Information

for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:

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

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

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

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

14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

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

15.0 TERMINATION

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

16.0 SETTLEMENT OF DISPUTES

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

17.0 PRIVILEGES AND IMMUNITIES:

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

18.0 TAX EXEMPTION

18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter alia that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with the UNDP to determine a mutually acceptable procedure.

18.2 Accordingly, the Contractor authorizes UNDP to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with the UNDP before the payment thereof and the UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide the UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

19.0 CHILD LABOUR

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

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

20.0 MINES:

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

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

21.0 OBSERVANCE OF THE LAW:

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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.