REQUEST FOR PROPOSAL

Dear Sir / Madam:

We kindly request you to submit your Proposal for a Feasibility Study for Parametric Models in the Pacific issued by the Pacific Insurance and Climate Adaptation Programme (PICAP)

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

Proposals must be submitted on or before 19th September 2020 as per date and time set in the e-tendering event (Event ID: 0000007009). The bidders will be required to register first on the UNDP etendering module using the following link, username and password:

Username: event.guest
Password: why2change
Link:https://etendering.partneragencies.org

The bidders are encouraged to use the accept invitation function on the etendering event if they wish to submit a proposal before proceeding with submitting their proposal through etendering. The username and password

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

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

Ronald Kumar  
Procurement Analyst  
9/2/2020
**Description of Requirements**

<table>
<thead>
<tr>
<th>Context of the Requirement</th>
<th>Feasibility Study for Parametric Models in the Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Partner of UNDP</td>
<td>Pacific Financial Inclusion Programme (PFIP)</td>
</tr>
<tr>
<td>Brief Description of the Required Services¹</td>
<td>UNDP PFIP is seeking expert firms to conduct a feasibility study of creating high quality, multi-hazard parametric insurance or triggered finance products for Pacific Islands countries (including, at a minimum, Fiji, Kiribati, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Timor-Leste, Tuvalu and Vanuatu) to protect Pacific governments; Micro, Small, and Medium Enterprises (MSMEs); cooperatives; and individuals from natural hazards. The feasibility study will focus on the following: 1. An evaluation of existing data sources available for the Pacific region 2. Design innovation for basis risk reduction and increased product quality 3. Timeline and costs for model development 4. Product monitoring system</td>
</tr>
</tbody>
</table>

**List and Description of Expected Outputs to be Delivered**

**Task 1: Evaluation of existing data for the Pacific region**

The first part of the work comprises an evaluation of available hazard data for the Pacific region, including but not limited to normalized difference vegetation index (NDVI), enhanced vegetation index (EVI), VCI (Vegetation Condition Index), TCI (Temperature Condition Index), Global Precipitation Measurement (GPM) data, and Climate Hazards Group InfraRed Precipitation with Station data (CHIRPS). The evaluation should include (a) a description of the data, (b) a comparison of the data sources including remote sensed and modelled/simulated data, (c) strengths and weaknesses of the data sources, and (d) opportunities to address those weaknesses.

The data source description should include information on:
- Cost of the data
- Length and frequency of time series
- Spatial coverage
- Resolution
- Parameters (Relevant Perils)
- Completeness
- Validity
- Data format
- Timeframe for receiving new data
- Required timeframe for collating, preparing, and quality control

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.
Data sources corresponding to the following perils should be included, as feasible: 1) Rain, 2) Wind, 3) Flood, 4) Drought, 5) Earthquake, 6) Volcanic eruption, 7) Tsunamis, and 8) Flooding.

**Task 2: Basis Risk and Product Quality**

Parametric insurance products, particularly products based on a single data source for hazard classification, contain a certain degree of basis risk. The project is planning to develop parametric (and hybrid parametric-indemnity) financial products of high quality, with relatively low levels of basis risk, and at affordable prices.

The second task is to assess the feasibility of design innovation to reduce basis risk and increase product quality. The contractor should analyse opportunities to increase quality through innovation, such as multi-trigger designs (synchronous or asynchronous, based fully on remote-sensed data), incorporation of post-appeal payments based on ground data, and loss or vulnerability modelling to increase product quality.

**Task 3: Timeline and costs for model development**

For Task 3, the consultant will outline the timeline and costs for parametric product development. In particular, the contractor should describe how long it would take to create models for the different perils and the associated costs. Furthermore, the contractor is expected to give an overview of how multi-hazard models could be developed, along with associated costs and timelines.

**Task 4: Product monitoring system**

The project team is responsible for monitoring the quality and impact of the products it designs. Ultimately, the modelling partner will be responsible for developing a monitoring system that allows for rapid oversight on actual disaster conditions and the number/location of triggered policies. For the feasibility assessment, the contractor will submit initial ideas related to the development of routines, software, and systems for monitoring. Components should include:

1. Downloading or retrieval of raw weather data,
2. Computation of trigger relevant parameters,
3. Calculation of pay-out, and
4. Compilation of monitoring report on number and locations of triggered policies, as well as hazard readings at those locations.

**Note:** All information in the methodological approach section of the feasibility study will be considered non-propierty and may be used in the development of future ToR(s) and RFPs. Any information that is propriety or confidential should be clearly marked.
<table>
<thead>
<tr>
<th><strong>Person to Supervise the Work/Performance of the Service Provider</strong></th>
<th><strong>PFIP Deputy Programme Manager</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Frequency of Reporting</strong></td>
<td>Short weekly updates on progress by email, detailed fortnightly progress reports</td>
</tr>
<tr>
<td><strong>Progress Reporting Requirements</strong></td>
<td>Once in a fortnight</td>
</tr>
<tr>
<td><strong>Location of work</strong></td>
<td>☒ At Contractor’s Location (Home-based)</td>
</tr>
<tr>
<td><strong>Expected duration of work</strong></td>
<td>20 working days</td>
</tr>
<tr>
<td><strong>Target start date</strong></td>
<td>30 September, 2020</td>
</tr>
<tr>
<td><strong>Latest completion date</strong></td>
<td>15&lt;sup&gt;th&lt;/sup&gt; December, 2020</td>
</tr>
<tr>
<td><strong>Implementation Schedule indicating breakdown and timing of activities/sub-activities</strong></td>
<td>☒ Required</td>
</tr>
<tr>
<td><strong>Names and curriculum vitae of individuals who will be involved in completing the services</strong></td>
<td>☒ Required</td>
</tr>
<tr>
<td><strong>Currency of Proposal</strong></td>
<td>☒ United States Dollars</td>
</tr>
<tr>
<td><strong>Value Added Tax on Price Proposal&lt;sup&gt;2&lt;/sup&gt;</strong></td>
<td>☒ must be inclusive of VAT and other applicable indirect taxes</td>
</tr>
<tr>
<td><strong>Validity Period of Proposals (Counting for the last day of submission of quotes)</strong></td>
<td>☒ 90 days</td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td><strong>Partial Quotes</strong></td>
<td>☒ Not permitted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Payment Terms&lt;sup&gt;3&lt;/sup&gt;</strong></th>
<th>Outputs</th>
<th>Percentage</th>
<th>Timing</th>
<th>Condition for Payment Release</th>
</tr>
</thead>
</table>

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

<sup>3</sup> UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding $30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
<th>Due Date</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signing of contract and submission of inception report</td>
<td>20%</td>
<td>30th September, 2020</td>
<td>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>Submission of draft report for initial review and feedback</td>
<td>50%</td>
<td>30th October 2020</td>
<td></td>
</tr>
<tr>
<td>Submission of final report incorporating feedback from PFIP/MCII</td>
<td>30%</td>
<td>30th November 2020</td>
<td></td>
</tr>
</tbody>
</table>

Person(s) to review/inspect/approve outputs/completed services and authorize the disbursement of payment:

**PFIP Deputy Programme Manager**

Type of Contract to be Signed

☒ Contract for Services

Criteria for Contract Award

The award will be made to a maximum of 3 service providers based on the following factors:

☒ Highest Combined Score (based on the 70% technical offer and 30% price weight distribution)

☒ The second and third placed firms shall be within 20% of total cumulative score of the highest scored firm

☒ Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.

Criteria for the Assessment of Proposal

**Technical Proposal (70%)**

The technical proposal should describe the qualifications of the service provider to undertake the tasks described, as well as the proposed methodological approach the service provider will employ to complete the tasks as described in the “List and Description of Expected Outputs to be Delivered” above.

a) **Institutional Qualifications (25%)**

☒ Minimum 10 years of working experience creating parametric models for rainfall, wind, drought, earthquake, or volcanic eruption 10%

☒ Past performance list, including 3 ongoing or recent projects showing variation in the types of data and hazards 10%

☒ Minimum 10 years of experience developing monitoring systems 5%
b) Methodological Approach (35)

☒ Task 1: Evaluation of existing data for the Pacific region methodology, its appropriateness to the condition and timeliness of the implementation plan 10%  
☒ Task 2: Basis risk and product quality methodology 10%  
☒ Task 3: Timeline and costs for model development 5%  
☒ Task 4: Product monitoring system methodology 10%

c) Personnel and Management (10%)

☒ Management structure (number of persons, team composition, variation in backgrounds, organizational structure) and qualifications of Key Personnel (degrees, years of experience, specialties/areas of focus, previous data/models/projects experience), including an organizational chart, as well as bios and CVs 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.

UNDП will award the contract to:

☒ One or more Service Providers, depending on the following factors:  
Multiple firms may be contracted in order to gain a more complete understanding of available data sources and modeller specialties. Up to three firms will be selected for awarding contracts, the firm with the highest combined score (technical and financial) and two other firms placed below the highest ranked firm subject to a maximum variance of 20% from the highest ranked firm.

Annexes to this RFP

☒ Form for Submission of Proposal (Annex 2)  
☒ General Terms and Conditions / Special Conditions (Annex 3)  
☒ Etendering Userguide for Bidders

Contact Person for Inquiries (Written inquiries only)

Ronald Kumar  
Procurement Analyst  
procurement.fj@undp.org

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.

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4 Where the information is available in the web, a URL for the information may simply be provided.  
5 Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.  
6 This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.
FORM FOR SUBMITTING SERVICE PROVIDER’S PROPOSAL

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

[insert: Location]

[insert: Date]

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

Dear Sir/Madam:

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

A. Qualifications of the Service Provider

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

a) Company Registration Certificate
b) Business Profile y, credit standing, and market reputation, etc.;
c) Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;

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.

C. Qualifications of Key Personnel

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

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7 This serves as a guide to the Service Provider in preparing the Proposal.
8 Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes
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*

<table>
<thead>
<tr>
<th>Deliverables [list them as referred to in the RFP]</th>
<th>Percentage of Total Price (Weight for payment)</th>
<th>Price (Lump Sum, All Inclusive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Deliverable 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Deliverable 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 ....</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td></td>
</tr>
</tbody>
</table>

*This shall be the basis of the payment tranches

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

<table>
<thead>
<tr>
<th>Description of Activity</th>
<th>Remuneration per Unit of Time</th>
<th>Total Period of Engagement</th>
<th>No. of Personnel</th>
<th>Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Personnel Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Expertise 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>b. Expertise 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II. Out of Pocket Expenses</td>
<td></td>
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</tbody>
</table>

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