

Clarification dated February 04, 2022

RFP/009/ IND-2022 : (Event ID - IND10-0000011370)

“Establishment of Long-Term Agreement (LTA) for recruitment of manpower, payroll and associated services to UNDP in India”

In response to queries received with respect to the RFP document for “Establishment of Long-Term Agreement (LTA) for recruitment of manpower, payroll and associated services to UNDP in India”, the following clarifications are issued for information of all concerned.

SL. NO.	QUERY RAISED BY PROSPECTIVE BIDDER	UNDP'S RESPONSE
1	<p>Performance Security: The amount of Performance security as 10% of the total value of contract is very high, we request it should be reduced. Even the Govt of India has a guideline for Performance security as 3% of contract value.</p> <p>We suggest a notional amount of performance security say 50 lacs may be asked.</p> <p>Also please clarify the amount of Performance security shall be evaluated on the value of LTA for initial tenure of 12 months.</p>	<p><u>Performance Security:</u> This bidding exercise is for a Long-Term Agreement where we will agree on the pricing and methodology.</p>
2	<p>Performance Security: 10% performance security will be very high. Under Government Payroll Contracts, the Performance Security is kept upto 3% of the Annual Value of the contract.</p> <p>In view of the above, we request that Performance Security be kept at less than 3% of contract amount OR as a risk mitigation measure, we suggest that the monthly payroll amount be processed through an Escrow Account, and Performance Security requirement be waived.</p>	<p>Specific contracts will be issued using the LTA rates for hiring personnel and only in cases where a single contract is exceeding \$500,000 the performance security will be applicable.</p>
3	<p>Is there any performance security involved? Amount, Tenure & mode for the same.</p>	

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