Kabul, 03 February 2010

Dear Sir/Madam,

RFP No. AFG10/2010/0002 - for the Provision of Monitoring Services as Monitoring Agent (MA) for the Counter Narcotics Trust Fund for UNDP/CNTF Afghanistan.

1. You are requested to submit a proposal for the provision of Monitoring Services as Monitoring Agent (MA) for Counter Narcotics Trust Fund for Afghanistan (MA) as per enclosed Terms of Reference (TOR):

2. To enable you to submit a proposal, attached are:
   - Instructions to Offerors                      (Attachment I)
   - Background information of CNTF............. (Attachment II)
   - Terms of Reference (TOR)..................... (Attachment III)
   - General Conditions of Contract............. (Attachment IV)
   - Proposal Submission Form ..................... (Attachment V)
   - Acknowledgment Letter ........................ (Attachment VI)

3. Your proposal comprising the Technical and Financial Proposals must be submitted in separate sealed envelopes. Both the Technical and Financial Proposals in hard copies should be placed in another sealed envelope and sent to the following address no later than 23 February 2010, 1500 hours (Kabul local time). Please arrange the dispatch of your submission allowing ample time for it to reach our offices before the deadline. Late submission will not be considered:

   United Nations Development Programme (UNDP)
   Shah Mahmood Ghazi Watt
   Kabul, Afghanistan
   Attention: Procurement Unit
   Telephone: +93 20 2101682-91
   Fax: +873 763 468 836

If you request additional information, we would endeavor to provide information expeditiously, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal.
You are requested to acknowledge receipt of this letter and to indicate whether or not you intend to submit a proposal in Annexure VI.

Yours sincerely,
UNDP Procurement Unit
Attachment I - Instructions to Offerors

A. Introduction

You are requested to submit a proposal for the provision of Monitoring Services as MA in respect of the CNTF, a UNDP Project.

2. Cost of proposal

The proposer shall bear all costs associated with the preparation and submission of the Proposal, the UNDP will be in no case responsible or liable for those costs.

B. Preparation and contents of Proposals

Language of the Proposal

The proposals prepared by the proposers and all correspondence and documents relating to the proposal shall be in the English language.

4. Proposal content

The proposal shall include, but not limited to, the following information:

4.1 Proposal submission form (Attachment V)

Profile of the firm

The proposal should include a description of the firm’s profile and provide the following information:

a. total number of monitoring professionals employed which should be distinguished by designation – monitoring partners, monitoring managers, monitoring seniors and monitoring assistants
b. a brief description of the firm’s recurrent standards; promotion policies and continuing professional education / training policy
c. five major monitoring clients that are serviced by the firm, with a brief description of the nature and extent of the financial monitoring services rendered,
d. a description of the firm’s experience in providing audit/financial monitoring services to international development agencies or organizations, and the nature of the audit services rendered. A specific listing and description of engagements, current or prior, in UN or UNDP funded activities, if any; and
e. concise curriculum vitae of office personnel who are assigned to handle the monitoring engagement
f. experience in building capacity of national institutions in financial management in post conflict countries.

Financial Monitoring approach and methodology as MA

The proposal should describe the monitoring approach and methodology that will be applied by the monitoring agent to meet the objectives and scope of the monitoring services required by UNDP. This description should be accompanied with an indication of the level of personnel who will be involved in implementing financial monitoring approach and, as applicable, a description of the statistical sampling technique that will be used for that purpose.

This section should demonstrate the proposal’s responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; and demonstrating how the proposed methodology meets or exceeds the specifications.

Annual Financial Monitoring Schedule

The proposal should include a conceptualization of how the MA, in the absence of constraints from UNDP, would schedule the execution of the financial monitoring as per the task ToR.

Price Schedule

Attachment II provides background information on the nature and volume of operations of the project, which would serve in the assessment of your time-effort and related fees. This information shall be kept confidential by your firm and used solely in response to the present Request for Proposal. The fees proposed must be a total “fixed price” quotation indicating the overall total amount in US dollars. The total fees as quoted by your firm to UNDP for the purpose of the present RFP shall be firm and final. All prices quoted must be exclusive of all taxes, since the UNDP is exempt from taxes as detailed in clause 18 of the General condition for contract (Attachment IV). The calculation of fees should indicate the all-inclusive cost in US dollars and an estimate of the time-effort to be allocated for the services, expressed in number of working days by designation of staff performing the monitoring, i.e., as applicable, monitoring partner, monitoring manager, monitoring senior and monitoring assistant and their fees per working day.
Designation | No. of staff | No. of working days | Daily rate | Total fee(s) |
--- | --- | --- | --- | --- |
Incidental expenses: [itemize expenses] | | | | |
Total fees proposed | | | | |

**Period of validity of proposals**

Proposals shall remain valid for a period of sixty (60) days from the date fixed for opening of proposals in the Request for Proposal. A proposal valid for a shorter period may be rejected by UNDP on the grounds that it is non-responsive.

**Comprehensive and concise proposals**

Proposers must provide all requisite information under this RFP and clearly and concisely respond to all points set out in this RFP. Any proposal, which does not fully and comprehensively address this RFP, may be rejected. Proposers should also limit their proposals to the requirements of this RFP. Unnecessary elaborate brochures and other presentation beyond that sufficient to constitute a complete and effective proposal are not encouraged.

**Confidentiality**

This RFP is communicated to and received by each addressee thereof on the understanding and condition that it is confidential and proprietary to UNDP, and contains privileged information. No information contained in the RFP may be copied, exhibited or furnished to others without the prior written consent of UNDP. Proposers will be bound by the contents of this paragraph whether or not they submit a proposal or respond in any other way to this RFP.

UNDP will not return proposals received. These proposals shall be kept confidential for the sole and internal consideration of UNDP.

**Modification of request for proposals**

UNDP reserves the right to modify or exclude any consideration, information or requirement contained in this RFP and to add new considerations, information or requirements at any stage of the procurement process, including negotiations with proposers, at any time before any contract is awarded for the audit services detailed in this RFP.
C. Submission of Proposals

Format of proposals

Proposals in response to the present request must be delivered in 3 (three) hard copies, clearly marked “Original Proposal” and “Copy” as appropriate; and 1 (one) electronic copy on diskette or CD. In the event of any discrepancy between them, the original proposal shall govern.

Deadline for submission of Proposals

The proposals stipulated in paragraph 9 shall be delivered in a sealed envelope of package marked “RFP No. AFG10/2010/0002 - for the Provision of Monitoring Services as Monitoring Agent (MA) for the Counter Narcotics Trust Fund for UNDP/CNTF Afghanistan”. Proposal should reach the following address no later than 23 February 2010 on or before 15:00 hours, local time Kabul:

United Nations Development Programme (UNDP)
Shah Mahmood Ghazi Watt
Kabul, Afghanistan
Attention: Mr. Moqim Azizi, Procurement Associate
Telephone: +93 20 2101682-91
Fax: +873 763 468 836
Email: moqim.azizi@undp.org

It is the exclusive responsibility of the proposers to ensure that their proposal reaches the above address before the stipulated deadline. Proposals received after the deadline will be rejected.

Clarifications of request for proposal

Questions on any part of this Request for Proposal should be submitted, in writing, to Mr. Mushtaq Rahim, CNTF program Manager and Assistant Country Director for Crisis Prevention and Recovery Unit (CPRU), UNDP, and Afghanistan. Responses, as appropriate, will be copied to all other firms invited to submit a proposal. Questions may be sent via email at moqim.azizi@undp.org.

D. Opening and Evaluation of Proposals

Opening of Proposals
Opening and registration of proposals will commence at 11:00 hours local time Kabul, on 24 February 2010 at the address stated in paragraph 10. Each proposer may send one authorized representative to attend the opening and registration of proposals.

13. Evaluation and comparison of proposals

A two-stage procedure is utilised in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The price proposal of the Proposals will be opened only for submissions that passed the minimum technical score of 70% of the obtainable score of 1000 points in the evaluation of the technical proposals.

The technical proposal is evaluated on the basis of its responsiveness to the Term of Reference (TOR).

In the Second Stage, the price proposal of all contractors, who have attained minimum 70% score in the technical evaluation, will be compared. The contractor will be awarded to the Contractor offering the lowest price.

### Technical Evaluation Criteria

<table>
<thead>
<tr>
<th>Summary of Technical Proposal Evaluation Forms</th>
<th>Score Weight</th>
<th>Points Obtainable</th>
<th>Company / Other Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Expertise of Firm / Organisation submitting Proposal</td>
<td>30%</td>
<td>300</td>
<td>A B C D E</td>
</tr>
<tr>
<td>2. Proposed Work Plan and Approach and methodology</td>
<td>30%</td>
<td>300</td>
<td></td>
</tr>
<tr>
<td>3. Professional staff qualifications, competence and experience for the assignment(Personnel)</td>
<td>40%</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,000</td>
<td></td>
</tr>
</tbody>
</table>

Evaluation forms for technical proposals follow on the next two pages. The obtainable number of points specified for each evaluation criterion indicates the relative significance or weight of the item in the overall evaluation process. The Technical Proposal Evaluation Forms are:

Form 1: Expertise of Firm / Organisation Submitting Proposal

|
Form 2: Proposed Work Plan and Approach and methodology

Form 3: Professional staff qualifications, competence and experience for the assignment (Personnel)

<table>
<thead>
<tr>
<th>Technical Proposal Evaluation Form 1</th>
<th>Points obtainable</th>
<th>Company / Other Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A</td>
</tr>
<tr>
<td><strong>Expertise of firm / organisation submitting proposal</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Reputation of Organisation and Staff (Competence / Reliability)</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>1.2 Litigation and Arbitration history</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>1.3 General Organizational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organisation, strength of project management support e.g. project financing capacity and project management controls)</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>1.4 Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialised skills.)</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>1.5 Quality assurance procedures, warranty</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>1.6 Relevance of: Specialised Knowledge Experience on Similar Programme / Projects Experience on Projects in the Region Work for UNDP/UNOPS/ major multilateral/ or bilateral programmes</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>1.7 Expenses in capacity building of national institution in financial audit procurement and financial management in post conflict countries</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>300</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Technical Proposal Evaluation Form 2

<table>
<thead>
<tr>
<th>Proposed Work Plan and Approach</th>
<th>Points Obtainable</th>
<th>Company / Other Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.1</strong> To what degree does the Offeror understand the task/complexity of a Trust Fund operation in a post conflict situation and under tight timelines?</td>
<td>60</td>
<td>A</td>
</tr>
<tr>
<td><strong>2.2</strong> Have the important aspects of the task been addressed in sufficient detail?</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td><strong>2.3</strong> Are the different components of the project adequately weighted relative to one another?</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td><strong>2.4</strong> Is the proposal based on a survey of the project environment and was this data input properly used in the preparation of the proposal?</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td><strong>2.5</strong> Is the conceptual framework adopted appropriate for the task?</td>
<td>70</td>
<td></td>
</tr>
<tr>
<td><strong>2.6</strong> Is the scope of task well defined and does it correspond to the TOR?</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td><strong>2.7</strong> Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?</td>
<td>60</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL:** 300
<table>
<thead>
<tr>
<th>Technical Proposal Evaluation</th>
<th>Points obtainable</th>
<th>Company / Other Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Form 3</td>
<td>A</td>
</tr>
</tbody>
</table>

**Personnel**

<table>
<thead>
<tr>
<th>3.1 Task Manager (ONE)</th>
<th>Sub-Score</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Qualification</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>Suitability for the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- International Experience</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>- Training Experience</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>- Professional Experience in the area of specialization</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>- Knowledge of the region</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>- Language Qualifications</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.2 Senior Audit Expert (ONE)</th>
<th>Sub-Score</th>
<th>150</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Qualification</td>
<td>140</td>
<td></td>
</tr>
<tr>
<td>Suitability for the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- International Experience</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>- Training Experience</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>- Professional Experience in the area of specialization</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>- Knowledge of the region</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>- Language Qualifications</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.3 Audit Experts (ONE)</th>
<th>Sub-Score</th>
<th>150</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Qualification</td>
<td>140</td>
<td></td>
</tr>
<tr>
<td>Suitability for the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- International Experience</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>- Training Experience</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>- Professional Experience in the area of specialization</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>Knowledge of the region</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge of projects in post-conflict situations</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Knowledge of large scale operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Language Qualification (English, Dari an asset)</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

**Total Part 3**

400
E. Contracting Arrangements

Award of contract

UNDP reserve the right to accept or reject any proposal received in response to this RFP and to negotiate with any of the proposers or other firms in any manner deemed to be in the best interest of UNDP. Prior to expiration of the period of proposal validity, the procuring UNDP entity will make its best efforts to select the qualified proposer whose proposal after being evaluated is considered to be the most responsive to the needs of the organisation and activity concerned, and award the contract.

Signing of contract

Any contract awarded for the services described in this RFP will be signed between the selected firm and UNDP. The duration of the contract shall expire upon the completion of the required services.

Purchaser’s right to terminate the contract

Should UNDP deem unsatisfactory the services provided by the selected firm, UNDP shall reserve the right to terminate the contract of audit services with the selected firm.

Confidentiality

The selected firm and its staff shall hold confidential the information obtained in connection with the monitoring services undertaken on behalf of UNDP.

Ownership of monitoring work papers

The audit work papers and related documentation shall be the property of UNDP and shall be kept in the custody of the selected firm. The eventual transfer, disposal or destruction of the work papers will be subject to the instruction of UNDP/CNTF.

The monitoring work papers and related documentation shall be subject to submission and review by UNDP solely and its discretion.

Payment

The payment for the monitoring services provided by the MA shall be made to the selected firm on quarterly basis:
The payments shall be effected by UNDP Office in Afghanistan following the clearance of the quarterly reports and certification of satisfactory completion of service, by the CNTF management.

**General conditions of contract**

The contract for the provision of the audit services shall be subject to the UNDP General conditions of contract for Professional Services that are provided in Attachment IV.

Please note that the terms set forth in this RFP and other terms of your proposal shall be included in any contract entered into between your firm and the UNDP, should UNDP accept your proposal and, that the contract will require compliance with all statements and representations made in your proposal as to the performance of the audit services.
Attachment II - Background Information on the CNTF

Project: CNTF
Description: Counter Narcotics Trust Fund
Atlas Award: 00040456_ Project ID: 00045781

<table>
<thead>
<tr>
<th>No.</th>
<th>CONCEPTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>General Background:</td>
</tr>
<tr>
<td></td>
<td>The Counter Narcotics Trust Fund (CNTF) was established in May 2005 at the request of the Government of Afghanistan. The objective of CNTF, officially established on 29 October 2005, is to mobilize additional resources needed by the Afghan Government to implement the National Drug Control Strategy. The key principles behind the Trust Fund include: Providing additional resources for the Government’s counter narcotics efforts through the national development budget. Ensuring transparency and accountability in the allocation of those resources. Enabling the Government to have greater ownership over implementation of its counter narcotics strategy. Promoting greater coherence in the funding of counter narcotics related activities.</td>
</tr>
</tbody>
</table>

The CNTF is executed through the National Implementation Modality. Therefore, the Islamic Republic of Afghanistan retains the overall responsibility for this nationally managed programme through its designated institutions – the Ministries of Finance (MoF) and Counter Narcotics (MCN). The funding from the Trust Fund will be channeled through the MoF to the implementing entities which will be the line ministries. The line ministries serve as the implementing partners of the Trust Fund and work closely with the MCN to identify, develop and propose counter narcotics related projects within their mandated area.

The United Nations Development Programme (UNDP), in its capacity as Administrator of the CNTF, requires the provision of monitoring services


2 Project Duration (start and end dates):

October 2005- December, 2009
The project was extended for 12 more months after the end of 2010. Since UNDP as the administrator of the Trust Fund has to ensure the delivery of the Fund while ensuring national leadership, effective and efficient delivery.

### Activities

- Institutional development;
- Information Campaign;
- Alternative Livelihood;
- Law enforcement;
- Criminal Justice;
- Eradication;
- Demand Reduction; and
- Regional Cooperation

### Where are the activities and field offices located; where do they keep their books and records:

CNTF has an office located in Banahi Building in 4th Macrorayan Squire in Kabul Jalalabad Road, while the CNTF Monitoring Agent will based in Ministry of finance and will work closely with all Line Ministries implementing CNTF funded project in the provinces of Afghanistan. However, there are no field offices of the project. The financial documents, books and records are at the MoF and CNTF office.

### Project status –

The project has just been extended for 12 months till December 2010.

### Project Management Structure – i.e who are the stakeholders, who are the members of the steering committee; provide an organization chart and the total number of staff handling the project, by location:

The stakeholders (donors) of the project are European Commission, United States of America, Canada, United Kingdom, Italy, Japan, and Cyprus, Estonia, Sweden, Latvia, Iceland, Australia, Canada, . There could be an addition to the list of donors as the project progresses. The Ministry of counter Narcotics is the implementing entity of the project. In addition, Ministry of Finance is the other Governmental entity involved in the project implementation. The whole project team is located in the project office. There are no regional or field offices of the project.

### A description of the project monitoring and evaluation system, such as quarterly/annual work plan, quarterly/annual work progress reports, evaluation reports, e.t.c:

CNTF prepares annual work plan, quarterly work progress reports and annual work progress report. In addition, monthly field monitoring missions are undertaken by the CNTF and UNDP staff in collaboration with the Government counterparts (Line ministries).
### Total Estimated Expenditure

- **Total Budget**: USD 99.5 Million
- **Received Budget**: 64 Million
- **CNTF Annual Budget for 2010**: 14 Million

### Financial and Accounting System

The financial system that will be monitored by the monitoring agent is in accordance with the Government of Afghanistan’s Ministry of Finance’s financial management system. All documentation and reporting is also done accordingly.

### Financial Management System

The financial system that will be monitored by the monitoring agent is in accordance with the Government of Afghanistan’s Ministry of Finance’s financial management system. All documentation and reporting is also done accordingly.
Attachment III - TERMS OF REFERENCE

Appendix II – Terms of Reference for Contract Amendment Uninterrupted MA Service Needed for the Period March 1- December 31, 2010

Assignment objectives

The overall goal of the MA team is to provide audit check & control, support and report on the accuracy, as well as efficient and effective implementation, of the financial controls of approved CNTF funded projects. Specific objectives include:

- Review and audit project budget and commitments and facilitate transaction for timely disbursement of funds from the special account to line ministries.
- Ensure the proper disbursement of the funds and audit if the transactions and procurement are in line with the GoA/UNDP rules and procedures.
- Provide institutional capacity building support to improve financial management application by the Ministry of Finance and line ministries.

Detailed Scope of Services/Roles and Responsibilities

- Provide support / capacity building for line ministries Internal Auditors to pre-audit and carry out post audit services to projects funded by the CNTF under project budget and commitments and facilitate transaction for timely disbursement of funds from the special account to line ministries.
- Monitor expenditures out of the MoF from the CNTF account at the Central Bank of Afghanistan per disbursement requests from the line ministries.
- Monitor and compare the line ministries CNTF approved projects’ budgets to prevent overspending, follow up of outstanding commitments and to facilitate the timely release of fund.
- Follow up on transactions and review operations of the CNTF special accounts at the Central Bank of Afghanistan;
- Liaise with UNDP finance section, financial controllers at line ministries, MCN, MoF and other relevant financial actors for CNTF projects to assure timely execution of projects from a fiscal and financial perspective;
- Coordinate the work flow at the MoF, including work plan development and team management;
Review of the Donor agreements and ensure compliance with the terms and conditions of the funding agreement.

Regular monitor the Request for Direct Payments (RDP) prepared by the CNTF Directorate Finance Department and payments processed by UNDP to ensure that expenditures incurred are in line with the UNDP financial rules and regulations.

Review the internal controls and financial management systems in place at the CNTF Directorate and Ministry of Counter Narcotics.

Reporting on the disbursements made from UNDP against direct payments so that a complete reporting of disbursements made for CNTF and GPI are covered in the MA monthly report.

Reconciliation of advances between UNDP and Ministry of Finance.

Coordinate with UNDP internal/external annual audit and facilitate the efficient completion of audit process

Provide support / capacity building of CNTF and line ministries on asset management

Ensure procurement made by the CNTF funded projects is in line with the procedures and requirement of the Government of Afghanistan.

Monitor contracts, transactions, and project to ensure that the procurement and expenditures follow the correct procedures of the Government of Afghanistan.

Maintain a working file database of all projects approved by the CNTF, in order to verify that disbursements are in line with the approved project documents.

Screen GoA disbursement applications and related documentation to ensure submissions for payment from the CNTF are consistent with the grant agreement and related eligibility criteria;

Ensure the preparation of the final approval of invoice payments/M16 submitted from the line ministries and verify eligibility of payments;

Monitor all levels of financial and procurement control of project execution for compliance with UNDP Financial Regulations and Rules and the standards at MoF and the relevant line ministries:
Review reports from the MoF and ministries receiving CNTF funding, and bring critical managerial, operational, financial or fiscal issues to the early attention of UNDP and the GoA;

Bring critical issues and recommendations for remedial actions on any project or ministry to the attention of the GoA and the UNDP on any matters observed during the execution of its duties and that affect the managerial, financial, fiduciary and fiscal execution of projects funded by the CNTF.

Appraise a project’s financial performance and ensure a project’s compliance with applicable financial disbursement standards and protocols.

Provide institutional capacity building support to improve financial management application by the Ministry of Finance and line ministries

Work closely with MoF and other agencies to ensure that the rules for eligibility of expenditure for the CNTF are widely understood and provide assistance and guidelines to the line ministries on the financial processes at MoF for CNTF financed projects:

Review internal controls and auditing/accounting procedures, and monitor the application of financial management and procurement standards by the MoF and implementing line ministries and make recommendations for improvement for project funding/disbursals

Participate in monitoring visits to the project sites, make recommendations and deliver periodic training seminars or working sessions to improve capacity of the central, provincial, and district government staff in execution of project and proper financial management.

Assignment Objectives

The overall goal and objective of the MA (Monitoring Agent) team is to provide audit check & control, support and report on the accuracy, as well as efficient and effective implementation, of the financial controls of approved CNTF funded projects. Specific objectives include:

Review and audit project budget and commitments and facilitate transaction for timely disbursement of funds from the special account to line ministries.

Ensure the proper disbursement of the funds and audit if the transactions and procurement are in line with the GoA/UNDP rules and procedures

Provide institutional capacity building support to improve financial management application by the Ministry of Finance and line ministries
Detailed Scope of Services/Roles and Responsibilities

To ensure proper monitoring of CNTF implementation in terms of financial management and funds disbursement in line with the programme’s objectives, UNDP will recruit an external independent Monitoring Agent (MA), who will provide auditing services and report on disbursement claims from the line ministries. Thus, the MA is assigned tasks that are similar to those of a Financial Controller and pre- and post-audit service. Although contracted by the UNDP, the MA will be working primarily at the MoF and will liaise closely with the MCN, line ministries and the UNDP. The MA is also expected to make recommendations and build the capacity of the relevant ministries for them to be able to undertake the proper financial management for the longer-term.

Provide timely reviews and transmission of reimbursement applications to UNDP from MoF. Provide required support to MoF in preparing reimbursement applications.

Screen Line ministries financial reports relating to CNTF funded project to ensure reconciliation of these reports with data from the Line ministries.

Verify that amounts reported as expended both MoF and line ministries are properly accounted for, and provide UNDP with a timely opinion and recommendation for completing the requested reimbursement.

Undertake monitoring missions as per the management approved work plan. These missions will be coordinated by the CNTF and UNDP, in consultation with line ministries. Monitoring missions will also be undertaken when specific irregularities are identified or suspected. The MA will provide feedback to the CNTF and UNDP on discrepancies uncovered during monitoring missions, and will ensure appropriate follow-up.

Undertake capacity development activities. Work closely with the CNTF and MoF plus line ministries to ensure that the rules for eligibility of expenditures are well understood by all concerned. Meet weekly with CNTF officials from Finance and Personnel Departments to address issues of concern to CNTF and identify possible solutions. Support capacity development through technical assistance to CNTF to conduct workshops and training seminars for Line ministries to improve their ability to submit and assess correct documentation, monitor subsequent compliance by trained officials or reassignment of trained officials and report to CNTF and MCN.

Reporting by the CNTF MA
The CNTF MA will report to the UNDP project office on a monthly and quarterly basis, or as required. The MA will also submit quarterly report.

The monthly reports should be issue-focused and provide both aggregated and detailed financial information in order to support month to month analysis. The reports should address, in detail, expenditures issues, with an emphasis on reconciliation of UNDP ATIAS expenditure, eligible and ineligible claims, project contracts in execution, an account of physical verification conducted, expenditures charged to CNTF and other relevant information.

The quarterly reports should provide detailed analysis of trends and recurring challenges, identify problems in relation to execution of expenditure under CNTF and recommend appropriate actions, and describe positive feedback and lessons learned. Appropriate actions that extend to policy will be reviewed by CNTF project Manager before they are presented formally to the concern party.

The MA should meet on a regular basis with CNTF and MoF (and stakeholders, if merited) to discuss issues, findings and other information addressed in the monthly and quarterly reports.

**Monitoring Agent Team**

The team should have one international and two national staff.

The team should include staff with advanced university degrees or equivalent in finance/accounting or business administration;

Team leader should have at least 15 years of relevant work experience and expertise in Public Financial Management, financial controlling, accounting, and/or auditing;

The team should have collective expertise in financial management, auditing and procurement, and should have a clear view of Afghanistan procurement law;

Experience in project appraisal with reference to financial management, necessarily with international exposure through Governmental institutions, NGOs, UN agencies and/or other organizations;

Knowledge of the Afghanistan’s financial system and financial management standards would be an asset;

A team with proven management capacity, excellent IT skills and command of MS Office applications and financial software applications;
Fluency in English is a must, understanding of Dari and/or Pashto would be an advantage;

Proven written and oral communication skills, reporting skills and project appraisal experiences.

**Budget Estimate**

The bidding companies would be required to submit an estimated budget for six months, along with a detailed action plan comprising schedule and a timeframe within which the team would be fully operational. Salary, accommodation, office space and life-support (including security) expenditures, along with an estimated budget for travel and expense.
Attachment IV - General conditions of Contract for Professional Services

LEGAL STATUS

The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis 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.

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 which may adversely affect UNDP or the United Nations and shall fulfill its commitments with the fullest regard to the interests of UNDP.

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.

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.

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 with the provisions of this Contract.

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.
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 subcontractors, 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 subcontractors. The obligations under this Article do not lapse upon termination of this Contract.

INSURANCE AND LIABILITIES TO THIRD PARTIES

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.

The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.

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.

Except for the workmen's compensation insurance, the insurance policies under this Article shall:

Name UNDP as additional insured;

Include a waiver of subrogation of the Contractor's rights to the insurance carrier against UNDP;

Provide that UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.

The Contractor shall, upon request, provide UNDP with satisfactory evidence of the insurance required under this Article.

9. 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 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. 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. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

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, or documents and other materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Contract. At the UNDP's request, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to UNDP in compliance with the requirements of the applicable law.

12. 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 the United Nations in connection with its business or otherwise.

13. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

13.1 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under this Contract shall be the property of UNDP, shall be treated as confidential and shall be delivered only to UNDP authorized officials on completion of work under this Contract.

13.2 The Contractor may not communicate at any time to any other person, Government or authority external to UNDP, any information known to it by reason of its association with...
UNDP which has not been made public except with the authorization of UNDP; nor shall the Contractor at any time use such information to private advantage. These obligations do not lapse upon termination of this Contract.

14. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

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 which are beyond the control of the Parties.

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 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 UNDP of any other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of this Contract. The notice shall include steps proposed by the Contractor to be taken including any reasonable alternative means for performance that is not prevented by force majeure. On receipt of the notice required under this Article, 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.

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, 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.

15. TERMINATION

Either party may terminate this Contract for cause, in whole or in part, upon thirty days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16 "Settlement of Disputes" below shall not be deemed a termination of this Contract.

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.

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. The Contractor shall take immediate steps to terminate the work and services in a prompt and orderly manner and to minimize losses and further expenditures.

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, UNDP may, without prejudice to any
other right or remedy it may have, terminate this Contract forthwith. The Contractor shall immediately inform UNDP of the occurrence of any of the above events.

SETTLEMENT OF DISPUTES

Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to 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.

Arbitration

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Contract or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

17. 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. TAX EXEMPTION

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 UNDP to determine a mutually acceptable procedure.

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 UNDP before the payment thereof and 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 UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

**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.

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.

**MINES**

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.

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.

**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.

**AUTHORITY TO MODIFY**

No modification or change in this Contract, no waiver of any of its provisions or any additional contractual relationship of any kind with the Contractor shall be valid and enforceable against UNDP unless provided by an amendment to this Contract signed by the authorized official of UNDP.
Dear Sir / Madam,

Having examined the Request for Proposal, we, the under signed, offer to provide Monitoring Agent services to UNDP Afghanistan for the period of six month starting from the date of signing the contract agreement provision of monitoring agent services for the sum of US$ XXXXXXX.XX as ascertained in the project schedule in the proposal.

We undertake, if our Proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

We agree to abide by this Proposal for a period of 60 days from the date fixed for opening of proposals in the Request for Proposal, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any Proposal you may receive.

Dated this day /month/year

Signature
(In the capacity of)

Duly authorized to sign Proposal for and on behalf of
Attachment VI - Acknowledgement Letter

PLEASE TYPE OR PRINT ELEGIBLY & RETURN BY DD-MM-2008 VIA FAX NO. +873 763 468 836

Date

Subject: Request for a Proposal Monitoring Agent Services for the CNTF project

We the undersigned acknowledge receipt of your Request for Proposal dated XXXXX for the 2009 audit of the above mentioned projects and hereby confirm that

a) □ we intend    b) □ we do not intend


Name of our representative (s) designated for this engagement

1. …………………………….. , and 2. ……………………………………….

Firm/Company’s name (Proposer)

Address:

City   State   Zip

Signature of Authorized Representative:

Name | Title
---|---

Telephone No. | Ext. | Fax No.

Email address