



REQUEST FOR PROPOSAL (RFP)

Open National Bidding	DATE: September 26, 2014
	REFERENCE: RFP/UNDP/INDIA/2014/040

Dear Sir / Madam:

We request you to submit your Proposal **“Study on NRLM Processes – Efficiency and Effectiveness”**

Please be guided by the form attached hereto as Annex 1 & 2, in preparing your Proposal.

Annexure 1 – Description of Requirements

Annexure 2 – Terms of Reference

Annexure 3 – Form for submitting service provider’s Technical proposal

Annexure 4 – Form for submitting service provider’s financial proposal

Annexure 5 – General Terms and Conditions of the Contract

Your proposal comprising of technical proposal and financial proposal, in separate sealed envelopes, should reach on or before **October 9, 2014, 1730 hrs. (IST)** at the address below:

**United Nations Development Programme
55, Lodi Estate, New Delhi – 110 003
Mr. Surjit Singh
Fax: 91-11-24627612**

If the technical and financial proposals are not submitted in separate sealed envelopes, the proposal will be rejected.

Please also provide the technical proposal and its annexures (scanned copies in **ONE PDF FILE**) in a CD/DVD, which can be kept in the envelope containing the hard copy of the technical proposal. PLEASE NOTE THAT CD/DVD should not contain the Financial Proposal.

Your Proposal must be expressed in English language and valid for a minimum period of One Hundred and Twenty (120) days.

In 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.

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 of 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 Provider's 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.

Yours sincerely,

Alka Aneja
Procurement Analyst
UNDP, India

Description of Requirements

Context of the Requirement	Refer to Annex - 2
Implementing Partner	Ministry of Rural Development
Brief Description of the Required Services	Study on NRLM Processes – Efficiency and Effectiveness
List and Description of Expected Outputs to be Delivered	<ul style="list-style-type: none"> • Inception Report • Detailed report of analysis on various programme and programme support/business processes in the first 3-4 years vis-à-vis the processes envisaged in the NRLM framework and model manuals. • Presentation at the Round Table • Revised report based on the discussions in the round table and feedback from various stakeholders and NRLM-NMMU
Person to Supervise the Work/Performance of the Service Provider	Lead (Capacity Building), NRLM and Programme Analyst, UNDP
Frequency of Reporting	Weekly – need-based
Progress Reporting Requirements	<ul style="list-style-type: none"> • Verbal • Draft report • Final report – after taking into account the review comments
Location of work	At Contractor's location
Expected duration of work	4 weeks
Target start date	15 th October 2014
Latest completion date	14 th November 2014
Travels Expected	Need-based. Will be decided after the first meeting with the selected agency.
Special Security Requirements	<input type="checkbox"/> Security Clearance from UN prior to travelling <input type="checkbox"/> Completion of UN's Basic and Advanced Security Training <input type="checkbox"/> Comprehensive Travel Insurance <input checked="" type="checkbox"/> Others [Not Applicable]
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	<input type="checkbox"/> Office space and facilities <input type="checkbox"/> Land Transportation <input checked="" type="checkbox"/> Others [Not Applicable]
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Currency of Proposal	<input checked="" type="checkbox"/> Indian Rupees (INR)
Value Added Tax on Price Proposal	<input type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes <input checked="" type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes

Validity Period of Proposals (<i>Counting for the last day of submission of quotes</i>)	<input checked="" type="checkbox"/> 60 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	<input checked="" type="checkbox"/> Not permitted <input type="checkbox"/> Permitted			
Payment Terms	Outputs	Percentage	Timing	Condition for Payment Release
	An inception report containing detailed workplan with timelines and resource plan	20%	Within a week of signing the contract	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 Receipt of invoice from the Service Provider
	A detailed report of analysis on various programme and programme support/ business processes in the first 3-4 years of a block, district and state across 3 states vis-à-vis the processes envisaged in the NRLM framework and model manuals. The report would highlight specific gaps, issues and emerging solutions from the field.	50%	Three weeks after signing the contract	
	Presentation of the draft report to a select group of peers/stakeholders	10%	Three weeks after signing the contract	
	Final report based on the feedback from the presentation	20%	Four weeks after signing the contract	
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Programme Analyst, UNDP			
Type of Contract to be Signed	<input type="checkbox"/> Purchase Order <input type="checkbox"/> Institutional Contract <input checked="" type="checkbox"/> Contract for Professional Services			
Criteria for Contract Award	<input checked="" type="checkbox"/> Compliance on Preliminary Examination of Proposals <input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> 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 Preliminary Examination of Proposals	<ol style="list-style-type: none"> 1. Bid was received on or before the date and time specified 2. Technical Offer separately sealed from Financial Offer 3. Details of Personnel to be engaged in the Contract Submitted 4. Implementation Timetable submitted 5. Latest Certificate of Registration of Business submitted 6. Latest Audited Financial Statements submitted 7. Is the Offeror, or any of its joint venture member, included in UN Security Council 1267 List, Suspended and Removed vendors list 8. Is the performance of the offeror, any of its Joint Venture Member, or any of the proposed key personnel found satisfactory in previous assignments with UNDP
Criteria for the Assessment of Proposal	<p><u>Technical Proposal (70%)</u></p> <p><input checked="" type="checkbox"/> Expertise and Experience of the Firm [30%]</p> <p><input checked="" type="checkbox"/> Methodology; its Appropriateness to the Condition and Timeliness of the Implementation Plan [20%]</p> <p><input checked="" type="checkbox"/> Qualification and Expertise of Key Personnel [20%]</p> <p><u>Financial Proposal (30%)</u></p> <p>To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.</p>
UNDP will award the contract to:	<p><input checked="" type="checkbox"/> One and only one Service Provider</p> <p><input type="checkbox"/> One or more Service Providers</p>
Contact Person for Inquiries (Written inquiries only)	<p>Surjit Singh Procurement Unit surjit.singh@undp.org</p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>
Other Information [pls. specify]	<p>Outer envelope should bear RFP reference number and sender's name and address</p> <p>Proposals are invited from the institutions/organizations only. Proposal submitted by Individuals will not be accepted.</p>

**Terms of Reference
for the Study on NRLM Processes – Efficiency and Effectiveness**

Background

UNDP Country Programme (2013-17) is aligned with the Government of India's Twelfth Plan priorities and seeks to improve the effectiveness of national programmes and policies for disadvantaged regions and groups especially women, Scheduled Castes, Schedule Tribes, minorities, displaced persons and persons with disabilities. UNDP's partnership with the Ministry of Rural Development (MoRD) under "Governance and Accelerated Livelihoods Support" aims to strengthen the effectiveness of key Ministry programmes by providing (a) technical assistance to the state government and NGOs in Chhattisgarh, Jharkhand and Odisha to improve sustainable livelihoods with linkages to Panchayati Raj Institutions for governance in focus districts (b) policy advice and technical assistance to the Ministry and the state governments to help improve the efficiency, accountability and inclusiveness of National Rural Livelihoods Mission (NRLM) and the Mahatma Gandhi National Rural Employment Scheme and (c) policy advice and technical assistance to the Ministry and state governments to help "green" select schemes.

UNDP, under the GOALS Project, provides technical support to NRLM for efficient and inclusive implementation through (a) positioning professional managers and domain experts to improve implementation at the state level; (b) strengthening the social mobilization in favor of women from persistently excluded groups; and (c) developing and testing of context-specific, market-led, livelihood strategies that will enable institutions of the poor women to secure their role in markets and supply chains and ensure higher and sustained returns.

The central objective of NRLM is to eliminate rural poverty and promote sustainable livelihoods for the rural poor. The Mission seeks to achieve this objective by mobilizing all the rural poor households into SHGs and their higher level federations and use these institutional platforms to enable the poor to diversify and improve their livelihoods. Based on successful models implemented in a few states, the Mission has designed strategies to achieve this objective through process intensive components of social inclusion, financial inclusion and economic inclusion.

NRLM intends to invest in establishing dedicated sensitive support structures at state, district and sub-district levels and introduce process oriented reforms that would improve the quality of rural poverty outcomes. Though, systems and business processes would emerge in these structures over a period of time, the achievement of desired development outcomes of the Mission depends primarily on the strength and quality of the NRLM processes adopted both at the Mission level and community institution level. As most of the State Missions are newly set up and their origin is rooted in a government system, it is learnt that some of the State Missions have converged to government led processes, which sometimes quite constraining towards empowerment of community institutions. For example, at several occasions, while community institutions are ready and fulfilling all the triggers to receive the fund, the business processes laid out by the State Missions have delayed the capitalization process i.e. transfer of fund to community institutions.

The efficiency and effectiveness of project management systems followed by State Missions has a huge impact at the community institution level. Identifying, Mapping and Assessing various programme/business processes adopted by various State Missions to build, nurture, and capitalize community institutions would be helpful in undertaking strategic changes and course corrections under NRLM. These include SHG formation and strengthening, SHG Grading, Micro-planning, Appraisal and Capitalization, Recycling repayments, Federating SHGs at village level etc.

A quick but robust analysis of the quality of these processes adopted by various State Missions forms an integral part of the assignment. However, the study may be limited in scope to first 3-4 years in a resource/intensive block, district and state. The central objective of NRLM is to eliminate rural poverty and promote sustainable livelihoods for the rural poor. The Mission seeks to achieve this objective by

mobilizing all the rural poor households into Self Help Groups and their higher level federations and use these institutional platforms to enable the poor to diversify and improve their livelihoods. Based on successful models implemented in a few states, the Mission has designed strategies to achieve this objective through **process intensive components of social inclusion, financial inclusion and economic inclusion**.

Objective

To identify, map and assess various programme/business processes adopted by different State Missions in building, nurturing, and capitalising community institutions for informing strategic changes and course corrections under NRLM.

Methodology

- Understanding and reviewing the NRLM processes in the first 3-4 years in a resource and intensive block, district and state, based on NRLM Framework and Model Community Operational Manual (COM), Human Resources Management Manual (HRMM), Financial Management Manual (FMM), etc.
- Review and analysis of MIS data and progress report submitted by State Missions.
- Field visits to 5-6 Resource/intensive blocks from 2-3 select States (to be selected in consultation with NRLM-National Mission Management Unit (NMMU) and informed to the selected bidder later). This would include interactions/FGDs with community members, leaders, and cadres at various levels and the mission staff at various levels. This would also include study of various processes in the first 3 years in a block, district and state in these 3 states.

Period of Consultancy

- The total period of consultancy is expected to be 4 weeks from the date of signing the contract.

Deliverables

- Inception report containing detailed workplan with timelines and resource plan
- A detailed report of analysis on various programme and programme support/business processes in the first 3-4 years of a block, district and state across 3 states vis-à-vis the processes envisaged in the NRLM framework and model manuals. The report should highlight specific gaps, issues and emerging solutions from the field.
- Presentation of the draft report to a select group of peers/stakeholders
- Final report based on the feedback from the presentation.

Qualifications and Experience of the agency & Team leader

- The agency should have experience of working in Development sector particularly in writing research based reports.
- Team – balanced team proposed with members having experience in research based report writing.
- The team leader should:
 - be a qualified development/management/livelihoods professional.
 - be familiar with NRLM processes at various levels.
 - have at least 15-20 years of experience in the area of rural development, rural livelihoods and poverty reduction at state/national level. Of this, at least 5 years of experience should be in providing advisory services.

**FORM FOR SUBMITTING SERVICE PROVIDER'S
TECHNICAL PROPOSAL**

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery¹)

[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) 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, contact 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.

¹ 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.

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

[Designation]

[Date]

**FORM FOR SUBMITTING SERVICE PROVIDER'S
FINANCIAL PROPOSAL**

Price quoted as the Total of Table A and Table B below should match.

A. Cost Breakdown per Deliverable*

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

*This shall be the basis of the payment tranches

B. Cost Breakdown by Cost Component:

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				
II. Out of Pocket Expenses				
1. Communications				
2. Reproduction				
3. Equipment Lease				
4. Others				
III. Other Related Costs				
TOTAL				INR...

Please note : Bidders are not required to quote for Travel and related costs as the Resource/intensive blocks and States have not been finalized as yet. The costs for the travel component would be sought from the preferred bidder once finalized. An amendment to include travel and related costs would be issued after review by UNDP procurement.

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

General Terms and Conditions for Services**1.0 LEGAL STATUS:**

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

2.0 SOURCE OF INSTRUCTIONS:

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

3.0 CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES:

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

4.0 ASSIGNMENT:

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

5.0 SUB-CONTRACTING:

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

6.0 OFFICIALS NOT TO BENEFIT:

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

7.0 INDEMNIFICATION:

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

arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

8.0 INSURANCE AND LIABILITIES TO THIRD PARTIES:

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

9.0 ENCUMBRANCES/LIENS:

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

10.0 TITLE TO EQUIPMENT:

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

11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

- 11.1** Except as is otherwise expressly provided in writing in the Contract, the UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Contractor has developed for the UNDP under the Contract and which bear a direct relation to or

are produced or prepared or collected in consequence of, or during the course of, the performance of the Contract, and the Contractor acknowledges and agrees that such products, documents and other materials constitute works made for hire for the UNDP.

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

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

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

13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION:

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

13.1 The recipient ("Recipient") of such information shall:

- 13.1.1** use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser's Information as it uses with its own similar information that it does not wish to disclose, publish or disseminate; and,
- 13.1.2** use the Discloser's Information solely for the purpose for which it was disclosed.

13.2 Provided that the Recipient has a written agreement with the following persons or entities requiring them to treat the Information confidential in accordance with the Contract and this Article 13, the Recipient may disclose Information to:

- 13.2.1** any other party with the Discloser's prior written consent; and,

13.2.2 the Recipient's employees, officials, representatives and agents who have a need to know such Information for purposes of performing obligations under the Contract, and employees officials, representatives and agents of any legal entity that it controls controls it, or with which it is under common control, who have a need to know such Information for purposes of performing obligations under the Contract, provided that, for these purposes a controlled legal entity means:

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

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

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

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

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

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

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

14.0 FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

14.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to the UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify the UNDP of any other changes in conditions or the occurrence of any event that interferes or threatens to interfere with its performance of this Contract. On receipt of the notice required under this Article, the UNDP shall take such action as, in its sole discretion; it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.

14.2 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, the UNDP shall have the right to suspend or terminate this Contract on the

same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

- 14.3** Force majeure as used in this Article means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force.
- 14.4** The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in or for any areas in which the UNDP is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas or to any incidents of civil unrest occurring in such areas shall not, in and of itself, constitute force majeure under the Contract..

15.0 TERMINATION

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

16.0 SETTLEMENT OF DISPUTES

- 16.1 Amicable Settlement:** The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.
- 16.2 Arbitration:** Any dispute, controversy, or claim between the Parties arising out of the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 16.1, above, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. For all evidentiary questions, the arbitral tribunal shall be guided by the Supplementary Rules Governing the Presentation and Reception of Evidence in

International Commercial Arbitration of the International Bar Association, 28 May 1983 edition. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures of Protection") and Article 32 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

17.0 PRIVILEGES AND IMMUNITIES:

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

18.0 TAX EXEMPTION

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

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

19.0 CHILD LABOUR

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

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

20.0 MINES:

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

21.0 OBSERVANCE OF THE LAW:

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

22.0 SEXUAL EXPLOITATION:

- 22.1** The Contractor shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by it or by any of its employees or any other persons who may be engaged by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall refrain from, and shall take all appropriate measures to prohibit its employees or other persons engaged by it from, exchanging any money, goods, services, offers of employment or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The Contractor acknowledges and agrees that the provisions hereof constitute an essential term of the Contract and that any breach of this representation and warranty shall entitle UNDP to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.
- 22.2** The UNDP shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.

23.0 AUTHORITY TO MODIFY:

Pursuant to the Financial Regulations and Rules of UNDP, only the UNDP Authorized Official possesses the authority to agree on behalf of UNDP to any modification of or change in this Contract, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in this Contract shall be valid and enforceable against UNDP unless provided by an amendment to this Contract signed by the Contractor and jointly by the UNDP Authorized Official.