



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

UNDP Azerbaijan 3, UN 50th Anniversary str. Baku, Azerbaijan, AZ 1001	DATE: 17 September 2021
	REFERENCE: <i>RFP for digitalization and introduction of innovations in the VET sector</i>

Dear Sir / Madam:

We kindly request you to submit your Proposal for ***RFP for digitalization and introduction of innovations in the VET sector*** within “VET for the future: Development of VET providers’ excellence in Azerbaijan” project

Proposals may be submitted on or before **Friday, October 01, 2021** and via email to the address below:

To: procurement.aze@undp.org

The Proposer is required to prepare the Financial Proposal in a password protected files separate from the rest of the RFP.

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

Email submission shall be governed as follows:

- a) The Technical Proposal and the Financial Proposal files **MUST BE COMPLETELY SEPARATE**. The financial proposal shall be encrypted with different passwords and clearly labelled. The files must be sent to the dedicated email address.
- b) The password for opening the Financial Proposal should be provided only upon request of UNDP. UNDP will request password only from bidders whose Technical Proposal has been found to be technically responsive. Failure to provide correct password may result in the proposal being rejected.

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

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

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

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

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

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

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

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.

Subhan Ahmadov

Sincerely yours,

Mr. Subhan Ahmadov

OM, UNDP Azerbaijan

Annex 1**Description of Requirements**

Context of the Requirement	<i>RFP for digitalization and introduction of innovations in the VET sector</i>
Implementing Partner of UNDP	
Brief Description of the Required Services ¹	The United Nations Development Programme (UNDP) in Azerbaijan hereby solicit your proposal for provision of services for “RFP for digitalization and introduction of innovations in the VET sector” , as per the enclosed Terms of Reference (TOR)
List and Description of Expected Outputs to be Delivered	Please see TOR
Person to Supervise the Work/Performance of the Service Provider	Project manager
Frequency of Reporting	N/A
Progress Reporting Requirements	Please see TOR
Location of work	Azerbaijan
Expected duration of work	150 mandatory days, September 2022
Target start date	October 15, 2021
Latest completion date	September 2022
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	<input checked="" type="checkbox"/> Office space and facilities for discussions
Implementation Schedule indicating breakdown and timing	Required

of activities/sub-activities	
Names and curriculum vitae of individuals who will be involved in completing the services	Required
Currency of Proposal	USD, United States Dollars
Value Added Tax on Price Proposal ²	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>)	90 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	Not permitted
Payment Terms ³	Please see the detailed TOR attached with this document
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Project manager
Type of Contract to be Signed	Contract for services and Purchase Order
Criteria for Contract Award	<i>Combined scoring method</i> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criterion and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the Assessment of Proposal	Combined scoring method, the formula for the rating (70 % for technical evaluation and 30% for financial) of the Proposals will be as follows:

	<p>Expertise of firm /organization submitting proposal. 25 Marks</p> <ul style="list-style-type: none"> • General Organizational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organization) (5 Marks) • Relevant background in the IT/Programming sector, especially services provided for the international and UN projects to be evaluated based on the track record (5 Marks) • Extent to which any work would be subcontracted, if yes, good reputation of the vendor i.e. performers, services provided in the past, with relevance of: <ul style="list-style-type: none"> ➤ Specialized Knowledge ➤ Experience on Similar Programme / Projects ➤ Experience on Projects in the development of online platforms ➤ Work for UN / major multilateral/ or bilateral programmes (15 Marks) <p>Proposed Work Plan and Approach. 25 Marks</p> <ul style="list-style-type: none"> • Does the Bidder understand the task? (10 Marks) • Professional approaches in the similar projects described: quality and completeness of the services, sustainability, effectiveness are marked/described (8 Marks) • System of quality control of the services provided as well as reporting and monitoring plan (7 Marks) <p>Personnel. 20 Marks</p> <ul style="list-style-type: none"> • Educational Qualification in the relevant field (5 Marks) • Professional Experience in the relevant area of developing of online platforms, gamifications, creating of knowledge share platforms, sales and marketing platforms with minimum of 8 years of experience (5 Marks) • Professional Experience of working with the UN, embassies, or other international and government organizations (5 Marks) • English Language ability (spoken and writing) (5 Marks) <p>A total possible value of the technical component is 70 Marks</p> <p><i>The minimum threshold for technical part of the offers is 49 Marks .</i></p>
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	<p><u>Rating the Technical Proposal (TP):</u></p> <p>TP Rating = (Total Score Obtained by the Offer / Max. Obtainable Score for TP) x 100</p> <p><u>Rating the Financial Proposal (FP):</u></p> <p>FP Rating = (Lowest Priced Offer / Price of the Offer Being Reviewed) x 100</p> <p><u>Total Combined Score:</u></p> <p>(TP Rating) x (Weight of TP, e.g. 70%)</p> <p>+ (FP Rating) x (Weight of FP, e.g., 30%) _____</p> <p>Total Combined and Final Rating of the Proposal</p>
UNDP will award the contract to:	Partial quotes are not permitted, UNDP will award only and only one bidder
Annexes to this RFP ⁴	<p>Detailed TOR (Annex 1)</p> <p>Form for Submission of Proposal (Annex 2)</p> <p>General Terms and Conditions / Special Conditions (Annex 3)⁵</p>
<p>Contact Person for Inquiries</p> <p>(Written inquiries only)⁶</p>	<p>For any questions, please contact procurement.aze@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>
Pre-bid meeting to clarify UNDP requirements to the bidders	N/A

Annex 1

Terms of Reference

Background

The project “VET for the future: development of VET providers’ excellence in Azerbaijan” is intended to support the modernization of VET institutions in Azerbaijan to deliver competence-based training in order to increase the attractiveness and labour market relevance of VET. Project activities will be piloted in seven VET schools/centers (four in Baku and three in the regions - Ganja, Jalilabad and Sheki). The selected schools are priority for the Ministry of Education and have been selected based on factors such as labor market relevance, scaling up VET priority sectors for country development, private sector interest and the existence of required infrastructure. The project’s initiatives/activities will promote public-private cooperation and partnership in the field of work-based learning; build robust capacity of the VET institutions to offer new educational content; and boost the attractiveness of VET education for young people.

A. Scope of Services

The goals and activities of the project are in line with the goals and objectives of the Roadmap for Vocational Education in the Republic of Azerbaijan. By integrating the positive and successful experience gained from the project into the annual action plans for the export of the Road Map, it will be possible for the State Agency on Vocational Education (SAVE) to expand its application to other vocational education institutions and systems. Also, work-based learning approaches, digitalization and online resources will be new to the vocational education system and increase the number and coverage of those involved in vocational education in the country.

The Covid-19 pandemic has once again highlighted the importance of digital resources in increasing access to education and expanding its availability.

To this aim, the project will support the training of specialists in the creation of digital learning resources/platforms, producing of online courses and training resources (including but not limited to video lessons, webinars and podcasts.), as well as the development of tools for assessing online knowledge (for the purposes of safe and transparent assessment). The needs of vulnerable groups, People with Disabilities and other interest groups will be taken into account when developing digital learning resources and online courses.

The main objective of this call is to provide support for the creation of the following online platforms: 1) an online platform in area of vocational education for the use the project target groups and 2) a standalone game application for the promotion of vocational education, career choice and career support; 3) an online platform for interactive communication of teachers, students and graduates on the exchange of knowledge and experiences (“Knowledge Share Academy” - free join, free create, free share); 4) an online platform for the sale of items produced by the participants of vocational education and training (VET) providers. Following experts should support introduction of innovations and establishment of digitalization in the VET sector:

1. Expert to develop tool/instrument for the assessment of the knowledge gained online using quantitative and qualitative methods / Effective -learning assessment

Developed tools for eLearning assessment will focus on an online and offline learner/ students in VET achieving a specific score, target or 1.5. level. Qualitative Learning assessment is understanding where learner is along their learning journey, and what should be done to achieve their goals. The tools should cover exercises such as drag and drop, matching, multiple choice, short branching scenarios, problem-solving case studies, task-based simulations, open-ended questions, content exploration – these are examples of learning elements that make for an engaging experience.

Last but not the least, in order to effectively measure the effectiveness of assessment process tools should be able to track Learning assessment results and offer SAVE valuable information in a form of report about students' participation, progress, success, or failure, and performance difficulties. Based on gathered information, SAVE will summarize the Learning assessments' reports and analyse them to evaluate the whole process for further interventions.

NOTE: The company should support with the development or translation of test questions to assess the theoretical knowledge of VET students for selected 2 occupations. The tests bank should cover at least 300 questions. Therefore, additionally, an Education expert should be considered for the implementation of this task.

Delivery 1:

- a) Tools for -learning assessment and data bank of questionnaires
- b) Workshop to present developed tools

2. Expert to develop online platform for “Career promotion & selection”, including different tools (such as skills testing, HR and hiring selection tools, online recruiting techniques etc.) and Gamification

The main purpose of the development of online platform is to support youth and adults with the career promotion and selection. It explores the role of an online education platform as means of enhancing access to students/graduates/adults to the vocational education and training.

The platform should present a wide range of career options, soft skills development, diagnostic tests and opportunities for self-development of youth. It will also provide extensive information about future professions and inspires young people to start building their career at school age.

The platform will include registration of people aiming to test their personal intelligence, analytical abilities, logical thinking, stress resistance and adaptability, teamwork skills, emotional intelligence, communication and enterprising skills.

The platform will enable people to register in the system to use the services. The platform should offer a test where a user can measure their different abilities/ skills (e.g.: skills matcher, aptitude assessment, skills analysis etc). The platform should entail detailed information about modern vocation education professions including guiding videos and tools and available resources in the country in area of VET.

After measuring his/ her own skills, the user should see steps for how one can progress to be a professional in selected area. It will help the user to check steps to progress towards certain specialty/ies. These steps are the information about the knowledge and skills required for a certain study area and/ or job and how can one improve to get to a selected level (example: in which VE Centre she can study accountancy and what are the available courses and learning opportunities). Moreover, the platform should allow a user to view the vacancies around the user is interested and add his/her CV with a function to being picked by private sector companies or potential bidders for services or collaborations. It will stipulate the access of the other companies/ sides to use the platform.

Additionally, the expert should develop one game application to guide students to select the appropriate occupation and career, in line with supportive features for fully functioning of application. It should be modern, innovative and engaging. The application, in essence, will do virtual simulation for different specialties for users to practice their skills in various scenarios. The example: to build home, to repair a car, to cook a pasta, to diagnose a patient etc. And it will lead them to real VE centres/ establishments to master those skills.

The game may entail around 5 (five) updates depending on the demand of the use by people after its first release. The expert should provide according updates as per the demand up to 5 (five) times. It is considered to have small competition features for accelerating peer learning, such as two or more users can compete to repair a car in a given time.

NOTE: Expert will work in close cooperation with UNDP Project Career specialist and relevant department of SAVE. The expert must undertake some aspects from this guidance and methodology during his/her assignment.

Delivery 2:

- Detailed research on applicable career tools
- Each career tool should outline the specifications, where can be used, for what purpose/ values/ benefits and should note approximate feasibility success rate in the country

Delivery 3:

Conducting full adoption and integration process of two selected career tools

- Two career tools out of a list will be co-selected by the Agency and the VET project team

It should be in line with the VET strategy and must serve to certain activities

- The game has to be available in IOS and Android systems. The application should be advanced designed in terms of UX and UI, with absolute easy flow between stages and operations. The application is expected to be inclusively user-friendly considering demands and circumstances of people with all abilities.

The expert will work in close cooperation with UNDP project's Career support specialist and relevant department from SAVE. The platform will be managed by SAVE.

Delivery 4:

Simulation application in mode of game/competition to support occupational choices

- Each occupation choice will link to certain available courses announced by the VET centres
- List of occupations should be co-decided
- Full integration process of the tools to the assigned category of the Agency's webpage

3. Expert for to develop of platform for "Knowledge Share Academy"

Knowledge Share Academy online platform is developed and is managed by the State Agency on Vocational Education.

The objective of this activity is to provide tools and establish a learning platform for mainstreaming recent changes in VET and facilitating knowledge sharing, improve collaboration and networking among stakeholders in different focal areas and integrated VET programmes.

The Academy will be accessible 24/7 and will offer the VET community a catalog of self-paced online courses and facilitated webinars, as well as face-to-face training events that draw on the latest knowledge and information regarding VET policies, procedures and guidelines. Courses also provide global expertise, technical information, lessons learned, and best practices relevant to VET sector.

The Academy will be organizing and/or contributing to knowledge and learning events at VET, in local and global forums and producing and disseminating a number of knowledge products, including publications, brochures, and videos, on key technical areas in which the VET in Azerbaijan is working.

Delivery 5:

- An online platform, in line all supportive tools for "Knowledge Share Academy"

Sample: <http://www.thegef.org/topics/knowledge-learning>

4. Online sales platform

An online ordering and sales platform for the products of VET providers and learning factories. Standards/values/ metrics of the tools should be determined by the Agency.

Delivery 6:

Building sales platform in area of VET

- Standards/values/ metrics of the tools should be determined by the Agency
- VET centres will be able to sell their products through the online sales platform

B. Personnel Required

1. The Contractor(s) shall assign adequate personnel to service satisfactorily the volume of work and to fulfill its obligations under the Contract with UNDP Azerbaijan. In general, the Contractor(s) shall assign the relevant personnel, including Coordinator/Experts, according to their technical know-how and reliability (minimum 8 years' experience on the related field).

C. Requirements for the Contractor(s)

The Contractor(s) should have:

1. Proven extensive experience and strong track record in the relevant field at least for 8 years
2. Proven extensive networks for similar works
3. Proven experience with the UN or other international and governmental organizations
4. Financially stability which is evidenced by the healthy Financial Statement/Balance Sheet

D. Payment Schedule

Payment per each deliverable after completion of all works for particular event.

Deliverables	Percentage	Timing	Condition for Payment Release
<i>Delivery 1:</i> a) Tools for -learning assessment and data bank of questionnaires b) Workshop to present developed tools	20%	<i>October - December 1, 2021</i>	Within fifteen (15) days from the date of meeting the following conditions: a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.
<i>Delivery 2:</i> - Detailed research on applicable career tools and presenting of at least 3 scenarios - Final online platform for "Career promotion & selection"	20%	<i>(October 2021 – September 2022)</i>	
<i>Delivery 3:</i> Conducting full adoption and integration process of two selected career tools		<i>(October 2021 – March 2022)</i>	

Delivery 4: Simulation application in mode of game/competition to support occupational choices	20%	(October 2021 – May 2022)	
Delivery 5: - An online platform, in line with all supportive tools for “Knowledge Share Academy”	20%	January - April 2022)	
<u>Delivery 6:</u> Building sales platform in area of VET - Standards/values/ metrics of the tools should be determined by the Agency		(October 2021 – September 2022)	

Note: *Timetables for deliverables can be changed as agreed with the partner during the implementation period. UNDP is taking full responsibility to priorities one or another deliverable based on discussion with the project beneficiaries/donors and implementing bodies. Payments per each deliverable will be proceeded as per delivered items/goods.*

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL⁷

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery⁸)

[insert: Location].

[insert: Date]

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

Dear Sir/Madam:

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

A. Qualifications of the Service Provider

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

- a) Company Profile, which should not exceed fifteen (15) pages, including printed brochures and product catalogues relevant to the goods/services being procured*
- b) Technical proposal, methodological approach to work*
- c) **Financial proposal, password protected***
- d) Tax Registration/Payment Certificate issued by the Internal Revenue Authority evidencing that the Bidder is updated with its tax payment obligations, or Certificate of Tax exemption, if any such privilege is enjoyed by the Bidder*
- e) Certificate of Registration of the business*
- f) At least 8 years of working experience in the relevant field as indicated in the RFP*
- g) Minimum 2 relevant similar projects/contract implemented in the past 3 years*
- h) Official Letter of Appointment as local representative, if Bidder is submitting a Bid in behalf of an entity located outside the country*
- i) Statement of Satisfactory Performance at least from the Top two Clients in terms of Contract*

⁷ This serves as a guide to the Service Provider in preparing the Proposal.

⁸ Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

Value the past two years.

- j) List of proposed Personnel and their Resumes that show capacity and performance of the minimum requirements;*
- k) All information regarding any past and current litigation during the last five (5) years, in which the bidder is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded.*
- l) Acceptance of General Terms Conditions;*
- m) 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*
- n) VAT excluded from the financial offer*
- o) Company should have at least 0,5 mln AZN turnover for the past 2 years.*
- p) Financial statements proving information above (tax declarations, financial statements)*
- q) Specific certifications of the staff involved in the process will be an assets*
- r) CVs of personals to be involved in the services (Manager, at least 8 years of experience in the required field, supporting staff: Expert to develop tool/instrument for the assessment of the knowledge gained online with 5 years of experience in the required field, Expert to develop online platform for "Career promotion & selection" with 5 years of experience, Expert for to develop of platform for "Knowledge Share Academy" with 5 years of experience in the relevant fields, expert for creation of Online sales platform with 5 years of experience in the relevant field as well as education specialists and IT specialists (certified IT specialists) in programming and Business Web development. Altogether, 7 staff members involved in the process.*

B. Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

C. Qualifications of Key Personnel

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 of the staff must be submitted
- c) Qualification requirements for the assigned key personnel:

Task Leader for the overall assignment:

Master's degree in related field, preferable in social sciences or Business Management;

- *At least 8-year experience in project management;*
- *Working experience with international organizations*

Expert to develop tool/instrument for the assessment of the knowledge gained online (content development)

- *at least Master degree in relevant field, education or any other relevant to Vocational Education;*
- *At least 5-year experience in conducting assessment need and gap analysis;*
- *At least 3-year experience in education sector, especially vocational education sector;*
- *Working experience in international organizations.*

Expert to develop online platform for "Career promotion & selection"

- *Bachelor's degree in Economics or any other relevant, HR and similar.*
- *At least 5-year experience;*
- *Working experience in international organizations.*

Expert for to develop of platform for "Knowledge Share Academy"

- *Master's degree in related field;*
- *At least 5-year experience in communication and other relevant;*
- *Working experience in international organizations.*

Expert for creation of Online sales platform

- *Master's degree in Economics, Marketing, Finance or Business Management;*
- *At least 5-year experience in economy, finance or investment related sphere;*
- *At least 3-year experience in development of business plans, guidelines and regulation documents;*
- *Working experience in international organizations.*

IT specialist in programming language

- *University degree in in related field;*
- *At least 5-year working experience in similar projects;*

- *Working experience in international organizations.*

Business web developer/designer

- *University degree in related field;*
- *At least 5-year experience in related field ;*
- *Working experience in international organizations.*

Note: all experts will also be responsible for development of content in a consultation with the UNDP project and project beneficiary.

D. Cost Breakdown per Deliverable*

	Deliverables <i>[list them as referred to in the RFP]</i>	Percentage of Total Price (Weight for payment)	Latest delivery date	Price <i>(Lump Sum, All Inclusive)</i>
1				
2				
3				
4				
5				
6				

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

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

Description of Activity	Remuneration per Unit of Time	Total Period of Engagement	No. of Personnel	Total Rate
I. Personnel Services				
Task Leader for the overall assignment:		150	1	
Expert to develop tool/instrument for the assessment of the knowledge gained online (content development)		70	1	
Expert to develop online platform for "Career promotion & selection"		100	1	
Expert for to develop of platform for		70	1	

"Knowledge Share Academy"				
Expert for creation of Online sales platform		50	1	
IT specialist in programming language		120	1	
Business web developer/designer		120	1	
II. Out of Pocket Expenses				
1. Travel Costs				
2. Daily Allowance				
3. Communications				
4. Reproduction				
5. Equipment Lease				
6. Others				
III. Other Related Costs				

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

[Designation]

[Date]

Annex 3***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.