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Date of Issue: 20 September 2011

Closing Date: 05 October 2011

(Reference No. RFP/UNDP/2011/049)

Request for Proposal (RFP)

You are requested to submit a proposal for **“Hiring Resource Agency for promotion of Financial Literacy in Eastern Uttar Pradesh (Project locations Jaunpur, Mirzapur and Sant Ravidas Nagar Districts)”** as per enclosed Terms of Reference (TOR).

1. To enable you to submit a proposal, attached are:

- i. Instructions to Offerors (Annex I)
- ii. Terms of Reference (TOR).....(Annex II)
- iii. Proposal Submission Form.....(Annex III)
- iv. Price Schedule(Annex IV)
- v. General terms and conditions.....(Annex V)

2. Your offer comprising of technical proposal (in duplicate) and financial proposal, in separate sealed envelopes, should reach the following address no later than **5th October 2011, 1730 hrs** (India Time) quoting **“RFP/UNDP/2011/049”** as the subject:-

**Mr. Vineet Mathur, Procurement Associate
United Nations Development Programme
55, Lodi Estate, New Delhi - 110003
Tel: + 91-11-24628877**

3. If you request additional information, we would endeavor to provide information expeditiously, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal. For any query you may write to surjit.singh@undp.org latest by **30th September 2011**.

4. You are requested to indicate if you intend to submit a proposal.

Instructions to Offerors

A. Introduction

1. General

The purpose of this RFP is to seek services for “Hiring Resource Agency for promotion of Financial Literacy in Eastern Uttar Pradesh (Project locations Jaunpur, Mirzapur and Sant Ravidas Nagar Districts)” as indicated in the ToR (Annex-II).

2. Cost of proposal

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

B. Solicitation Documents

3. Contents of solicitation documents

Proposals must offer services for the total requirement. Proposals offering only part of the requirement will be rejected. The Offeror is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Offeror’s risk and may affect the evaluation of the Proposal.

4. Clarification of solicitation documents

A prospective Offeror requiring any clarification of the Solicitation Documents may notify the procuring UNDP entity in writing at the organisation’s mailing address or fax number indicated in the RFP. The procuring UNDP entity will respond in writing to any request for clarification of the Solicitation Documents that it receives latest by 30th September 2011.

5. Amendments of solicitation documents

At any time prior to the deadline for submission of Proposals, the procuring UNDP entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Offeror, modify the Solicitation Documents by amendment.

All prospective Offerors that have received the Solicitation Documents will be notified in writing of all amendments to the Solicitation Documents.

In order to afford prospective Offerors reasonable time in which to take the amendments into account in preparing their offers, the procuring UNDP entity may, at its discretion, extend the deadline for the submission of Proposals.

C. Preparation of Proposals

6. Language of the proposal

The Proposals prepared by the Offeror and all correspondence and documents relating to the Proposal exchanged by the Offeror and the procuring UNDP entity shall be written in the English. Any printed literature furnished by the Offeror may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Proposal, the English translation shall govern.

7. Documents comprising the proposal

The Proposal shall comprise the following components:

- (a) Proposal submission form;
- (b) Operational and technical part of the Proposal, including documentation to demonstrate that the Offeror meets all requirements;
- (c) Price schedule, completed in accordance with clauses 8 and 9;

8. Proposal form

The Offeror shall structure the operational and technical part of its Proposal as follows:

(a) Management plan

This section should provide corporate orientation to include the year and state/country of incorporation and a brief description of the Offeror's present activities. It should focus on services related to the Proposal.

This section should also describe the organizational unit(s) that will become responsible for the contract, and the general management approach towards a project of this kind. The Offeror should comment on its experience in similar projects and identify the person(s) representing the Offeror in any future dealing with the procuring UNDP entity.

(b) Resource plan

This should fully explain the Offeror's resources in terms of personnel and facilities necessary for the performance of this requirement. It should describe the Offeror's current capabilities/facilities and any plans for their expansion.

(c) Proposed methodology

This section should demonstrate the Offeror's responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; providing a detailed description of the essential performance characteristics proposed warranty; and demonstrating how the proposed methodology meets or exceeds the specifications.

The operational and technical part of the Proposal should not contain any pricing information whatsoever on the services offered. Pricing information shall be separated and only contained in the appropriate Price Schedules.

It is mandatory that the Offeror's Proposal numbering system corresponds with the numbering system used in the body of this RFP. All references to descriptive material and brochures should be included in the appropriate response paragraph, though material/documents themselves may be provided as annexes to the Proposal/response.

Information which the Offeror considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text and it will then be treated as such accordingly.

9. Proposal prices

The Offeror shall indicate in the format given in the Annexure IV, the prices of services it proposes to supply under the contract.

10. Proposal currencies

All prices shall be quoted in Indian Rupees (INR).

11. Period of validity of proposals

Proposals shall remain valid for One Hundred and Twenty (120) days after the date of Proposal submission prescribed by the procuring UNDP entity, pursuant to the deadline clause. A Proposal valid for a shorter period may be rejected by the procuring UNDP entity on the grounds that it is non-responsive.

In exceptional circumstances, the procuring UNDP entity may solicit the Offeror's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. An Offeror granting the request will not be required nor permitted to modify its Proposal.

12. Format and signing of proposals

The Offeror shall prepare two copies of the Proposal, clearly marking each "Original Proposal" and "Copy of Proposal" as appropriate. In the event of any discrepancy between them, the original shall govern.

The two copies of the Proposal shall be typed or written in indelible ink and shall be signed by the Offeror or a person or persons duly authorised to bind the Offeror to the contract. The latter authorisation shall be indicated by written power-of-attorney accompanying the Proposal.

A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Offeror, in which case such corrections shall be initialled by the person or persons signing the Proposal.

13. Payment

UNDP shall effect payments to the Contractor after acceptance by UNDP of the invoices submitted by the contractor, upon achievement of the corresponding milestones.

D. Submission of Proposals

14. Sealing and marking of proposals

The Offeror shall seal the Proposal in one outer and two inner envelopes, as detailed below.

(a) The outer envelope (**bearing sender's name and address**) shall be:

- **addressed to –**

Mr. Vineet Mathur, Procurement Associate
United Nations Development Programme
55, Lodi Estate, New Delhi - 110003
Tel: + 91-11-24628877

- **marked with –**

“RFP: Hiring Resource Agency for promotion of Financial Literacy in Eastern Uttar Pradesh (Project locations Jaunpur, Mirzapur and Sant Ravidas Nagar Districts)” (Ref No.RFP/UNDP/2011/049)

(b) Both inner envelopes shall indicate the name and address of the Offeror. The first inner envelope shall contain the information specified in Clause 8 (*Proposal form*) above, with the copies duly marked “Original” and “Copy”. The second inner envelope shall include the price schedule duly identified as such.

Note, if the inner envelopes are not sealed and marked as per the instructions in this clause, the procuring UNDP entity will not assume responsibility for the Proposal's misplacement or premature opening.

15. Deadline for submission of proposals

Proposals must be received by the procuring UNDP entity at the address specified under clause *Sealing and marking of Proposals* no later than **05 October 2011**, 1730 hrs India Time.

The procuring UNDP entity may, at its own discretion extend this deadline for the submission of Proposals by amending the solicitation documents in accordance with clause *Amendments of Solicitation Documents*, in which case all rights and obligations of the procuring UNDP entity and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

16. Late Proposals

Any Proposal received by the procuring UNDP entity after the deadline for submission of proposals, pursuant to clause *Deadline for the submission of proposals*, will be rejected.

17. Modification and withdrawal of Proposals

The Offeror may withdraw its Proposal after the Proposal's submission, provided that written notice of the withdrawal is received by the procuring UNDP entity prior to the deadline prescribed for submission of Proposals.

The Offeror's withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of clause *Deadline for Submission of Proposals*. The withdrawal notice may also be sent by telex or fax but followed by a signed confirmation copy.

No Proposal may be modified subsequent to the deadline for submission of proposals.

No Proposal may be withdrawn in the Interval between the deadline for submission of proposals and the expiration of the period of proposal validity specified by the Offeror on the Proposal Submission Form.

E. Opening and Evaluation of Proposals

18. Opening of proposals

The procuring entity will open the Proposals in the presence of a Committee formed by the Head of the procuring UNDP entity.

19. Clarification of proposals

To assist in the examination, evaluation and comparison of Proposals, the Purchaser may at its discretion, ask the Offeror for clarification of its Proposal. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

20. Preliminary examination

The Purchaser will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are generally in order.

Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Offeror does not accept the correction of errors, its Proposal will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Proposal to the Request for Proposals (RFP). For purposes of these Clauses, a substantially responsive Proposal is one which conforms to all the terms and conditions of the RFP without material deviations. The Purchaser’s determination of a Proposal’s responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence.

A Proposal determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Offeror by correction of the non-conformity.

21. Evaluation and comparison of proposals

A two-stage procedure is utilized in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The price proposal of the Proposals will be opened only for submissions that passed the minimum technical score of 70% of the obtainable score of 100 points in the evaluation of the technical proposals.

The technical proposal is evaluated on the basis of its responsiveness to the Term of Reference (TOR). As part of the evaluation process, the panel conducting the technical evaluation may call upon the prospective contractors to make a presentation of their proposals to verify the strength of the proposal.

In the Second Stage, the price proposal of all contractors, who have attained minimum 70% score in the technical evaluation, will be compared. The contract will be awarded to the Contractor that score highest marks aggregated for technical and financial proposal (70% weight to technical proposal and 30% to financial proposal).

Technical Evaluation Criteria

| Summary of Technical Proposal Evaluation Forms | | Score Weight | Points Obtainable | Company / Other Entity | | | | |
|--|--|--------------|-------------------|------------------------|---|---|---|---|
| | | | | A | B | C | D | E |
| 1. | Expertise of Firm / Organisation submitting Proposal | 45% | 45 | | | | | |
| 2. | Proposed Approach, Methodology, and Work Plan | 35% | 35 | | | | | |
| 3. | Personnel / Team | 20% | 20 | | | | | |
| Total | | | 100 | | | | | |

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

Note: The score weights and points obtainable in the evaluation sheet are tentative and could be changed depending on the need or major attributes of technical proposal.

| Technical Proposal Evaluation Form 1 | | Points obtainable | Company / Other Entity | | | | |
|--|---|--------------------------|-------------------------------|----------|----------|----------|----------|
| | | | A | B | C | D | E |
| Expertise of firm / organisation submitting proposal | | | | | | | |
| 1.1 | Proven experience in designing and implementing field projects | 15 | | | | | |
| 1.2 | Extensive understanding of project management in the development sector especially in the field at the district and sub district level | 15 | | | | | |
| 1.3 | Ability to undertake desk review and research and analyze the information and documentation and functional analysis and work and process flows. | 15 | | | | | |
| Total Part 1 | | 45 | | | | | |

| Technical Proposal Evaluation Form 2 | | Points Obtainable | Company / Other Entity | | | | |
|--|--|--------------------------|-------------------------------|----------|----------|----------|----------|
| | | | A | B | C | D | E |
| Proposed Approach, Methodology and Action Plan | | | | | | | |
| 2.1 | Relevance of Proposed Methodology | 25 | | | | | |
| 2.2 | Experience of working with development organisations | 10 | | | | | |
| Total Part 2 | | 35 | | | | | |

| Technical Proposal Evaluation Form 3 | | Points Obtainable | Company / Other Entity | | | | |
|---|---|------------------------------------|-------------------------------|----------|----------|----------|----------|
| | | | A | B | C | D | E |
| Team / Personnel | | | | | | | |
| 3.1 | Experience & Quality of Staff | 15 (5 marks each/Top positions) | | | | | |
| 3.2 | Full time teams of professionals assigned to the above assignment | 5 | | | | | |
| Total Part 3 | | 20 | | | | | |

F. Award of Contract

22. Award criteria, award of contract

The procuring UNDP entity reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Offeror or any obligation to inform the affected Offeror or Offerors of the grounds for the Purchaser's action

Prior to expiration of the period of proposal validity, the procuring UNDP entity will award the contract to the qualified Offeror whose Proposal after being evaluated is considered to be the most responsive to the needs of the organisation and activity concerned.

23. Purchaser's right to vary requirements at time of award

The Purchaser reserves the right at the time of award of contract to vary the quantity of services and goods specified in the RFP without any change in price or other terms and conditions.

24. Signing of the contract

Within 30 days of receipt of the contract the successful Offeror shall sign and date the contract and return it to the Purchaser.

Terms of Reference

Hiring Resource Agency for promotion of Financial Literacy in Eastern Uttar Pradesh (Project locations Jaunpur, Mirzapur and Sant Ravidas Nagar Districts).

Duration of Assignment: 9 months

I. Background:

UNDP entered into a five year partnership (2009-2013) with IKEA Social Initiative to test an integrated approach to women's empowerment. Titled, "Strengthening Women's Social, Economic and Political Empowerment in Jaunpur, Mirzapur and Sant Ravidas Nagar of Uttar Pradesh". The pilot project is operational in 500 villages with an outreach to 50,000 rural women and showcasing of successful strategies and prototypes on social, economic, political and legal empowerment. The strategy outline for the pilot project is rights based and is founded on the recognition that a strong women's empowerment approach that combines all dimensions- social, economic, political and legal dimensions women can transform cyclic poverty when women are equipped to realize their untapped potential by collectivizing, earning incomes and accessing rights and government services.

UNDP India is implementing the above project directly with the support of a Project Management Unit (PMU) established in the field. The PMU is headed and led by a Project Coordinator with a team of professional and administrative support specialists. The PMU works under the overall guidance of the Programme Analyst based in UNDP, New Delhi within the framework of 'Direct Implementation' modality as per prescribed UNDP guidelines and procedures.

Since 2009, the project has initiated a basket of financial inclusion interventions. The project has developed 100 master trainers in financial literacy and has trained 12400 women in financial literacy achieving better linkages for the women. As of now, 6227 women have been provided 8848 financial services. The project has facilitated 5141 women to open their savings accounts with banks and 3707 women have been provided with insurance policies resulting in collection of INR 3.91 lakh as premium.

In the process of achieving above, learning from field reveals that there is an intense need to engage women with livelihood activities resulting in enhanced incomes. For opening of bank accounts of women, much effort goes in persuading bank officials for the same. Community based resource persons have been developed as Master Trainers by the project but at the same time their capacities need to be enhanced to function as Business Correspondents so that they are able to provide needed financial services to women.

The project is already partnered with a few Community Facilitating Organizations (CFOs) and implementing the social and political empowerment programmes in the project locations. In view of the project objective in general and with special reference to economic empowerment it is targeted to build the capacity of SHG women in the project area by implementing financial literacy programme.

II. Scope of the Assignment / Deliverables:

Scope:

- Based on activities undertaken on a pilot basis, assess and develop and implementation strategy with a log-frame
- Capacitate and institutionalize the trainers on financial literacy by developing quality and women friendly resources and methodology to implement the programme
- Develop an advisory committee consisting of officials from developmental and commercial banks, project partners and UNDP to ensure convergence of resources and linkage of beneficiaries.
- Develop and roll out a specialized monitoring and evaluation plan for quality assessment.

Deliverables:

- Develop a strategy document for implementation of the project with logical frame-work
- Formation of an advisory committee consisting of officials from developmental and commercial banks, project partners and UNDP
- Develop a customized financial literacy package using inputs from material developed with UNDP support, publicly available packages, agency's own package and in consultation with major players in the field including bank officials for SWAAYAM project. This customized package would be the property of UNDP to be used in its future engagements in whatever form.
- Orientation to Master Trainers on the new material and implement the programme through Master Trainers, earmarking 6-7 villages to each trainer with a training target of approximately 165 members.
- Organize at least 12 finance camps for linkage between women and financial institutions/ services like banking (saving, credit, and remittance), insurance, etc. Develop a robust tracking system for the training schedule of the master trainers and ensure uniform quality of delivery of financial literacy training to 12500 women.
- Provide handholding support to the trainers and ensure that at least 75% of the beneficiaries trained should have access to formal financial institutions and out of them 50% are to be linked with financial instruments such as insurance, loan, pension, etc.
- Sensitization of CFOs and 100 field functionaries to act as nodal points for contact / coordination and resolution of issues in implementation of Financial Literacy programs.
- Organize experience sharing / appreciation programs for 50 bank managers and representatives of financial service providers operating in the project villages to facilitate their synergy and cooperation towards women and their enterprises.
- Institutionalize the Trainers' and capacitate Master Trainers' to perform the functions of a Business Facilitator/ Business Correspondent effectively and proactively interact with local banks for their induction into the BC/BF role for the Banks.

III. Required Expertise:

- Proven track record in Financial Literacy and must have implemented the model in various locations for rural poor in general and SHG members in particular;
- Minimum 3 years experience in execution of projects related to socio, economic development and with a clear emphasis in financial literacy.
- sound understanding of socio, economic, cultural and political knowledge of the area and capable to implement the field level programme in Hindi;
- worked in Uttar Pradesh (preferably in Eastern Uttar Pradesh) and required to have an infrastructure with competent human resource capable to meet with the requirement in Hindi as well as English;
- sound knowledge on the issues of SHGs besides clear understanding required for financial inclusion;
- demonstrated expertise in coordination of training interventions at field level, documentation, as well as expertise in data and situation analysis;
- ability to reach the field level target with a sufficient number of well trained staff who can carry out the tasks;
- Ability to develop linkages with partners, stakeholders, community and develop synergy with them for achieving the deliverables.

IV. Timelines:

The project period is 9 months from the date of awarding the contract. However, the action plan for the intervention will be developed and will be finalized in consultation with PMU within 10 days of the contract.

V. Documentation Required for Expression of Interest

Profile of the organization (1/2 page)

Brief overview of the organization including year of establishment, main areas of expertise, geographic scope of work and contact information of key focal points

Relevant Experience (1 page)

Summary of relevant experience in implementing financial literacy projects in the field in general and eastern region of Uttar Pradesh in particular. This should include a list of previous projects of similar nature, partner/client organisations.

Proposed Methodology (attach separately)

Proposed methodology to be followed in line with the timelines provided.

CVs of Team Members (attach separately)

Curriculum Vitae of the Team Leader and the team members from the Consultant's own organization or external experts who will be a part of the proposal development team

Financial Proposal

A separate Financial Proposal (containing details of personal fees, travel, other expected costs, etc.). The Financial Proposal shall take into account all expenses and tax liabilities.

PRICE SCHEDULE

The Contractor is asked to prepare the Price Schedule as a separate envelope from the rest of the RFP response as indicated in Section D paragraph 14 (b) of the Instruction to Offerors.

The Price Schedule must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category.

Estimates for cost-reimbursable items, if any, such as travel, and out of pocket expenses should be listed separately.

In case of an equipment component to the service provided, the Price Schedule should include figures for both purchase and lease/rent options. The UNDP reserves the option to either lease/rent or purchase outright the equipment through the Contractor.

The format shown on the following pages should be used in preparing the price schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples.

| Price Schedule: | | | | |
|--|---|------------------------|---------------------|-------------------------|
| Request for Proposals for Services – Financial Literacy | | | | |
| Description of Activity/Item | | Number of Staff | Monthly Rate | Estimated Amount |
| 1. | Remuneration | | | |
| 1.1 | Services in Home office | | | |
| 1.2 | Services in Field | | | |
| | | | | |
| 2. | Out of Pocket Expenses | | | |
| 2.1 | Travel | | | |
| 2.2 | Communications | | | |
| 2.3 | Reproduction and Reports | | | |
| | ANY OTHER | | | |
| 3. | Activity Cost | Total Units | Unit Cost | Estimated Cost |
| 3.1 | Expenditure for Advisory Committee | | | |
| a | | | | |
| b | | | | |
| 3.2 | Cost for Ready Beckoner | | | |
| a. | | | | |
| b. | | | | |
| 3.3 | Orientation to MTs | | | |
| a | | | | |
| B | | | | |

| | | | | |
|-----|-----------------------------------|--|--|--|
| 3.4 | Cost for Finance Camps | | | |
| a | | | | |
| b. | | | | |
| 3.5 | Sensitization of CFOs | | | |
| a | | | | |
| b | | | | |
| 3.6 | Sensitization programme to Banks | | | |
| a | | | | |
| b | | | | |
| 3.7 | Institutionalization of Trainers | | | |
| a | | | | |
| b | | | | |
| 4 | Any other Programme Expenditure | | | |
| a | | | | |
| b | | | | |
| 5 | Any other Operational Expenditure | | | |
| A | | | | |
| b | | | | |
| | TOTAL | | | |

Note: UNDP is exempted from Service Tax.

**GENERAL CONDITIONS
OF CONTRACT 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 Agreement, 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 Agreement signed by the Contractor and jointly by the UNDP Authorized Official.