



REQUEST FOR QUOTATION (RFQ)

NAME & ADDRESS OF FIRM: United Nations Development Programme 3, United Nations 50th Anniversary str., Baku, AZ 1001, Azerbaijan	DATE: January 23, 2019 REFERENCE: Installation of various equipment, packaging and seeds for selected families within the "Support to the development of small family businesses in the Sheki-Zaqatala Economic Zone through ABAD regional centre in Balakan" ABAD/19/01
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Dear Sir / Madam:

We kindly request you to submit your quotation Installation of various equipment, packaging and seeds for selected families within the "Support to the development of small family businesses in the Sheki-Zaqatala Economic Zone through ABAD regional centre in Balakan", attached detailed in Annex 1 of this RFQ.

Quotations may be submitted on or before **February 04, 2019 18:00 local time by e-mail to below emails addresses.**

To: procurement.aze@undp.org

It shall remain your responsibility to ensure that your quotation will reach the address above on or before the deadline. Quotations that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation.

Please take note of the following requirements and conditions pertaining to the supply of the above mentioned good/s:

Delivery Terms [INCOTERMS 2010] <i>(Pls. link this to price schedule)</i>	✓ DAP
Customs clearance, if needed, shall be done by:	✓ Supplier
Exact Address/es of Delivery Location/s (identify all, if multiple)	Sheki-Zagatala region 1. Balakan district, Talalar village 2. Zagatala district 3. Oghuz district, Jalud village)
Latest Expected Delivery Date and Time <i>(if delivery time exceeds this, quote may be rejected by UNDP)</i>	March 15, 2019

Delivery Schedule	✓ Not Required
Preferred Currency of Quotation	✓ United States Dollars
Value Added Tax on Price Quotation	✓ Must be exclusive of VAT and other applicable indirect taxes
After-sales services required	✓ Not Required
Deadline for the Submission of Quotation	February 04, 2019 18:00 local time by e-mail to below emails addresses To: procurement.aze@undp.org
All documentations, including catalogs, instructions and operating manuals, shall be in this language	✓ Russian/English/Turkish
Documents to be submitted	<ul style="list-style-type: none"> ✓ Duly Accomplished Form as provided in Annex 2, and in accordance with the list of requirements in Annex 1; ✓ Written Self-Declaration of not being included in the UN Security Council 1267/1989 list, UN Procurement Division List or other UN Ineligibility List; ✓ Latest Business Registration Certificate; ✓ Company profile ✓ Minimum 2 years of experience in the relevant field; ✓ Document proofing minimum a year of warranty for goods and services (upon delivery) ✓ Tax registration certificate (şahadətnamə) ✓ Must be exclusive of VAT ✓ UNDP does not take any responsibility for technical, environmental, health and safety and emergency cases during the implementation of the assignment and during the warranty period of 1 year after completion of the works indicated in the RFQ ✓ The equipment to be supplied shall be in accordance with local and international Standards and should have permissions/licenses to be used in the country ✓ Latest delivery date is March 15, 2019
Period of Validity of Quotes starting the Submission Date	<ul style="list-style-type: none"> ✓ 90 days <p>In exceptional circumstances, UNDP may request the Vendor to extend the validity of the Quotation beyond what has been initially indicated in this RFQ. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Quotation.</p>
Partial Quotes	✓ Not permitted
	- Advance payment - 15%

Payment Terms	- Upon delivery of the materials and completion of installation works - 85%
Liquidated Damages	0.5% of contract for every day of delay, up to a maximum duration of 1 calendar month. Thereafter, the contract may be terminated
Evaluation Criteria <i>[check as many as applicable]</i>	<p>✓ Technical responsiveness/Full compliance to requirements and lowest price</p> <p>✓ Full acceptance of the PO/Contract General Terms and Conditions <i>[this is a mandatory criteria and cannot be deleted regardless of the nature of services required]</i></p>
UNDP will award to:	✓ to only one supplier
Site visit	Not needed
Type of Contract to be Signed	<p>✓ Purchase Order</p> <p>✓ Contract for GOODS AND SERVICES</p>
Special conditions of Contract	✓ Cancellation of PO/Contract if the delivery/completion is delayed by 15 calendar days
Conditions for Release of Payment	✓ Written Acceptance of works based on full compliance with RFQ requirements
Annexes to this RFQ ¹	<p>✓ Specifications of the Goods Required (Annex 1)</p> <p>✓ Form for Submission of Quotation (Annex 2)</p> <p>✓ General Terms and Conditions / Special Conditions (Annex 3).</p> <p>Non-acceptance of the terms of the General Terms and Conditions (GTC) shall be grounds for disqualification from this procurement process.</p>
Contacts for Inquiries (Written inquiries only) ²	<p>Ulvi.badalov@undp.org</p> <p>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>

Goods offered shall be reviewed based on completeness and compliance of the quotation with the minimum specifications described above and any other annexes providing details of UNDP requirements:

The quotation that complies with all of the specifications, requirements and offers the lowest price, as well as all other evaluation criteria indicated, shall be selected. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price (obtained by multiplying the unit price and quantity) shall be re-computed by UNDP. The unit price shall prevail and the total price shall be corrected. If the supplier does not accept the final price based on UNDP's re-computation and correction of errors, its quotation will be rejected.

After UNDP has identified the lowest price offer, UNDP reserves the right to award the contract based only on the prices of the goods in the event that the transportation cost (freight and insurance) is found to be higher than UNDP's own estimated cost if sourced from its own freight forwarder and insurance provider.

At any time during the validity of the quotation, 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 quotation. 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 Purchase Order that will be issued as a result of this RFQ shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a quotation implies that the vendor accepts without question the General Terms and Conditions of UNDP herein attached as Annex 3.

UNDP is not bound to accept any quotation, nor award a contract/Purchase Order, nor be responsible for any costs associated with a Supplier's preparation and submission of a quotation, regardless of the outcome or the manner of conducting the selection process.

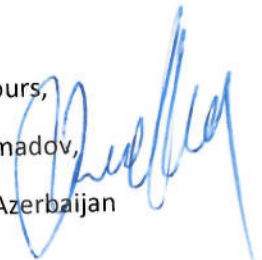
Please be advised that UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a purchase order or contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about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

UNDP encourages every prospective Vendor to avoid and prevent 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, specifications, cost estimates, and other information used in this RFQ.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its suppliers 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 quotation.

Sincerely yours,
Subhan Ahmadov,
OM UNDP Azerbaijan



ANNEX 1

“Support to the development of small family businesses in the Sheki-Zaqatala Economic Zone through ABAD regional centre in Balakan”

The overall objective of the project is to contribute to the socio-economic development of the regions of Azerbaijan through enhancing capacity of the ABAD regional centre in Balakan and fostering the creation of modern and sustainable family businesses in rural areas, and enabling equal opportunities and inclusivity in line with European standards and practices. Through collaboration with and provision of support to the work of “ABAD” public legal entity and selected target families, the project will address the challenges that prevent and impede the development of community-based family businesses and rural entrepreneurship, economic regeneration and job creation in the Sheki-Zaqatala Economic Zone.

The specific objective of the action is to support community-based family businesses to produce high quality competitive value-added products in the Sheki-Zaqatala Economic Zone by focusing on Balakan district.

Through collaboration with and provision of support to the work of “ABAD” public legal entity and selected target families, the project will address the challenges that prevent and impede the development of community-based family businesses and rural entrepreneurship, economic regeneration and job creation in the Sheki-Zaqatala Economic Zone.

Introduction and objective of the services required within the RFQ

Balakan region is considered one of the most resourceful regions of Azerbaijan by its economic potential, natural resources and cultural heritage. The economy of rayon is based on agrarian sector. Main segments of the agriculture are tobacco growing, horticulture, sericulture and corn cultivation. Additionally, cattle breeding, wheat growing, winemaking and fishery are widely practised.

The volume of gross output in the Balakan region in 2017 increased by 35.9 per cent compared to the previous year and amounted to 196.2 million AZN. Agricultural production worth 69.6 million AZN and industrial products worth 7.6 million AZNs were produced in the district and construction works were carried out at 43.7 million AZNs. Production output in the agrarian sector increased by 11.2 per cent compared to 2016 and the volume of construction works by 4.9 times. In 2017, AZN 52.4 million was invested in the economy of the region. The total volume of investments directed to the economy of the region during the 4 years since the adoption of the State Program on the socio-economic development of the regions in 2014-2018 amounted to 96 million AZN. 1427 new jobs have been created in 2017 with 927 permanent ones in the region.

In 2016, 11 tons of barley was produced in the region. 131.5 thousand mulberry trees have been planted in the district in order to strengthen the feed base of silk cocoons. In 2016, Balakan farmers cultivated tobacco in 528 hectares and produced 317.4 tons of dry tobacco. In the region in 2017 new nuts of 1666 hectares have been laid.

According to the planting area of the corn plant, Balakan district has been the first in the country in 2016. Balakan farmers produced more than 43,000 tons of corn last season. In 2017, the construction of the Baichurma LLC fruits and berries dry and semi-processing plant and warehouse building has been completed in Katex village, where more than a hundred residents are employed. So far 300 tons of dried fruits have been produced at the enterprise.

Construction of modular school buildings in Saribulag and Mahamalar villages in 2017 has been completed and put into operation. A new school building for 360 pupils in Sharif village is under construction. The construction of the Zaqatala-Balakan-Mazimchay section of the new building of the Children's Art School in Balakan, the Balakan-Kazbine-Ititala highway, the Yevlakh-Zaqatala-Georgia state border highway, which has a total length of 35 kilometres has started.

In 2018, the targets for silk cocoons are set at 25 tonnes. It is planned to increase the area of tobacco sowing to 550 hectares and to build new nuts in 1700 hectares.

One of the main problems of the region is the distance from the main markets and lack of knowledge of the population about doing business, governmental and other support programs.

Families to be supported:

A future entrepreneur's family is producing excellent quality hand-made dairy products and is famous for their cottage. Family owns three (3) cows and ready to buy additional milk from neighbours. They are the best producers of the local dairy specialities. The project will support them with equipment and other services aimed to establish a professional and sustainable dairy production business.

Zaqatala is famous for its Hazelnuts and Walnuts. Mulberry trees are well adapted to the area, allowing Zaqatala to preserve the ancient tradition of silkworm breeding. The economy of the Zaqatala rayon has an agricultural base - mainly cash-crops and sheep. There is a tea factory, a tobacco transformation plant, a large food plant and a silk cocoon drying plant. The local honey is known across Azerbaijan.

The basis of the district economy is agriculture. The region has grown grain, tobacco, fruits, flowering, tea, melon and vegetable growing and livestock. 55.7 per cent or 75.2 thousand hectares of the region constitute useful land for agriculture.

The region also has a processing industry. Of the 27 industrial enterprises, 78.1 per cent are engaged in the processing industry. The food industry accounts for 81.0 per cent of the industry's output.

Zaqatala region has rich natural resources. The region has considerable potential for the development of tourism, furniture industry, construction industry, hunting, medicinal plants supply and processing industry.

More than 37.8 per cent of the total area and over 51,000 hectares are forested areas. In the forests, there are reserves of 4.5-6 million cubic meters of wood. 85% of the available forests are located in the mountainous area, with exceptional importance as a source of water, soap, air purifier and aesthetic beauty.

In the forests of Zaqatala, valuable species of wood are chestnuts, walnuts, elder candles, white candles, oak, peanuts, hawthorn, lime, iron, brown and so on. There are some types of trees that can be used in the furniture industry. Limestone, sand, clay, tea stone, etc. in the region to develop the building materials industry, which has the potential to improve the production of asphalt, cement, silicate brick, and reinforced concrete products in the region.

Families to be supported:

A future entrepreneur is producing organic oil from berries and nuts for more than 17 years. He has great support of his family, especially his son. He was selling his oil to his loyal clients in Baku, but now wants to develop his business. He wants to make it more professional and taxable. He's one of the best traditional oil masters in the region willing to pass his old diffusion method and oil mixtures secrets to the next generations.

A future entrepreneur and his family are producing and collecting medical herbs and different traditional plants in a mountainous environment. Their plants are to be sold to the pharmacies and health care and bio food shops. They want to enlarge their crops and territory. Not only it will support the family financially, but also creates seasonal jobs in the mountain village.

Oghuz's territory is 1077 km², population is 40845 people. 40% of the region's territory is forests. The main indicators for the Oghuz region are for 2009-2011 and 2011-2014. There are few reports since 2014. The administrative territory of the district covers 107,739 hectares of land. The land suitable for agriculture is 35355 hectares. 7517 hectares of these lands are state property, 9415 hectares of municipal property, 18423 hectares belong to private property. 18368 hectares are cultivated. There are 2414 hectares of gardens, 1450 hectares of state-owned forest fund, 13083 hectares of weeds and 40 hectares of hayfields. The main occupation of the population is agriculture, livestock and fruit cultivation (hazelnut). One of the traditional agricultural species of the Oghuz region is graining.

There are hazelnuts, apples, pears and other fruits. Currently, 29245 heads of cattle are in the region, of which 12978 heads are cows and buffalos. The number of sheep - 62184 heads and pigs - 38 heads.

As seen from recent reports, the main problems of the district are unemployment and underdevelopment of the private sector. The state remains the primary employer. For instance, during the first quarter of 2018, the Oghuz district branch of the Ministry estimated the mandatory state social insurance premiums of 1.8 million AZN, of which 1.7 million AZN was allocated to the budget organizations and 124.0 thousand to non-budget organizations. In the first quarter of 2018, 782 people applied to the Employment Center; 682 of which were registered unemployed and job seeking. 150 people registered in the Center were provided with jobs at the Department of Housing and Utilities (government) and 25 employees were sent to Oghuz-Construction LLC.

From the side of the Lead expert, one of the main requirements for business in the selection process was the creation of jobs in Oghuz District

Family to be supported:

A future entrepreneur from Jalud village of Oghuz is making excellent compotes with the help of his wife. He uses raspberries from his own garden and buy some fruits and berries from his neighbours. During high season, he provides jobs for six women from his village. With support of the project, he will be able to enlarge his family business, enter new markets and make those jobs permanent. His traditional receipts and eco berries are famous in his region.

1. SPECIFICATION FOR EQUIPMENT FOR DAIRY PRODUCTION

There must be the following equipment supplied:

- Mini dairy
- Cheese bath
- Refrigerator
- Separator
- Milk testers

Details:

DESCRIPTION OF THE MINI DAIRY

This equipment must have reinforced flip covers on spring blocks, equipped with separately opening viewing segments. Thus, the designed and used lid mini cheese factories provides a more convenient use of the installation and protects products from the influence of environmental conditions.

The filling nozzle have to be made in a special way to eliminate the appearance of foam when loading dairy raw materials into the equipment.

Automated water supply to the shirt of the device, which provides heating and cooling of products, and the ability to set a specific processing algorithm for products in the home cheese dairy must provide an exception to the constant monitoring of the raw materials processing processes that occur in the installation.

The dairy must have function that allows you to use or not use pasteurization of dairy raw materials, which makes it possible to produce a wider range of cheeses (from both pasteurized and non-pasteurized dairy raw materials).

It must allow to adjust and control heating at minimum power, by adjusting the temperature of the heat carrier.

It must be equipped with quick-change mixers with longitudinal-transverse liras, cutting clots that more quickly and easily prepare cheese clots. For the production of different types of cheese there must be several modes of cutting clots. The first - provides one rotation in eight seconds, with a change of direction after five to seven turns, - which allows to carefully cut the clots. The second - provides one rotation in five seconds, with the same change of direction after five to seven turns, - and allows to grind the already chopped clots.

Enlarged nozzles for drainage, having a larger diameter, and the presence of a flat bottom must provide a comfortable extraction of cheese bunches from the installation.

Built-in washing heads are important to quickly and efficiently wash the cheese factory, which, in turn, allows to constantly produce high-quality products, eliminating the development of pathogenic microflora inside the unit. So, built-in washing heads in the offer is an asset.

#	Description	Capacity
1	Bath capacity	300-350 l
2	Transverse lyre	Removable
3	Bunch cutting mode	2
4	The diameter of the drain pipe	70-80 mm
5	Washing head	Yes
6	Engine capacity of the motor-reducer:	0.25-0.50 kW
7	Water jacket heater	TENB type (power: 30 kWt, voltage: 380)
8	Maximum heating temperature	°C 95
9	The diameter of the pipeline water supply	G 3 / 4"
10	The diameter of the overflow pipe	20-25 mm
11	Installed power	30-35 kWt
12	Overall dimensions	up to 1300 mm * 1600 mm * 1000 mm
13	Weight	up to 140 kg

DESCRIPTION OF THE CHEESE BATH

Bath of 700 mm * 1500 mm * 700 mm made of stainless steel for food.

DESCRIPTION OF THE REFRIGERATOR

Refrigerator's climate class must A/B. Energy consumption 1 to 1.5 kW/h maximum. Temperature range of the freezer must be 0/+7 degree C min. Power supply: 220-240V. Net gross volume of the freezer: min 250 lit. max 300 lit. External dimensions max 1900x650x650 mm (WxDxH). Max net weight of the freezer must be 110 kg. The refrigerator must have min 3 shelves.

DESCRIPTION OF THE MILK SEPARATOR

#	Description	Capacity
1	Production of milk	l.h 100
2	Drum rotation frequency	min 7000/min
3	The number of plates in the drum, pcs	10-12
4	Capacity of a bow	10-12 l
5	The temperature of the separated milk	from 35 to 40 C
6	Power consumption	60 W
7	Voltage	220V
8	Current frequency	50 Hz
9	Adjustment range of volumetric ratios of cream to skim milk	1: 4-1: 10
10	Electricity consumption	kW / h 0,120

Overall dimensions, mm:

- bowl diameter: 350-380
- height: 500-600
- Weight: 6-8 kg

Time of continuous operation of the separator - 60 minutes, pause - 30 minutes.

DESCRIPTION OF THE MILK TESTERS

There should be two type of milk testers: for antibiotics and for quality.

✓ For antibiotics:

The kit to identify the baktas. cefapirin, ceftiofur, cephalixin, cefadroxil, cefaxazole, cefotaxime, cefuroxime, tetracycline, doxycycline, ox tetracycline, chlortetracycline in raw, pasteurized, sterilized, reconstituted milk powder. Analyze time: up to 15 min. Power: 220V. Tests: min 50.

✓ For quality:

Must determine the mass fraction of fat, added water and density in the sample of whole cow's milk. Power: 220V. Permissible error: 0.05%. Analysis of the fat: up to 10%. Analysis time: up to 5 min.

2. SPECIFICATION OF THE EQUIPMENT FOR OIL PRODUCTION

DESCRIPTION OF OIL PRESS WITH A FILTER

The oil press must be a double compression chambers press. It must be designed to produce raw vegetable oils from oilseeds and extruded soybean, by pressing (cold pressed oilseeds - sunflower, rapeseed, flax, mustard, nuts, etc.). The raw material is loaded into the bunker and by gravity flows into the receiving work area. The principle of the oil press is the grinding and pressing of oilseeds. Squeezed oil from working areas flows out through the slit holes.

Description	Capacity
Dimensions (L x W x H) up to	1400x700x1400 mm
Productivity	100-130 kg / hour
Power	7.5-10 kW
Weight	max 350 kg
Oil yield	33-43%

FORM FOR SUBMITTING SUPPLIER'S QUOTATION³

(This Form must be submitted only using the Supplier's Official Letterhead/Stationery⁴)

We, the undersigned, hereby accept in full the UNDP General Terms and Conditions, and hereby offer to supply the items listed below in conformity with the specification and requirements of UNDP as per RFQ Reference No. RFQ ABAD/19/01

TABLE 1: Offer to Supply Goods/Services Compliant with Technical Specifications and Requirements

#	Unit name	Quantity	Price in USD excluding VAT
1	Mini dairy	1	
2	Cheese bath	1	
3	Refrigerator	1	
4	Milk separators	1	
5	Milk testers	2	
6	Oil press with a filter	1	
	Total	7	

TABLE 1.1: Offer to Supply Goods/Services Compliant with Technical Specifications and Requirements

#	Unit name	Quantity	Price in USD excluding VAT
1	Compote bottles per 1 lt	10,000	
2	Compote bottle lids	10,000	
	Total	20,000	

TABLE 2: Offer to Comply with Other Conditions and Related Requirements

Other Information pertaining to our Quotation are as follows :	Your Responses		
	<i>Yes, we will comply</i>	<i>No, we cannot comply</i>	<i>If you cannot comply, pls. indicate counter proposal</i>
Delivery Lead Time (March 15, 2019)			
Latest Business Registration Certificate;			
Company profile			
Minimum 2 years of experience in the relevant field;			
UNDP does not take any responsibility for technical, environmental, health and safety and emergency cases during the implementation of the assignment and during the warranty period of 1 year after completion of the works indicated in the RFQ			
Validity of Quotation for 90 days			
Tax registration certificate (şahadetname)			
Must be exclusive of VAT			
All Provisions of the UNDP General Terms and Conditions			
Latest delivery date March 15, 2019			
Document proofing minimum a year of warranty for goods and services (upon delivery)			
The equipment to be supplied shall be in accordance with local and international Standards and should have permissions/licenses to be used in the country			
Written Self-Declaration of not being included in the UN Security Council 1267/1989 list, UN			

Procurement Division List or other UN Ineligibility List;			
Duly Accomplished Form as provided in Annex 2, and in accordance with the list of requirements in Annex 1;			

The price must include delivery and installation. The company must provide the basic training for the beneficiaries.

General Terms and Conditions

1. ACCEPTANCE OF THE PURCHASE ORDER

This Purchase Order may only be accepted by the Supplier's signing and returning an acknowledgement copy of it or by timely delivery of the goods in accordance with the terms of this Purchase Order, as herein specified. Acceptance of this Purchase Order shall effect a contract between the Parties under which the rights and obligations of the Parties shall be governed solely by the terms and conditions of this Purchase Order, including these General Conditions. No additional or inconsistent provisions proposed by the Supplier shall bind UNDP unless agreed to in writing by a duly authorized official of UNDP.

2. PAYMENT

2.1 UNDP shall, on fulfillment of the Delivery Terms, unless otherwise provided in this Purchase Order, make payment within 30 days of receipt of the Supplier's invoice for the goods and copies of the shipping documents specified in this Purchase Order.

2.2 Payment against the invoice referred to above will reflect any discount shown under the payment terms of this Purchase Order, provided payment is made within the period required by such payment terms.

2.3 Unless authorized by UNDP, the Supplier shall submit one invoice in respect of this Purchase Order, and such invoice must indicate the Purchase Order's identification number.

2.4 The prices shown in this Purchase Order may not be increased except by express written agreement of UNDP.

3. TAX EXEMPTION

3.1 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 utilities 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 UNDP's exemption from such taxes, duties or charges, the Supplier shall immediately consult with UNDP to determine a mutually acceptable procedure.

3.2 Accordingly, the Supplier authorizes UNDP to deduct from the Supplier's invoice any amount representing such taxes, duties or charges, unless the Supplier has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Supplier to pay such taxes, duties or charges under protest. In that event, the Supplier shall

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

4. RISK OF LOSS

Risk of loss, damage to or destruction of the goods shall be governed in accordance with Incoterms 2010, unless otherwise agreed upon by the Parties on the front side of this Purchase Order.

5. EXPORT LICENCES

Notwithstanding any INCOTERM 2010 used in this Purchase Order, the Supplier shall obtain any export licences required for the goods.

6. FITNESS OF GOODS/PACKAGING

The Supplier warrants that the goods, including packaging, conform to the specifications for the goods ordered under this Purchase Order and are fit for the purposes for which such goods are ordinarily used and for purposes expressly made known to the Supplier by UNDP, and are free from defects in workmanship and materials. The Supplier also warrants that the goods are contained or packaged adequately to protect the goods.

7. INSPECTION

7.1 UNDP shall have a reasonable time after delivery of the goods to inspect them and to reject and refuse acceptance of goods not conforming to this Purchase Order; payment for goods pursuant to this Purchase Order shall not be deemed an acceptance of the goods.

7.2 Inspection prior to shipment does not relieve the Supplier from any of its contractual obligations.

8. INTELLECTUAL PROPERTY INFRINGEMENT

The Supplier warrants that the use or supply by UNDP of the goods sold under this Purchase Order does not infringe any patent, design, trade-name or trade-mark. In addition, the Supplier shall, pursuant to this warranty, indemnify, defend and hold UNDP and the United Nations harmless from any actions or claims brought against UNDP or the United Nations pertaining to the alleged infringement of a patent, design, trade-name or trade-mark arising in connection with the goods sold under this Purchase Order.

9. RIGHTS OF UNDP

In case of failure by the Supplier to fulfil its obligations under the terms and conditions of this Purchase Order, including but not limited to failure to obtain necessary export licences, or to make delivery of all or part of the goods by the agreed delivery date or dates, UNDP may, after giving the Supplier reasonable notice to perform and without prejudice to any other rights or remedies, exercise one or more of the following rights:

- 9.1 Procure all or part of the goods from other sources, in which event UNDP may hold the Supplier responsible for any excess cost occasioned thereby.
- 9.2 Refuse to accept delivery of all or part of the goods.
- 9.3 Cancel this Purchase Order without any liability for termination charges or any other liability of any kind of UNDP.

10. LATE DELIVERY

Without limiting any other rights or obligations of the parties hereunder, if the Supplier will be unable to deliver the goods by the delivery date(s) stipulated in this Purchase Order, the Supplier shall (i) immediately consult with UNDP to determine the most expeditious means for delivering the goods and (ii) use an expedited means of delivery, at the Supplier's cost (unless the delay is due to Force Majeure), if reasonably so requested by UNDP.

11. ASSIGNMENT AND INSOLVENCY

- 11.1. The Supplier shall not, except after obtaining the written consent of UNDP, assign, transfer, pledge or make other disposition of this Purchase Order, or any part thereof, or any of the Supplier's rights or obligations under this Purchase Order.
- 11.2. Should the Supplier become insolvent or should control of the Supplier change by virtue of insolvency, UNDP may, without prejudice to any other rights or remedies, immediately terminate this Purchase Order by giving the Supplier written notice of termination.

12. USE OF UNDP OR UNITED NATIONS NAME OR EMBLEM

The Supplier shall not use the name, emblem or official seal of UNDP or the United Nations for any purpose.

13. PROHIBITION ON ADVERTISING

The Supplier shall not advertise or otherwise make public that it is furnishing goods or services to UNDP without specific permission of UNDP in each instance.

14. CHILD LABOUR

The Supplier represents and warrants that neither it nor any of its affiliates is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32

thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development.

Any breach of this representation and warranty shall entitle UNDP to terminate this Purchase Order immediately upon notice to the Supplier, without any liability for termination charges or any other liability of any kind of UNDP.

15. MINES

The Supplier represents and warrants that neither it nor any of its affiliates is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

Any breach of this representation and warranty shall entitle UNDP to terminate this Purchase Order immediately upon notice to the Supplier, without any liability for termination charges or any other liability of any kind of UNDP.

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

17. PRIVILEGES AND IMMUNITIES

Nothing in or related to these General Terms and Conditions or this Purchase Order shall be deemed a waiver of any of the privileges and immunities of the United Nations, including its subsidiary organs.

18. SEXUAL EXPLOITATION:

18.1 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.

18.2 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.

19.0 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.

20. AUTHORITY TO MODIFY:

Pursuant to the Financial Regulations and Rules of UNDP, only the UNDP Authorized Official possess 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.