



REQUEST FOR QUOTATION (RFQ)

NAME & ADDRESS OF FIRM: United Nations Development Programme 3, United Nations 50th Anniversary str., Baku, AZ 1001, Azerbaijan	DATE: 23 October 2018 REFERENCE: Procurement and Installation of the equipment for ice-cream production within "Support to the development of small family businesses in the Sheki-Zaqatala Economic Zone through ABAD regional centre in Balakan" RFQ Ref No ABAD 18/05
--	---

Dear Sir / Madam:

We kindly request you to submit your quotation Procurement and Installation of the equipment for ice-cream production within "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 **November 1, 2018 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)	Zaqatala region

Latest Expected Delivery Date and Time <i>(if delivery time exceeds this, quote may be rejected by UNDP)</i>	30 November, 2018
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	01 November, 2018 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 ✓ Tax registration certificate (şəhadətnamə) ✓ Must be exclusive of VAT ✓ Contracted company shall take full responsibility for technical, environmental, health and safety procedures in accordance with the legislation of the Azerbaijan Republic and all relevant official procedures required for installation works ✓ 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 ✓ Latest delivery date is November 30, 2018
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</p>

	indicated in this RFQ. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Quotation.
Partial Quotes	✓ Not permitted
Payment Terms	<ul style="list-style-type: none"> - Advance payment - 15% - Upon delivery of the materials and completion of installation works - 85%
Liquidated Damages	<i>0.5% of contract for every day of delay, up to a maximum duration of 1 calendar month. Thereafter, the contract may be terminated</i>
Evaluation Criteria <i>[check as many as applicable]</i>	<ul style="list-style-type: none"> ✓ Technical responsiveness/Full compliance to requirements and lowest price ✓ 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>
UNDP will award to:	✓ to only one supplier
Site visit	Not needed
Type of Contract to be Signed	<ul style="list-style-type: none"> ✓ Purchase Order ✓ Contract for Goods and Services
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	<ul style="list-style-type: none"> ✓ Specifications of the Goods Required (Annex 1) ✓ Form for Submission of Quotation (Annex 2) ✓ General Terms and Conditions / Special Conditions (Annex 3). <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 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.

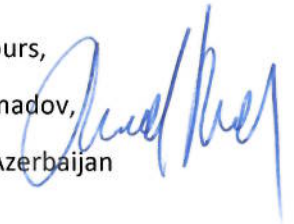
Please be advised that UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a purchase order or contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about 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



“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

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 Zaqatala region 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.

One of the future entrepreneurs from Zaqatala is currently studying the ice cream market and wants to launch his start-up. He wants to hire up to 6 people for the permanent job and plans to work with 2-3 farmers. "The number of farms from which you buy milk cannot be more, all cows should be of the same variety, be kept under similar conditions and have the same diet and care. With a larger number of suppliers, this is practically impossible, and it directly affects the taste of the final product", he says. He has invested in the construction of a small workshop on his territory, the box of the main shop is already ready, and he began expanding it. ABAD management also enthusiastically met plans to sell home-made ice cream. Being the head of the family he works as a doctor and knows first-hand the dangers of dairy production. "The main problem of our manufacturers, the inconsistent control over the level of bacteria, the use of milk powder and poor quality oil. Only few companies produce ice cream from natural milk. And in our region, there were only two small producers in six districts. I want to produce real ice cream

and open jobs for my neighbors, I have many friends and neighbors who keep cows, I can help them by buying milk" he says.

As some studies show, ice cream ceases to be a seasonal product in Azerbaijan, and many residents, especially young people in the region, complain about the lack of ice cream in winter. Far regions are less than others receiving such goods because of logistics margins. And in summer, ice cream is the second most popular product in cafes in parks, where traditionally people go out for evening walk with their families in Zaqatala, Balakan and Gakh.

His thoughts about the ice cream business and market opportunities were discussed in conversation with the director of the regional centre of the ABAD, Amil Musaev. "Previously, there were two ice cream producers in the region," he said, "but both worked under the private brand. The head of the association of hazelnut producers had a business that produced ice cream for Milla, while the owner of Zaqatala Broiler produced ice cream for the Island brand. Milla's sales are falling, and Island has revised its policy after fines, according to my information. Both company had quality issues as trend is more natural products and ice-cream made of whole milk. Although it's a fairly closed market."

The expert has studied some aspects of this market. First of all, there are several reports about the market: In 2017 the level of unaccounted turnover of ice cream in Azerbaijan increased. According to some estimates, the shadow turnover of this dairy product exceeds its legal market by 7 times. Last year, the statistical volume of the ice cream market in Azerbaijan was 1,278 tons, 383 tons less than in 2016. At the same time, the indicators of both production and imports of ice cream decreased. Moreover, according to official data, the volume of imports exceeds production volumes by about two times. According to the state statistics Committee, for the year local ice cream shops produced 464.4 tons of ice cream, 258.8 tons less than in the previous year. The import (814 tons) decreased by 124 tons. The import cost \$ 3,290,400. A kilogram of ice cream was issued at the Azerbaijani customs on average at a price of \$ 4.04, or \$ 0.86 more than in 2016. Ice cream is imported mainly from Russia (374.5 tons), Turkey (258.4 tons), Ukraine (56.1 tons), France and Croatia (about 35 tons each). The goods are also purchased in Belarus, Britain, Germany, Lithuania, Switzerland, Italy and Luxembourg, according to the State Customs Committee.

Specification for equipment for production of ice-cream

There must be following equipment:

- Milk pasteurizer
- Milk separator
- Milk homogenizer
- Refrigerator plus temperatures
- Ice-cream freezer
- Stainless steel conus
- Refrigerator minus temperatures
- Plastic packaging material

Details of the equipment:

Description of the milk pasteurizer

Pasteurizer is intended for heating and / or cooling milk or cream, for the purpose of pasteurization and / or preparation of milk and dairy products.

Specifications:

1. Working bath capacity - 100 liters
2. Power of engine stirrer - 0.15-2 kW
3. The frequency of rotation of the stirrer – 30-35 rpm
4. Water jacket heater:
 - Power – 15-20 kW
 - Quantity - 1 pc
 - Voltage - 380 V
5. The maximum heating temperature must be 95 degrees.
6. The diameter of the pipeline water supply - 3/4 G
7. The diameter of the overflow pipe – 20-30 mm
8. The diameter of the drain pipe – 45-55 mm
9. Installed power – 15-17 kW
10. Overall dimensions:
 - Length – max 100 mm
 - Width – max 850 mm
 - Height – max 1300 mm
 - Weight – max 130 kg

Description of the milk separator

Production of milk, l/h 100
Drum rotation frequency, min 7000/min
The number of plates in the drum, pcs: 10-12
Capacity of a bowl: 10-12 l

The temperature of the separated milk: from 35 to 40 C
Power consumption: 60 W
Voltage: 220V
Current frequency: 50 Hz
Adjustment range of volumetric ratios of cream to skim milk: 1: 4-1: 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 homogenizer

The special design of the homogenizer (two working chambers), the special geometry of the body (with no "dead zones") and rotating working parts must ensure high performance. The materials used must be hygienic, the design of the homogenizer practical in operation.

Feeding not less than 3 m³ of milk per hour. Rotor rotation speed not less than 2000/min. Voltage: 380V. Electric motor power not more than 7.5 kW. Weight: not more than 60 kg.

Description of Refrigerator plus temperatures

It must be a refrigerator of working temperature range of 0C to 18C. Min volume 200 l, max volume 300 l. Dimensions: Height not more than 1.8 m, length not more than 1 m, width not more than 1 m. Voltage: 220V. Max weight: 150 kg. Freon based cooling system is acceptable.

Description of Ice-cream freezer

Ice-cream freezer is the essential part of the production. The bidder must offer a freezer for hard ice-cream.

Voltage: 220/240V. Frequency: 50Hz. Mixer motor capacity: 3 Hp. Pump motor capacity: 1 Hp. Power: 6-7 kW. Minimum production capacity: 80 l/h. Minimum water consumption capacity: 350 l/h (water usage capacity from a tank as well can be an asset). Minimum pressure: 1.5 bar. Ice-cream temperature at the exit: -5/-6 C. Max weight: 380 kg. Freezing system: R404A gas.

Description of Stainless steel conus

It will be a funnel for guiding dairy product. Top diameter: 35-50 cm. Bottom diameter: 20-35 cm. Height: 40-50 cm. Material: stainless steel.

Description of Refrigerator (Freezer) minus temperatures

Freezer's climate class must be 4L1. Energy consumption 1 to 1.5 kW/h maximum. Temperature range of the freezer must be -15/-25 degree.C. Power supply: 220-240V. Net gross volume of the freezer: min 180 max 200 lit. External dimensions max 750x700x1000 mm (WxDxH). Max weight of the freezer must be 45 kg. It must be a horizontal freezer with 1.basket.

Description of Plastic packaging material

Plastic material for ice-cream packaging. Thickness min. 2 mm. Plastic must be usable for food. It must have a tight plastic lid. Volume: 50 ml. Form: any. Height: no more than 100 mm.

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 Ref No **ABAD 18/05**

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

#	Unit	Quantity	Unit	Price in USD excluding VAT
1	Milk pasteurizer	1	ea	
2	Milk homogenizer	1	ea	
3	Refrigerator plus temperatures	1	ea	
4	Ice-cream freezer	1	ea	
5	Stainless steel conus	1	ea	
6	Refrigerator minus temperatures	1	ea	
7	Homogenizer	1	ea	
8	Packaging material	300	ea	
	Total			

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 (November 30, 2018)			
Standard Manufacturer Warranty			
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 (şahadətname)			
Must be exclusive of VAT			
Certificates of goods (if applicable)			
All Provisions of the UNDP General Terms and Conditions			
Contracted company shall take full responsibility for technical, environmental, health and safety procedures in accordance with the legislation of the Azerbaijan Republic and all relevant official procedures required for construction works			
Latest delivery date is November 30, 2018			
Document proofing minimum a year of warranty for goods and services (upon delivery)			
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 of equipment use for the beneficiaries. The company must provide the information about the freezing gas, packaging and cleaning material suppliers.

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.