



Request for Proposal (RFP)

Date: 14 July 2010

REF: RFP/ Project 72886 - Administrator /2010

Dear Sir/Madam,

**Subject: RFP for Administration Services for the Business Incubator in Satu Mare –
Vetis Industrial Park – Project 72886**

1. You are requested to submit a proposal for the above-mentioned services, as per enclosed Terms of Reference (TOR).
2. To enable you 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. Model Contract for Professional Consulting Services, including General Conditions of Contract.....(Annex V)
 - vi. “Procedure for implementing the National Multiannual Programme for the Establishment and Development of Technology and Business Incubators in Romania”.....(Annex VI)
3. Your offer comprising of technical proposal and financial proposal, in separate sealed envelopes, should reach the address below. **Please note that the deadline for receiving offers was prolonged until 8 August 2010, 17:00 hrs local time.**

**UNDP/Procurement Unit
UN House, Blvd. Primaverii, nr. 48 A
011975, sector 1, Bucharest, Romania**

4. 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.

You are kindly requested to acknowledge receipt of this letter and to indicate whether or not you intend to submit a proposal. Please forward your reply in writing via email to **procurement.ro@undp.org**

Yours sincerely,

Yesim Oruc

Annex I Instructions to Offerors

A. INTRODUCTION

1. Purpose of RFP

Administration Services for the Business Incubator in Satu Mare – Vetis Industrial Park

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 indicated in the RFP. The procuring UNDP entity will respond in writing to any request for clarification of the Solicitation Documents that it receives earlier than one week prior to the deadline for the submission of Proposals. Written copies of the organisation's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Offerors that has received the Solicitation Documents.

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 Proposed Methodology prepared by the Offeror (as per section 8 below) and all correspondence and documents relating to the Proposal exchanged by the Offeror and the procuring UNDP entity shall be written in English language.

7. Documents comprising the proposal

(a) **Proposal submission form**, as per Annex III;

(b) **Technical Offer** (operational and technical component) which must include:

- for the purpose of determining the capacity and expertise of the offeror

- i. Registration certificate
- ii. Certificate issued by the National Trade Register Office
- iii. Certificates to prove the fulfillment of all state-due obligations
- iv. Certified Balance sheets and financial statements for the past three years
- v. List of main consultancy projects and, if any, projects involving collaboration with public authorities, including beneficiaries' names and amounts of respective projects
- vi. At least two references from previous beneficiaries
- vii. Human resources and management structure information

- for the purpose of determining the understanding of the required tasks and capacity to fully accomplish those (proposed methodology):

- viii. Business plan
- ix. Marketing and promotion plan

(c) **Price schedule**

8. The Technical Offer shall be structured as follows:

(a) Documents determining the capacity and expertise of the offeror

This section must provide:

- i. **Registration certificate**, issued by the National Trade Register Office - *copy*
- ii. **Certificate issued by the National Trade Register Office** to prove:

- Activity field
 - That there are no mentions regarding criminal convictions, declarations of liquidation or insolvency, bankruptcy or judiciary reorganization
- iii. Certificates to prove the fulfillment of all payment obligations – *in original***
- Fiscal certificate to prove the fulfillment of payment obligations regarding taxes, fees and social security contributions, issued by D.G.F.P. – in original or legalized copy
 - Fiscal certificate to prove the fulfillment of tax payment obligations, issued by the Specialized Division of the Local Council relevant to the area of the applicant's headquarters - in original or legalized copy
- iv.** Certified Balance sheets, profit and loss accounts and annexes for the past 3 fiscal years (2007, 2008, 2009) – *copies*
- v. List and short description of minimum 5 projects** undertaken in the past, as well as their results. The list can include: business consultancy projects for small and medium enterprises, projects involving cooperation with public authorities in Romania, consultancy on access to European Structural Funds.
- vi. At least two references** from beneficiaries of any consultancy projects listed above.
- vii. Human resources and management structure information:**
- organigram
 - CVs of management team
 - Current number of full-time employees (certification by the Office of Labour may be requested by UNDP at a later stage)
 - list of personnel that will be allocated to the implementation of this project, along with short descriptions of their qualifications and experience, as well as indication of their tasks/responsibilities in and time to be dedicated to the implementation of this project.

(b) 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; and demonstrating how the proposed methodology meets or exceeds the specifications.

This section must provide:

- ix. **A business plan** for the medium term (3 years) and long term (5 years) development of the business incubator. This should include a detailed description of the methodology and working plan envisaged for the implementation of the services required by the Procedure for implementing the programme, as described in Annex VI.
- x. **A marketing and promotion plan**

Failure to provide any of the above documents/sections will result in disqualifying the proposal.

The Technical Offer should not contain any pricing information whatsoever on the services offered. Pricing information shall be separated and only contained in the appropriate Price Schedule.

It is mandatory that the Technical Offer 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 Technical Offer.

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 on an appropriate Price Schedule (see Annex IV) the prices of services it proposes to supply under the contract.

10. Proposal currencies

All prices shall be quoted in US dollars.

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, one Original and one Copy, 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 authorized to bind the Offeror to the contract. The latter authorization 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 initialed by the person or persons signing the Proposal.

D. SUBMISSION OF PROPOSALS

13. 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 shall be:

- addressed to –

**UNDP/Procurement Unit
UN House, Blvd. Primaverii, nr. 48 A
011975, sector 1, Bucharest, Romania**

and,

- marked with –

RFP/ Project 72886 - Administrator /2010

(b) Both inner envelopes should also be labeled appropriately, the technical proposal marked “Technical Proposal” and the Financial Proposal marked “Financial Proposal” and the name and address of the Offeror also included. The first inner envelope, the technical proposal shall contain the information specified in Clause 8 (Technical Offer) above, with the copies duly marked “Original” and “Copy”. The second inner envelope, the financial proposal 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.

Equally, UNDP will reject any proposal in its entirety if the Price Schedule is not sealed and separated from the Technical Offer.

14. 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*. **Please note that the deadline for receiving offers was prolonged until 8 August 2010, 17:00 hrs local 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.

15. 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.

16. 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

17. Opening of proposals

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

18. 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.

19. 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.

20. 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 weighted Average method of evaluation will be used with a 70 weight to the technical proposal and a 30 weight to the financial proposal. The price proposal of submissions that passed the minimum technical score of 70% in the evaluation of the technical proposals will be opened.

The technical proposal is evaluated on the basis of its responsiveness to the Terms of Reference (TOR).

In the Second Stage, the lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 30 points. The financial scores (Sf) of the other Financial Proposals will be computed as indicated in the formula below. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal which 70; P = the weight given to the Financial Proposal which 30; T + P = 100). The combined scores (S) = St x T% + Sf x P%. The firm achieving the highest combined technical and financial score will be recommended for receiving the award.

The formula for determining the financial scores is as follows:

$$Sf = 100 \times Fm / F,$$

in which

Sf is the financial score,

Fm is the lowest priced proposal and

F the price of the proposal under consideration

Technical Evaluation Criteria

Summary of Technical Proposal Evaluation Forms		Points Obtainable	Company / Other Entity				
			A	B	C	D	E
1.	Capacity and expertise of the firm	100					
2.	Proposed Methodology and Approach	100					
Total [(score1+score2) / 2]		100					

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

Form 1: Capacity and expertise of the firm

Form 1*		Points obtainable	Company / Other Entity				
			A	B	C	D	E
Capacity and expertise of the firm							
1.1	Reputation of Organisation:						
	<ul style="list-style-type: none"> - Relevant experience <i>(Please attach list and short description of minimum 3 projects undertaken in the past, as well as their results.)</i> 	25					
	<ul style="list-style-type: none"> - References <i>(Please attach at least two reference letters referring to the projects described above)</i> 	25					
1.2	General Organisational Capability:						
	<ul style="list-style-type: none"> - Qualified management team with experience in business management <i>(Please attach CVs of Management Staff.)</i> 	20					
	<ul style="list-style-type: none"> - Qualified personnel <i>(Please attach list of all personnel involved in the implementation of the project, together with short descriptions of their qualifications and experience, as well as of their responsibilities and availability (i.e. time dedicated) for the implementation of the project)</i> 	10					
	<ul style="list-style-type: none"> - Organization structure <i>(organigram, current number of full-time staff)</i> 	10					
	<ul style="list-style-type: none"> - Sustainability <i>(Please attach balance sheets, profit and loss accounts and annexes for the past 3 fiscal years - 2007, 2008, 2009. Please note that only companies with a positive average profit across the last three years will be considered).</i> 	10					
		100					

* As part of the Technical Offer, the offeror must provide all documents listed in the Section 8. Failure to do so will result in disqualifying the proposal. This includes the following documents, for which no scoring is provided: Certificates to prove the fulfillment of all payment obligations; Registration certificate; and Certificate issued by the National Trade Register Office, as detailed in points i., ii.,iii. of section 8.

Form 2: Proposed Methodology and Approach

Form 2		Points Obtainable	Company / Other Entity				
			A	B	C	D	E
Proposed Methodology and Approach							
2.1	Is the methodology to be adopted (business plan and promotion plan) appropriate for the task?	20					
2.2	Are the deadlines for the execution of each phase of the work as well as the schedule for the execution of the activities adequate relative to one another?	20					
2.3	Is the conceptual framework adopted appropriate for the task?	20					
2.4	Is the scope of task well defined and does it correspond to the TOR?	20					
2.5	Is the presentation clear and is the sequence of activities and the planning (ie, business plan and promotion plan) logical, realistic and promise efficient implementation to the project?	20					
		100					

F. AWARD OF CONTRACT

21. 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.

22. 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.

23. 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.

Failure of the successful Offeror to comply with the requirement of Clause 23 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Proposal security if

any, in which event the Purchaser may make the award to the next lowest evaluated Offeror or call for new Proposals.

24. Vendor protest

Our vendor protest procedure is intended to afford an opportunity to appeal to persons or firms not awarded a purchase order or contract in a competitive procurement process. **It is not available to non-responsive or non-timely proposers/bidders or when all proposals/bids are rejected. 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>.

Annex II

TERMS OF REFERENCE

1. GENERAL DESCRIPTION

The business incubator in Satu Mare – Vetis Industrial Park was established and will be operated under the *National Multiannual Programme for the Establishment and Development of Technology and Business Incubators in Romania*. This programme is coordinated by the Agency for Implementing Projects and Programmes for SMEs (AIPPSME) and is implemented by the United Nations Development Programme Romania (UNDP Romania), in collaboration with the local authorities and the Territorial Office for SMEs and Cooperation (TOSMEC).

The general aim of the project is to support the development of the SME sector, as means to achieve job creation and economic development in the targeted regions.

The business incubators operating within the project offer a 3-year incubation period. Throughout the 3-year period, the incubated firms benefit from office space, consultancy and assistance services, as well as financial grants. Following the completion of the 3-year incubation cycle, the administrator of the incubator will monitor the graduated firms for an additional 2-year period.

The incubator administrator is responsible for the strategic management of the incubator, for offering consultancy and assistance services to the incubated firms, as well as for overseeing the general running of the incubator and building and utilities maintenance.

The business incubator in Satu Mare is placed within the Vetis Industrial Park, Vetis, Satu Mare County. The building has an area of 771 sq meters, runs over two floors (ground floor and first floor), and contains office spaces, training and meeting rooms.

The Contract for the administration services of the Business Incubator in Satu Mare – Vetis Industrial Park will be signed by: AIPPMSE; The Satu Mare County, through the Satu Mare County Council; the Administrator of the Business Incubator. The contract will be signed for a period of 5 years: a 3-year incubation period, plus 2 additional years of post-incubation monitoring services.

For more details, please refer to the procedure for implementing the programme in Annex VI.

2. OBJECTIVE

The administrator of the business incubator will be responsible for the management and operational activities of the business incubator throughout the three year incubation period, as described in detail in the *“Procedure for implementing the National Multiannual Programme for the Establishment and Development of Technology and Business Incubators in Romania”* in Appendix VI. Additionally, following the completion of the business cycle, the administrator will monitor the firms that graduated from the incubation programme for two additional years.

To this end, the administrator will benefit from financial and technical assistance granted as part of the Programme, as described in Annex VI.

3. SCOPE OF WORK

The support services offered by the incubator administrator are aimed at the proper operation of the business incubator and at preserving optimal conditions for the individual spaces made available to the beneficiaries of the Program, as well as the common spaces, including meeting, exhibition, and training

rooms, by providing them with utilities (heating, electricity water, gas, etc.), telecommunication services, security and cleaning services etc.

i. The incubator administrator has the following responsibilities and duties:

- signs a management framework agreement with the local authorities, AIPPSME in view of implementing the Program;
- signs incubation agreements with the beneficiaries of the Programme selected to participate to the Program - more details regarding the incubation agreements can be found in sections 7 and 9 of the Procedure in Annex VI;
- is directly accountable for the use of the funds granted by UNDP, as national implementation agency, including funds dedicated to the incubated SMEs and the business incubator, as detailed in sections 2.4 and 4.1 of the implementing procedure in Annex VI;
- drafts and keeps the accounting records of the business incubator, which it makes available to the authorities involved in implementing the Program, upon their request;
- organizes the local promotion of the Programme (production of advertising and promotional materials, organization/participation to specialized seminars, etc.);
- proposes and drafts the technical documentation regarding the procedure for selection of the potential beneficiaries of the Program;
- proposes and drafts the training materials for training of the potential entrepreneurs in view of selecting the best business ideas;
- renders to the potential beneficiaries of the Programme technical assistance services during the pre-incubation period;
- organizes training seminars on various activity topics, to the benefit of the incubated SMEs, throughout the Program;
- renders the management services required in the Procedure in Annex VI, subject to conclusion of service agreements with the beneficiaries of the Program;
- secures the optimal use of office spaces and fixed assets that the incubator is equipped with
- issues quarterly financial reports and submits them to AIPPSME and UNDP for approval, accompanied by documents supporting the use of the fund, highlighting the grants awarded to each incubated beneficiary (services agreements, fiscal invoice, fiscal receipts, warrants of payment, statements of account, etc.). The payment of the grants for the incubated SMEs shall be made subject to approval of these reports by AIPPSME and UNDP;
- issues quarterly reports on the Programme performance progress and submits them to AIPPSME and UNDP;
- monitors and evaluates the activities of the Program's beneficiaries during the entire term of their contracts;
- raises funds to ensure the sustainability of the business incubator
- upon request, involves the incubated SMEs in specific national and international research activities and investment programs;
- establishes and maintains relations with other international business incubators networks.

More details on the administrator's responsibilities in section 10.2.2. of the Procedure in Annex VI

ii. In addition the administrator should provide specialized services to the incubated SMEs upon request. These services will be paid by the incubated SMEs and may include:

- consultancy and assistance for drafting business and marketing plans, feasibility studies and investment financing sources and methods on purpose of helping the beneficiaries of the Programme contract other complementary grants;

- consultancy and training in business management and investment management;
- assistance in the process of developing new products and services;
- assistance for development of national and international partnerships;
- training, translation and advertising services;
- consultancy regarding protection of intellectual and industrial property rights;
- assistance for correlating the activities with those of the enterprises operating in the area;
- assistance for diversifying the Program's beneficiaries capacity to sell products and/or services outside the area where the business incubator is located;
- assistance in personnel selection and recruitment
- assistance in the implementation of working standards in compliance with European norms on quality.

A detailed list of services to be provided by the incubator administrator is provided in section 3.8 of the Procedure in Appendix VI

- iii. In the pre-incubation period, the administrator should provide the following services and utilities: the incubator working space, including meeting rooms; facilities (electricity, water, gas), telecommunications (phone, fax, copying machine); security; administrative services.

4. REPORTING

The following reports and outputs will be produced:

- i. Quarterly financial reports – to be submitted to AIPPSME and UNDP for approval, accompanied by documents supporting the use of the fund, highlighting the grants awarded to each incubated beneficiary (services agreements, fiscal invoice, fiscal receipts, warrants of payment, statements of account, etc.).
- ii. Quarterly reports on the Programme performance progress – to be submitted to AIPPSME and UNDP
- iii. Monitoring and evaluation reports on the activities of the Program's beneficiaries during the entire term of their contracts

The reports on the Programme performance progress, as well as on monitoring of the incubated SMEs prepared by the incubator administrator, have to include the following indicators:

a) results-based criteria (monitoring):

- the degree of using the surface of the incubator (in sqm);
- average number of new jobs creates by each SME incubated;
- number of incubated SMEs;
- objects of activity of the incubated companies;
- number of newly-established SMEs;
- subsidies obtained by each incubated SME, according to the procedure;
- number of SMEs excluded from the business incubator;
- number of employees of the business incubator;
- ratio between the number of employees of the business incubator/incubated SMEs;
- services delivered and the quality thereof;

- special achievements of an incubate company.

b) business criteria (impact assessment):

- average operation costs;
- average costs in capital investments;
- costs per job (gross);
- bankruptcy rates of the incubated SMEs following the incubation period;
- survival rate of the SMEs following the incubation period;
- value of investments in plant and equipments;
- value of foreign investments attracted;
- financial and economic results, average revenues growth;
- business exchanges with business partners within and outside the geographical area where the incubator is located.

Annex IV

PRICE SCHEDULE

The Price Schedule should be made in accordance with the “Procedure for implementing the National Multiannual Programme for the Establishment and Development of Technology and Business Incubators in Romania” in Annex VI.

The Price Schedule must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category. The offeror should use the table below as a format for providing the Price Schedule.

No.	Services provided*	TOTAL foreseen cost for the whole duration of the contract (USD)
1	Selection of incubated SMEs: - managing the selection process - pre-incubation training and assistance services for potential incubated enterprises - promotion of the incubator in the pre-incubation process	
2	Technical assistance for incubated SMEs, including advisory services	
3	Monitoring and reporting on the incubator activity	
4	Promotion for the incubator and the programme throughout the incubation period	
5	Running costs for managing the incubator (e.g. accounting, management of the incubator premises, overseeing the incubation process)	
6	Post-incubation monitoring services	
7	Other costs (<i>please specify</i>)	
TOTAL		

* This table presents the main categories of services provided by the incubator administrator. For a detailed description of the services required, please see the Terms of Reference in Annex II and the Procedure for implementing the programme in Annex VI.

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

Annex V

Model Contract for Professional Consulting Services between UNDP and a Company or other entity¹

¹ This model contract is intended for services (studies, consultancies by firms, etc) to be obtained from companies as well as from NGOs, Universities, etc. It is not to be used for procuring goods or works. Any substantial deviations to the text should be made in consultation with BOM.

Date _____

Dear Sir/Madam,

Ref.: _____/ _____/ _____ [INSERT PROJECT NUMBER AND TITLE OR OTHER REFERENCE]

The United Nations Development Programme (hereinafter referred to as "UNDP"), wishes to engage your [**company/organization/institution**], duly incorporated under the Laws of _____ [INSERT NAME OF THE COUNTRY] (hereinafter referred to as the "Contractor") in order to perform services in respect of _____ [INSERT SUMMARY DESCRIPTION OF THE SERVICES] (hereinafter referred to as the "Services"), in accordance with the following Contract:

1.Contract Documents

- 1.1 This Contract is subject to the UNDP General Conditions for Professional Services attached hereto as Annex I. The provisions of such Annex shall control the interpretation of this Contract and in no way shall be deemed to have been derogated by the contents of this letter and any other Annexes, unless otherwise expressly stated under section 4 of this letter, entitled "Special Conditions".
- 1.2 The Contractor and UNDP also agree to be bound by the provisions contained in the following documents, which shall take precedence over one another in case of conflict in the following order:
 - a) this letter;
 - b) the Terms of Reference [ref.dated.....], attached hereto as Annex II;
 - c) the Contractor's technical proposal [ref....., dated], as clarified by the agreed minutes of the negotiation meeting²[dated.....], both documents not attached hereto but known to and in the possession of both parties.
- 1.3 All the above shall form the Contract between the Contractor and UNDP, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

² If there are updates to the technical proposal or correspondence exchanged in clarification of certain aspects, reference them too, provided that they are fully acceptable to UNDP. Otherwise, aspects which resolution is pending should be dealt with in this letter itself or in the Terms of Reference, as appropriate.

2. Obligations of the Contractor

2.1 The Contractor shall perform and complete the Services described in Annex II with due diligence and efficiency and in accordance with the Contract.

2.2 The Contractor shall provide the services of the following key personnel:

<u>Name</u>	<u>Specialization</u>	<u>Nationality</u>	<u>Period of service</u>
-------------	-----------------------	--------------------	--------------------------

....
------	-------	-------	-------

....
------	-------	-------	-------

2.3 Any changes in the above key personnel shall require prior written approval of _____ [NAME and TITLE], UNDP.

2.4 The Contractor shall also provide all technical and administrative support needed in order to ensure the timely and satisfactory performance of the Services.

2.5 The Contractor shall submit to UNDP the deliverables specified hereunder according to the following schedule:

[LIST DELIVERABLES]

[INDICATE DELIVERY DATES]

e.g.

Progress report	.././....
.....	.././....
Final report	.././....

2.6 All reports shall be written in the English language, and shall describe in detail the services rendered under the Contract during the period of time covered in such report. All reports shall be transmitted by the Contractor by _____ [MAIL, COURIER AND/OR FAX] to the address specified in 9.1 below.

2.7 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the deliverables and reports foreseen under this Contract in accordance with the highest industry and professional standards.

OPTION 1 (FIXED PRICE)

3. Price and Payment³

³ This version of section 3 is to be used for fixed price contracts. Fixed price contracts should normally be used when it is

- 3.1 In full consideration for the complete and satisfactory performance of the Services under this Contract, UNDP shall pay the Contractor a fixed contract price of _____ [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS].
- 3.2 The price of this Contract is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Contractor in the performance of the Contract.
- 3.3 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Services.
- 3.4 UNDP shall effect payments to the Contractor after acceptance by UNDP of the invoices submitted by the Contractor to the address specified in 9.1 below, upon achievement of the corresponding milestones and for the following amounts:

<u>MILESTONE</u> ⁴	<u>AMOUNT</u>	<u>TARGET DATE</u>
Upon...../..
...../..

Invoices shall indicate the milestones achieved and corresponding amount payable.

OPTION 2 (COST REIMBURSEMENT)

3. Price and payment⁵
- 3.1 In full consideration for the complete and satisfactory performance of the Services under this Contract, UNDP shall pay the Contractor a price not to exceed _____ [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS].

possible to estimate with reasonable accuracy the costs of the activities which are the subject of the Contract.

⁴ If an advance payment is granted, define the first milestone as "upon signature of the contract by both parties". Please note that advance payments should be granted only in exceptional cases, and that they must comply with UNDP policies and procedures.

⁵ This version of section 3 is to be used for cost reimbursement contracts. Normally, cost reimbursement contracts should be used when it is not possible to estimate with reasonable accuracy the total costs of the activities which are the subject of the Contract.

- 3.2 The amount contained in 3.1 above is the maximum total amount of reimbursable costs under this Contract. The Breakdown of Costs in Annex _____ [INSERT ANNEX NUMBER] contains the maximum amounts per cost category that are reimbursable under this Contract. The Contractor shall reflect in his invoices the amount of the actual reimbursable costs incurred in the performance of the Services.
- 3.3 The Contractor shall not do any work, provide any equipment, materials and supplies, or perform any other services which may result in any costs in excess of the amount under 3.1 or of any of the amounts specified in the Breakdown of Costs for each cost category without the prior written agreement of _____ [NAME and TITLE], UNDP.
- 3.4 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Services.
- 3.5 The Contractor shall submit invoices for the work done every _____ [INSERT PERIOD OF TIME OR MILESTONES].

OR

- 3.5. The Contractor shall submit an invoice for _____ [INSERT AMOUNT AND CURRENCY OF THE ADVANCE PAYMENT IN FIGURES & WORDS] upon signature of this Contract by both parties and invoices for the work done every _____ [INSERT PERIOD OF TIME OR MILESTONES].⁶
- 3.6 Progress and final payments shall be effected by UNDP to the Contractor after acceptance of the invoices submitted by the Contractor to the address specified in 9.1 below, together with whatever supporting documentation of the actual costs incurred is required in the Breakdown of Costs or may be required by UNDP. Such payments shall be subject to any specific conditions for reimbursement contained in the Breakdown of Costs.

4. Special conditions⁷

⁶ This clause should be used if an advance payment is granted. Please note that advance payments should be granted only in exceptional cases, and that they must comply with UNDP policies and procedures. Any advance which represents 30% or more of the proposed total contract value must be cleared by the Office of Finance and Administration prior to contract signature, with the exception of contracts below \$50,000.

⁷ Under this Section, you may propose special clauses in order to adapt the model contract to the specific situation. In this sample clause 4, several clauses of common use are given. If they are not required, they should be deleted. If there are no special conditions, please choose the alternative version of 4 in order to conform to clause 1.1.

4.1 The responsibility for the safety and security of the Contractor and its personnel and property, and of UNDP's property in the Contractor's custody, rests with the Contractor.

4.1.1. Security

The Contractor shall:

- (a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the services are being provided;
- (b) assume all risks and liabilities related to the Contractor's security, and the full implementation of the security plan.

4.1.2 UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this contract. Notwithstanding the foregoing, the Contractor shall remain solely responsible for the security of its personnel and for UNDP's property in its custody as set forth in paragraph 4.1 above.

4.2 Audits and Investigations

Each invoice paid by UNDP shall be subject to a post-payment audit by auditors, whether internal or external, of UNDP or the authorized agents of the UNDP at any time during the term of the Contract and for a period of three (3) years following the expiration or prior termination of the Contract. The UNDP shall be entitled to a refund from the Contractor for any amounts shown by such audits to have been paid by the UNDP other than in accordance with the terms and conditions of the Contract. Should the audit determine that any funds paid by UNDP have not been used as per contract clauses, the company shall reimburse such funds forthwith. Where the company fails to reimburse such funds, UNDP reserves the right to seek recovery and/or to take any other action as it deems necessary.

4.2.1 The Contractor acknowledges and agrees that, at anytime, UNDP may conduct investigations relating to any aspect of the Contract, the obligations performed under the Contract, and the operations of the Contractor generally. The right of UNDP to conduct an investigation and the Contractor's obligation to comply with such an investigation shall not lapse upon expiration or prior termination of the Contract. The Contractor shall provide its full and timely cooperation with any such inspections, post-payment audits or investigations. Such cooperation shall include, but shall not be limited to, the Contractor's obligation to make available its personnel and any documentation for such purposes and to grant to UNDP access to the Contractor's premises. The Contractor shall require its agents, including, but not limited to, the Contractor's attorneys, accountants or other advisers, to reasonably cooperate with any inspections, post-payment audits or investigations carried out by UNDP hereunder.

4.3 Anti-terrorism

The Contractor agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received under this Contract are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via

<http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Contract.

- 4.4 The advance payment to be made upon signature of the contract by both parties is contingent upon receipt and acceptance by UNDP of a bank guarantee for the full amount of the advance payment issued by a Bank and in a form acceptable to UNDP.⁸
- 4.5 The amounts of the payments referred to under section 3.6 above shall be subject to a deduction of _____ **[INSERT PERCENTAGE THAT THE ADVANCE REPRESENTS OVER THE TOTAL PRICE OF THE CONTRACT]** % (... percent) of the amount accepted for payment until the cumulative amount of the deductions so effected shall equal the amount of the advance payment.⁹
- 4.6 Owing to [.....], Article(s) [.....] of the General Conditions in Annex I shall be amended to read/be deleted.¹⁰

5. Submission of invoices

- 5.1 An original invoice shall be submitted by mail by the Contractor for each payment under the Contract to the following address:
.....
.....
- 5.2 Invoices submitted by fax shall not be accepted by UNDP.

6. Time and manner of payment

- 6.1 Invoices shall be paid within thirty (30) days of the date of their acceptance by UNDP. UNDP shall make every effort to accept an invoice or so advise the Contractor of its non-acceptance within a reasonable time from receipt.
- 6.2 All payments shall be made by UNDP to the following Bank account of the Contractor:
_____ **[NAME OF THE BANK]**

⁸ This clause must be used when an advance payment of \$50,000 or more is granted to the Consultant and may be used for payments under \$50,000 when appropriate. Please note that advance payments should be exceptional, whatever their amount and must comply with UNDP Financial Regulations and Rules.

⁹ This clause must be used when an advance payment is granted (whatever the amount) in a cost reimbursement contract. A payment upon signature is considered an advance payment.

¹⁰ This is a sample clause for the rare cases where there is a conflict with a provision of the General Conditions which does not involve privileges and immunities, arbitration or some other fundamental aspects of the UNDP legal status. All such changes to the General Conditions shall require consultation with OLPS/BOM.

_____ [ACCOUNT NUMBER]

_____ [ADDRESS OF THE BANK]

7. Entry into force. Time limits.

7.1 The Contract shall enter into force upon its signature by both parties.

7.2 The Contractor shall commence the performance of the Services not later than _____ [INSERT DATE] and shall complete the Services within _____ [INSERT NUMBER OF DAYS OR MONTHS] of such commencement.

7.3 All time limits contained in this Contract shall be deemed to be of the essence in respect of the performance of the Services.

8. Modifications

8.1 Any modification to this Contract shall require an amendment in writing between both parties duly signed by the authorized representative of the Contractor and _____ [NAME AND TITLE] UNDP.

9. Notifications

For the purpose of notifications under the Contract, the addresses of UNDP and the Contractor are as follows:

For the UNDP:

_____ [INSERT CONTRACT REFERENCE & NUMBER]

Telex:	Fax:	Cable:
---------------	-------------	---------------

For the Contractor:

[INSERT NAME, ADDRESS AND TELEX, FAX AND CABLE NUMBERS]

Name:
Address:

Telex:	
Fax:	
Cable:	

If the above terms and conditions meet with your agreement as they are typed in this letter and in the Contract Documents, please initial every page of this letter and its attachments and return to this office one original of this Contract, duly signed and dated.

Yours sincerely,

[INSERT NAME AND TITLE]

For **[INSERT NAME OF THE COMPANY/ORGANIZATION]**

Agreed and Accepted:

Signature _____

Name: _____

Title: _____

Date: _____

UNDP
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.

Annex VI

Procedure for implementing the National Multiannual Programme for the Establishment and Development of Technology and Business Incubators in Romania

Please see the Procedure as a separate annex, as published in the Official Gazette of Romania no. 386 / 10.06.2010.