



**How to do Business with the United Nations Economic and Social
Commission for Western Asia (ESCWA)**



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Doing Business with ESCWA

Due to the diversified nature of the United Nations market, potential suppliers should first understand the U.N. system and how it operates.

Competitive Bidding

The policy objective of procurement is to provide the appropriate quality and quantity of goods and services to support the activities of ESCWA, at the time and place where needed and in the most cost effective manner. The following considerations are taken into account:

- The mandate of ESCWA and the UN
- The fairness, integrity and transparency of the process
- Non-discrimination and equal treatment of suppliers; and
- The award of contracts on the basis of competitive bidding.

All suppliers are afforded equal treatment and are subject to the same rules, receive the same information, and have equal opportunity. Each supplier receives identical solicitation materials and the information is presented clearly and identically to all. In addition, all suppliers are subject to the same timelines in preparing and submitting their offers in response to the solicitation documents.

In principle, competition is greatest when there are no limitations as to participation. Accordingly, participation is generally without regard to country. However, the geographical scope of procurement may be limited in certain instance. These limitations may reflect policies relating to:

- Local preferences.
- ESCWA member countries.



Normally, the procurement will continue to be competitive within the geographical limitation.

Definition of Supplier

The term “Supplier” is defined parenthetically as “providers of goods, works and services” A supplier need not be a company. A supplier may be a government agency, a not-for-profit organization (such an educational or charitable institution), or any other entity. It is advisable always to define “supplier” because the term may have a different meaning in different venues. For example, to some a supplier is a provider of tangible goods only.

Eligibility of Supplier

To be eligible, Suppliers must satisfy certain objectively justifiable minimum requirements, which include the legal capacity to enter into a contract, the necessary professional and technical competence, financial strength, plant, equipment and other physical facilities and qualified personnel to satisfy the requirement of the procuring entity.



Solicitation Documents

ESCWA uses competitive bidding procedures to meet its requirement and provides value for money and, typically, awards contracts through three types of solicitation documents:

- **Invitation to Bid:** typically issued for high value contracts that require formal competitive bidding procedures.
- **Request for Proposal:** generally issued for high value service contracts that require services to be customized to fit unique circumstances.
- **Request for Quotation:** normally used for low value procurement requirements and are considered as informal solicitation documents.

Solicitation documents are used to request bids, proposals or quotations (offers), from supplier for the goods, works or services required. Therefore, the preparation and development of solicitation documents is considered as one of the most important and susceptible phases of the contracting process in which to ensure fairness, integrity, and transparency.

Solicitation documents will include as appropriate:

- *An invitation to offer,*
- *Instruction to the offerors / suppliers*
- *Form of the offer requested (bid, proposal or quotation),*
- *Form of the proposed contract,*
- *Conditions of contract, both general and specific,*
- *Technical specification,*
- *Lists of goods or bills of quantities and drawing,*
- *Description of work, as well as-----?*
- *Necessary appendices,*
- *Evaluation criteria and*
- *Minimum qualification requirement.*



Solicitation documents will specify internationally accepted standard, such as those issued by ISO, wherever these are available and appropriate. When particular national or other standards are required, the solicitation documents will indicate that such other standards may be acceptable.

Invitation to Bid (ITB)

Invitations to bid are typically issued for high value contracts that require formal competitive bidding procedures. Invitations to bid may be open to many registered suppliers or to a limited few. Open international competitive bids are advertised and ITBs are issued to registered suppliers and suppliers that have expressed interest in the contract. Limited international competitive bids typically are not advertised and these ITBs are issued only to registered suppliers that have been placed on a short list of suppliers. Potential suppliers submit bids on the same basis as one another and an award is made to the lowest priced, technically acceptable bidder or best value bidder.

Suppliers/vendors are requested to make their offers by the specified date and time to the address or fax number stated in the solicitation documents. Every solicitation documents will detail ESCWA's needs and will require the supplier to provide the following details for goods:

- Specification
- Unit and total price, including packing and handling,(where applicable)
- Delivery date and place of loading
- Transport cost, if requested
- Estimated date (time) of departure and arrival, if applicable
- validity of Items.



Request for Proposal (RFP)

RFPs are generally issued for high-value service contracts that require services to be customized to unique circumstances. Specification can be so complex that evaluations of proposals take significantly longer than evaluation of bids and criteria, other than price, are likely to be the determining factors.

Such criteria may include:

- a- Delivery speed
- b- Availability and quality of on-site support
- c- Clarity of technical manuals
- d- Ability to understand local languages and culture
- e- Ability to dispatch troubleshooters to the requirements

Contracts are typically awarded to the offer that presents the best value in accordance with the evaluation criteria.

RFP are typically sent by post to the short-listed suppliers. On average, a supplier is given three weeks to make an offer, but as with goods, this time may be considerably shortened if necessary. As with ITBs, offers in response to a RFP that are received late or improperly addressed will not be considered.

ESCWA may request free, non-returnable samples for evaluation and testing prior to any award. Samples will be subject to technical review and laboratory and other analysis. Supplier may also be requested to provide copies of internal quality control test-result or certificates of analysis conducted at independent laboratories, including certificates of approval by the respective government, health and local authority for the manufacture and/or sale of the product.



Evaluation criteria are normally defined in an RFP and will be weighted in favor of those elements that ESCWA considers the most critical. While it is acknowledged that some requirements of the Statement of Work (SOW) may be open to different interpretations, those that are identified as mandatory must be met for a proposal to be considered responsive. Time is of the essence for services as well as goods.

Request for Quotation

RFQs are considered as informal solicitation documents and are used normally for low-value procurement requirement. These documents request price and commercial terms for goods, works or services that meet standard specifications and are readily available on the market.

RFQ are typically requested from local suppliers, although ESCWA may accept international quotations as well.

Bidding Process

The purchase and Transportation Unit at ESCWA undertakes purchase of goods and services on the basis of competitive bidding, depending on estimated amounts. For purchases in the amounts less than US\$5,000, quotations are sought from international and/or local suppliers and offers are accepted either by sealed envelope or facsimile. For purchases totaling US\$ 5,000 but less than

US\$ 20,000, offers are sought from international and /or local suppliers, as may be required, and are usually delivered in sealed (Supplier) envelopes to the Purchase and Transportation Unit.



For bids totaling US\$ 20,000 or more, an ITB or RFP is prepared. As many suppliers as possible are invited locally and internationally. In such cases, bids /or proposals are delivered to the Secretary of the Bidding Committee and are kept in safe custody until the public opening day.

In accordance with the United Nations Procurement Manual and UN financial regulations, awards for bids with a value of US\$ 50,000, but less than US\$ 200,000 requires the advice of the Local Committee on Contracts. For amounts of US\$ 200,000 or more, Headquarters Committee on Contracts approval is obtained.

Goods purchased vary from stationary supplies, including reproduction equipment to paper for all purposes, consumables, spare parts, various office equipment, communications and data processing equipment (hardware and soft ware), including reproduction equipment, vehicles, photocopiers, etc. Services include contracts for external outsourcing and security, gardening and cleaning, operation and maintenance of building, including equipment and systems, maintenance and repair services for EDP (hardware and software), office and reproduction equipment including the processing of Institutional Contracts.



PUBLIC OPENINGS

A Bid Opening Committee (BOC) conducts formal opening of sealed bids and proposals. Companies that submit offers are invited to attend the opening at which the prices, terms and conditions of offers are read aloud. In the case of RFPs, only the names of companies are conveyed at the opening since evaluation of such offer takes into consideration several determining factors, including price.

Purchase Orders

Once the successful offer for goods has been selected, a Purchase order detailing all the terms and conditions is faxed to the supplier. The faxed Purchase Order constitutes ESCWA's official order and the supplier is expected, after confirmation of acceptance, to initiate action. Confirmation of acceptance occurs when the Purchase Order is signed and the acknowledgement copy of the Purchase Order is received by ESCWA or by the timely delivery of goods in accordance with the terms of the purchase order. ESCWA purchases are subject to the general terms and conditions of the Purchase Order, which reflects the United Nations regulations and rules.



Services Contracts

The procedure for procurement of services is somewhat different, in that the contract award document is normally sent by mail, together with its attachment. ESCWA will, however, not consider the contract as binding until a signed original has been received at its procurement office. A special set of terms and conditions apply in cases of contracting for services. These terms and conditions are usually annexed to the Solicitation Documents.

Evaluation of Bids

Following the official receipt by ESCWA of offers, all bids, proposals or quotations are evaluated to determine which responds best to the requirements established by the Solicitation Document. A tabulation of offers is prepared. A contract is then awarded to the lowest evaluated offer meeting the objective criteria of price, delivery, and specifications. While the commitment to quality remains uncompromised, relative weight is given to price and delivery time.

Bid Evaluation Criteria include:

- Acceptance of UN / ESCWA payment terms.
- Delivery terms.
- Delivery time.
- Technical requirements.
- Recognized international standard.
- Supporting documentation.
- Proven production capacity & financial strength.



- Warranty conditions.
- Appropriate after-sale services.
- Price.

Performing of the Contract

Once a contract has been awarded, a supplier must ensure timely delivery of the goods or services. Slight delays can have a profound impact on ESCWA ability to implement its activity requirements.

A key requirement for companies doing business with the United Nations is the ability to provide after-sale support. This is especially true for businesses providing goods or services to the ESCWA's development projects.

Financial Policy

Whether carried out locally or internationally, all contractual arrangements are subject to the financial rules and procurement procedures established by ESCWA and in line with the financial regulations of the United Nations. This ensures that there is public accountability and control of financial transactions through checks and audits by internal and external bodies. Authority delegated to procurement staff is clearly defined to enable them to act speedily in obtaining what is needed at the right time and in such a way as to obtain the best value for money in a fair and transparent manner.



Payment

ESCWA shall, on fulfillment of the delivery terms, make payment to the supplier within 30 days of receipt of invoice, and copies of the relevant shipping documents, if any, for goods specified in the Purchase Order.

The International Nature of ESCWA Business

The global extent of the activities of the United Nations Economic and Social Commission for Western Asia (ESCWA), presents opportunities for firms and organizations in the Middle East to receive international exposure and resultant recognition that may lead to increase business.

Business Gifts

Staff members of ESCWA are forbidden to accept gifts or favours of any kind, other than publicity items of a purely nominal value offered by, or on behalf of, suppliers or other organizations with which the Section engages, or may engage, in business.

Examples of acceptable items are company calendars, plastic pens, key chains and diaries. If other types of gifts are received by means through which the staff member has no control, the gift will be tactfully returned as appropriate with notification to the supplier.



Prohibition on Advertising

The supplier shall not advertise or otherwise make public that it is furnishing goods or services to UN organizations without specific permission from the UN organization in each instance.

How to apply for registration with ESCWA

Suppliers must first register with ESCWA Procurement and Travel Unit (PTU) in order to bid on tenders. Registration forms are evaluated to ensure that the goods or services offered are relevant to the requirements handled by (PTU).

ESCWA only solicits bids from qualified vendors registered in its database for suppliers.

In order to register, suppliers must accurately complete the following information, which should be forwarded to ESCWA e-mail, fax or regular mail:

- a) The signed completed application.
- b) Copy of certificate of incorporation (privately held companies only).
- c) Your latest certified audited financial statements, i.e. Balance Sheet and income Statement **or** copy of your signed income tax return; **or** your annual report to shareholders (publicly traded companies).
- d) Approved standard of Certifications if any, (ISO-FPA-GMP).
- e) General information regarding your firm and its products/services, including copies of standards of quality



certification for the products/services for which you wish to register;

- f) Letter of reference from at least three (3) clients to whom your company has provided goods/services over the past twelve (12) month;
- g) Certification as authorized dealers, which is applicable to suppliers that are trading or representative companies and are not directly involved in the manufacture of the product.

ESCWA also requires information if you have in your employment any person(s) who have been employed by the United Nations in the past. If so, please provide ESCWA with the necessary details.

In order to receive ITBs or RFPs or RFQ, it is important for suppliers to register with PTU. Therefore, interested parties are encouraged to register for inclusion in the PTU Database of Suppliers by filling and submitting the Suppliers registration form and attaching the necessary certificates required.

A supplier who has not fully completed the registration process, but intends to submit an offer, must either complete the registration process prior to the opening of the solicitation or submit the required information along with his/her offer(s). For further information on a specific product line or service, please contact ESCWA Procurement and Travel Unit. ESCWA will evaluate each completed application on the basis of financial soundness, experience and relevance of the goods/services offered.



Tips for Suppliers

In order to submit competitive and successful tender documents, suppliers are requested to follow the guidance below:

General

- Determine that you have the right goods and services likely required when bids are issued.
- Always respond to bid invitation, if you are unable to bid, please inform ESCWA accordingly.

Bid Preparation

- Carefully study bid documents, conditions, requirements.
- In case of uncertainty – ask for clarification.
- Ensure that your offer meets all the bidding requirements.
- Read the technical specification carefully and meet the minimum requirements.

Bid Submission

- Register with ESCWA database for suppliers (www.escwa.org.lb/procurement).
- Meet deadline for the submission of bid.
- Attend Bid Openings Committee (BOC) meeting, whenever called.

Remember

- Learning process
- Take advantage of ESCWA procurement and Travel unit website.



ANNEXES



GENERAL CONDITIONS OF SERVICE CONTRACT

1.0 LEGAL STATUS: The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis Economic and Social Commission for Western Asia ESCWA. The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of ESCWA.

2.0 SOURCE OF INSTRUCTIONS: The Contractor shall neither seek nor accept instructions from any authority external to ESCWA in connection with the performance of its services under this Contract. The Contractor shall refrain from any action, which may adversely affect ESCWA and shall fulfil its commitments with the fullest regard to the interests of the ESCWA.

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 ESCWA.

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 the United Nations for all sub-contractors. The approval of ESCWA 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 with the provisions of this Contract.

6.0 OFFICIALS NOT TO BENEFIT: The Contractor warrants that no official of ESCWA 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, ESCWA, 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 its 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:

- (i) Name the United Nations as additional insured;
- (ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against the United Nations;
- (iii) Provide that the United Nations 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 ESCWA 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 ESCWA 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 ESCWA shall rest with ESCWA and any such equipment shall be returned to ESCWA at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment, when returned to the United Nations, 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 the United Nations for equipment determined to be damaged or degraded beyond normal wear and tear.

11.0 COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS: ESCWA shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or documents and other materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Contract. At the United Nations' request, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to the United Nations in compliance with the requirements of the applicable law.

12.0 USE OF NAME, EMBLEM OR OFFICIAL SEAL OF THE UNITED NATIONS: The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with ESCWA, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of the United Nations, or any abbreviation of the name of the United Nations in connection with its business or otherwise.



13.0 CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

13.1 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under this Contract shall be the property of ESCWA, shall be treated as confidential and shall be delivered only to United Nations authorized officials on completion of work under this Contract.

13.2 The Contractor may not communicate at any time to any other person, Government or authority external to ESCWA, any information known to it by reason of its association with the United Nations which has not been made public except with the authorization of the United Nations; nor shall the Contractor at any time use such information to private advantage. These obligations do not lapse upon termination of this 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 ESCWA, 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 United Nations of any other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of this Contract. On receipt of the notice required under this Article, ESCWA 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, ESCWA 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.



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 "Arbitration" below shall not be deemed a termination of this Contract.

15.2 The United Nations may terminate forthwith this Contract at any time should the mandate or the funding of the Mission/Agency be curtailed or terminated, in which case the Contractor shall be reimbursed by the United Nations 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 ESCWA under this Article, no payment shall be due from ESCWA 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 United Nations 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 UN 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 this Contract or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in this Contract, the arbitral tribunal shall have no authority to award interest in excess of six percent (6%), 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 controversy, claim or dispute.

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 ESCWA 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 ESCWA to determine a mutually acceptable procedure.

18.2 Accordingly, the Contractor authorizes ESCWA to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with the United Nations before the payment thereof and the United Nations 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 United Nations with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

19.0 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.

20.0 AUTHORITY TO MODIFY: Pursuant to the Financial Regulations and Rules of the United Nations, only the Chief of Administrative Services Division possesses the authority to agree on behalf of the United Nations to any modification of or change in this Contract, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in this Contract shall be valid and enforceable against ESCWA unless provided by an amendment to this Contract signed by the Contractor and the Chief of Administrative Division or his/her delegated Officer.



GENERAL CONDITIONS FOR PURCHASE ORDERS

A. 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 the UN Organization unless agreed to in writing by a duly authorized official of the UN Organization.

B. PAYMENT

(1) The UN Organization 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) 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.

(3) Unless authorized by the UN Organization, the Supplier shall submit one invoice in respect of this Purchase Order, and such invoice must indicate the Purchase Order's identification number.

(4) The prices shown in this Purchase Order may not be increased except by express written agreement of the UN Organization.

C. TAX EXEMPTION

(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 the UN Organization's exemption from such taxes, duties or charges, the Supplier shall immediately consult with the UN Organization to determine a mutually acceptable procedure.

(2) Accordingly, the Supplier authorizes the UN Organization to deduct from the Supplier's invoice any amount representing such taxes, duties or charges, unless the Supplier has consulted with the UN Organization before the payment thereof and the UN Organization has, in each instance, specifically authorized the Supplier to pay such taxes, duties or charges under protest. In that event, the Supplier shall provide the UN Organization with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

D. EXPORT LICENCES

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

E. RISK OF LOSS

Notwithstanding any INCOTERM used in this Purchase Order, risk of loss, damage to, or destruction of the goods shall be borne by the Supplier until physical delivery of the goods to the consignee has been completed in accordance with the terms of this Purchase Order.

F. 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 the UN Organization, 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.

G. INSPECTION

(1) The UN Organization 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.

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

H. INTELLECTUAL PROPERTY INFRINGEMENT

The Supplier warrants that the use or supply by the UN Organization of the goods sold under this Purchase Order does not infringe any patent, design, trade name or trademark. In addition, the Supplier shall, pursuant to this warranty, indemnify, defend and hold the UN organization harmless from any actions or claims brought against the UN Organization 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.

I. RIGHTS OF THE UN ORGANIZATION

In case of failure by the Supplier to fulfill its obligations under the terms and conditions of this Purchase Order including, but not limited to, failure to obtain necessary export licenses, or to make delivery of all or part of the goods by the agreed delivery date or dates, the UN Organization 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:

(a) Procure all or part of the goods from other sources, in which event the UN Organization may hold the Supplier responsible for any excess cost occasioned thereby.

(b) Refuse to accept delivery of all or part of the goods.

(c) Terminate this Purchase Order without any liability for termination charges or any other liability of any kind of the UN Organization.

J. 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 the UN Organization 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 the UN Organization.

K. ASSIGNMENT AND INSOLVENCY

(1) The Supplier shall not, except after obtaining the written consent of the UN Organization, 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.

(2) Should the Supplier become insolvent or should control of the Supplier change by virtue of insolvency the UN Organization may, without prejudice to any other rights or remedies, immediately terminate this Purchase Order by giving the Supplier written notice of termination.

L. USE OF UNITED NATIONS ORGANIZATION NAMES OR EMBLEMS

The Supplier shall not use the name, emblem or official seal of any UN Organizations, for any purpose.

M. PROHIBITION ON ADVERTISING

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

N. SETTLEMENT OF DISPUTES

(a) 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 prevailing, or according to such other procedure as may be agreed between the Parties.

(b) 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 prevailing. The arbitration 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.

O. PRIVILEGES AND IMMUNITIES

Nothing in or related to these General 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.

P. 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 of 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 the UN Organization 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 the UN Organization.

Q. MINES

The Supplier guarantees that neither the Supplier's company, nor any of its affiliates, nor any subsidiaries controlled by its company, is engaged in the sale or manufacture of anti-personnel mines or of components utilized in the manufacture of anti-personnel mines. The Supplier recognizes that a breach of this provision will entitle the UN Organization to terminate its supply contract with the Supplier.

ITB/RFP INISTRUCTIONS AND GUIDELINES

General Provisions

- A request for Proposal (RFP) is used as a standard legal procurement documents for procurement of goods and services where the technical specifications or characteristics cannot be precisely, or are of a complicated/specialized nature that requires significant input from the supplier.
- An invitation to Bid (ITB) is used for the procurement of goods and services of standard and firm specification.
- The RFP or ITB shall be governed by the terms and conditions of the cover letter of the RFP/ITB and the project requirement.
- ESCWA reserves the right to modify or exclude any consideration, information or requirement contained in the RFP/ITB, and to add new considerations, information or requirements at any stage of the procurement process, including during negotiations with the selected proposer.
- It is understood that all specifications shall be construed in the sense that provides the best execution of the contract.
- Only the vendor to whom the RFP/ITB is addressed can submit a proposal. If the addressee does not wish to participate in the bidding process , then the documents may be forwarded to a third party, provided the prior written approval of the ESCWA, Procurement and Travel Unit (PTU) is obtained. The proposal submitted by a third party company shall comply with all deadlines stipulated in the RFP/ITB.

Submissions of Proposals:

Proposals must be submitted in the language (s) indicated in the cover letter of the RFP/ITB.

Technical Specifications of Requirement:

No changes, substitutions, or other alterations to the technical specifications of requirement stipulated in the RFP/ITB will be accepted unless approved in writing by ESCWA.

NO COMMITMENT

The RFP/ITB contains no contractual offer of any kind. Any proposal submitted will be regarded as an offer by the proposer and not as an acceptance by the proposer of the offer made by ESCWA. No contractual relationship will exist expect pursuant to a written contract document signed by ESCWA duly authorized official of PTU and by the selected proposer. The RFP/ ITB does not commit ESCWA to consider any proposal, to award a contract or to pay any costs incurred in making necessary studies for the preparation thereof.

CRITERIA OF EVALUATION

All proposals will be evaluated in accordance with the provisions of the United Nations financial Regulations and Rules as well as the requirements of the ITB/RFP.

PRICES AND TERMS OF CONTRACT

- The price quotes shall only be specified in the currency indicated in the RFP/ITB, free of any tax (such as VAT) and duty. Prices shall be final and subject to revision from the time of entering into force of the contract until the end of contractual obligations.

- The prices referred to above shall include any necessary service to be provided by the selected proposer (even if such services are not expressly enumerated) in order to ensure a satisfactory fulfilment of the contract, as well as any other expenses incurred by the selected proposer, e.g. travel, accommodation, daily substance, telecommunication, postal charges.
- In no case may the selected proposer invoke a hiatus or an oversight in the description of the work components in the tender documents or claim inadequate explanation for seeking any price increase or any release from contractual liabilities.

PAYMENTS TERMS

The financial Regulations of the United Nations preclude advance payment or payments by letter of credit. Such provisions in a proposal will be prejudicial to its evaluation by ESCWA. The standard payment terms are 30 days upon receipt of invoice subsequent to satisfactory delivery of goods and acceptance thereof by ESCWA.

REJECTION OF PROPOSAL AND SPLIT AWARDS

- The United Nations reserved the right to accept or reject any or all proposals received in response to the RFP/ITB, to request either wholly or in part new proposals, or to negotiate with any proposer considered qualified in any manner deemed to be in the best interest of the United Nations. Bids/Proposals may be rejected if they, *inter alia*:
 - (i) are received after the deadline stipulated in the RFP/ITB.
 - (ii) are not properly marked or addressed as required in the RFP/ITB.
 - (iii) are delivered to another United Nations office location than the one required in the ITB/RFP.

- (iv) are transmitted by facsimile without express written permission by PTU.
 - (v) are unsolicited.
 - (vi) contain an alternate proposal, unless specifically requested; or
 - (vii) are not otherwise in compliance with the RFP/ITB.
- The United Nations reserves the right to award more than contract (non-exclusivity) or to enter into a negotiated contract, and it may not necessarily accept the lowest or any particular proposal, nor disclose the reasons for the rejection. The United Nations reserves the right to split awards in any combination as it may deem appropriate. If the proposal is submitted on a (all or none) basis, it should clearly state so.

WITHDRAWAL AND MODIFICATION OF BIDS/PROPOSALS:

Bids/Proposals may be modified or withdrawn in writing, prior to the fixed time for opening specified therein. Bids/Proposals may not be modified or withdrawn after that time.

ERRORS IN PROPOSALS

Bidders/Proposers or their authorized agents are expected to examine any maps, drawings, specifications, circulars, schedules, and other instructions pertaining to the work, made available by the United Nations to the proposers for inspection. Failure to do so will be at the proposer's own risk. In case of error in the totaling of prices, the unit price will be govern.

PUBLIC OPENING

Public opening of tenders will take place at the address and time specified in the cover letter of each specific RFP or ITB. Bidders/Proposers may send one or more representatives with the proper authorization to observe the public opening.

Confidentially

The RFP/ITB or any part thereof, and all copies thereof must be returned to the United Nations upon request. It is understood that the RFP/ITB is confidential and proprietary to the United Nations, contains privileged information, part of which may be copyrighted, and is communicated and received by you on the condition that no part thereof, or any information concerning it may be copied, exhibit, or furnished to others without the prior written consent of the United Nations, *except that you may exhibit the specifications to your prospective sub-contractor for sole purpose of obtaining offers from them.* Notwithstanding the other provisions of the RFP/ITB, recipients of the RFP/ITB will be bound by the contents of this paragraph whether or not they submit a proposal or respond in any other way to this RFP/ITB.

CONTRACT

Any contract resulting from this RFP/ITB will include the United Nations General Conditions for General Contract, as applicable.