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**International Labour Office (ILO) Geneva**

**Request for Proposal (RFP)  
N° 43/2012**

**Research on improving Working Conditions and Safety,  
Skills and Productivity in SMEs**

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**September 2012**



Dear Sir/Madam,

On behalf of the International Labour Office (hereinafter the “ILO”), I would like to invite your company to submit a proposal for a research on improving working conditions and safety, skills and productivity in SMEs as described in the Terms of Reference attached as Annex I (hereinafter the “Services”). This solicitation letter together with its Annexes I to IV form an integral part of the present Request for Proposals (hereinafter the “RFP”). To ensure competition, all interested bidders will receive the same RFP documentation.

In your proposal, it is essential that you strictly comply with the provisions of the RFP, particularly the attached Terms of Reference and the Terms and Conditions applicable to ILO Contracts for Services.

You may submit a proposal to the ILO provided your company is qualified, able and willing to perform the services specified in the RFP. Please note that your proposal must also include a signed copy of the Certification to be submitted by a Bidder in an ILO Competitive Bidding Procedure (Annex III). Participation in this RFP indicates acceptance of the terms and conditions provided in this document and Annexes. Failure to comply with the provisions of this RFP and Annexes may render a proposal ineligible for consideration.

## **1. Bidding Conditions**

### **1.1 Language of the Proposal, Currency Quotation of the Proposal, Tax Free Requirements**

- 1.1.1. The proposal shall be submitted in English. It shall be dated and signed by the company's legal representative and shall bear the official company stamp.
- 1.1.2 Prices in the commercial proposal may only be quoted in US Dollars (USD) and should be free of any taxes or duties.
- 1.1.3 A proposal containing hidden costs is liable to immediate rejection. Where a contract is executed prior to the detection of hidden costs in the proposal selected, the ILO will unilaterally suspend the contract and payments due thereunder, immediately upon the detection of hidden costs. Notification of such suspension will be made by registered mail or direct delivery against signed receipt.
- 1.1.4 The Bidder or an authorized official thereof shall affix his signature to each copy of the proposal pursuant to the method of its submission.

### **1.2 Bidder's Obligation to obtain Information on Risks Influencing Proposal**

In submitting its proposal, the Bidder is expected to have obtained the necessary available information as to the risks, contingencies and other circumstances that may influence or affect its proposal.



### 1.3 Clarification of RFP document

A prospective Bidder requiring any clarification of the RFP document may notify the ILO in writing at [procurement@ilo.org](mailto:procurement@ilo.org). The ILO will strive to respond in writing via e-mail to any requests for clarification of the RFP document received by **Close of Business on Wednesday 26 September 2012**. Written copies of the organization's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Bidders. Queries should be sent to ILO/PROCUREMENT via email only.

### 1.4 Confidentiality of RFP

1.4.1 The information contained in this RFP is the property of the ILO. It is confidential and may not be copied, exhibited or furnished to others without the prior written consent of the ILO, except in the case where the technical specifications are required to be shown by the Bidder to its prospective Supplier(s) or Sub-contractor(s) for the sole purpose of obtaining offers relative to aspects of a Bidder's proposal. Hence prior to the execution of the contract, the successful Bidder shall furnish the ILO with any names, addresses and any other information deemed necessary by the ILO, of the Supplier(s) and Sub-contractor(s) to be used in relation to a proposal. The ILO also reserves the right to:

- (a) Independently obtain information on third party Supplier(s) and Sub-contractor(s) and to require the Bidder/Contractor to change Supplier(s) or Sub-contractor(s) should it be necessary in the interest of the ILO; and
- (b) Not award the contract should any third party Supplier or Sub-contractor be deemed unsatisfactory or not to be in the best interests of the ILO. In this regard, the ILO is under no obligation to provide any justification to the Bidder/Contractor.

1.4.2 If your company has not received this RFP directly from the ILO, please inform from where it was obtained.

### 1.5 Validity Period of the Proposal and Possible Timeframe for Signature by Bidder

1.5.1 A proposal must be in the form of a firm offer, valid at least ninety (90) calendar days after the closing date stipulated in this RFP.

1.5.2 The ILO reserves the right to extend the period of validity of proposals, and to modify or exclude any of the terms of this RFP at its sole discretion. In this event, a Bidder may agree to maintain the terms of the original proposal. A Bidder who wishes to modify his/her/its proposal shall notify the ILO at least 10 working days from the date of notification of the extension.

### 1.6 Evaluation of Proposals

1.6.1 Submitted proposals will be evaluated by the ILO, which reserves the right of recourse to external experts for assistance in its evaluation of the proposals. The ILO may accept or reject any proposal without any obligation of justification, bearing in mind the interest of the ILO. During the process of evaluation, a Bidder may be requested by the ILO to assign an authorized official to the ILO Headquarters in Geneva in order to provide further details in relation to any aspect of the proposal concerned.



1.6.2 Submitted proposals will be evaluated against the following criteria:

- Expertise in specific areas of research relevant to the output,
- Proposed approach and methodology,
- Track record of publications and research related to the output,
- Connection with country institutions in China, India, Viet Nam, Indonesia, Ghana, South Africa, Colombia, Peru, Jordan, Mexico and Zambia,
- Extent to which the bid shows sensitivity to cultural and gender diversity,
- Total cost.

1.7 Right of Accepting or Rejecting a Proposal

This RFP contains no contractual offer of any kind. Any proposal submitted shall be regarded simply as an offer and not as acceptance to an offer made by the ILO. Hence and in accordance with standard practice, the ILO reserves the right to accept or reject any proposal prior to the award of contract. It also reserves the right to:

- (a) Negotiate with any of the bidders or other company/public service provider/individual in any manner deemed appropriate in the best interest of the ILO; and to
- (b) Negotiate and award separate or multiple contracts for the elements covered by this RFP in any combination it may deem appropriate in its sole discretion.

1.8 Signature of Contract by Selected Bidder: Possible Timeframe, Basis and Liability Insurance Obligations

1.8.1 The Bidder whose proposal has been accepted by the ILO may be required to sign a contract within 10 working days after receipt of notification of selection. The signature of a contract with the ILO will be made on the basis of the terms and conditions herein as well as the attached annexes and any agreements made during the negotiation process.

1.8.2 The ILO may request the successful Bidder to authorise an official to make a presentation on the selected proposal after the tender closing date.

1.8.3 The Contractor shall be required to provide the ILO with documentary proof of the required insurance coverage, indicated in Annex II, Terms and Conditions applicable to ILO Contracts for Services. The Contractor also authorizes the ILO to contact any of the insurance companies for the verification of the status of the mentioned coverage.

**2. Bidding Procedures**

2.1 One original, signed by the company's legal representative and bearing the official company stamp, and two copies of the proposal shall be submitted in an outer and two inner sealed envelopes, as detailed under clauses 2.2 and 2.3 below. The outer envelope shall be addressed to: International Labour Office, REGISTRY, 4, route des Morillons, CH-1211 Geneva 22 (Suisse).

**Each of the two inner envelopes shall be sealed and indicate the name and address of the Bidder. The first inner envelope shall contain the Bidder's Technical Proposal and be clearly marked "RFP N° 43/2012 Technical**

**Proposal". The second inner envelope shall contain the Bidder's Commercial Proposal and be clearly marked "RFP N° 43/2012 Commercial Proposal". Any and all financial information shall be included only in the Commercial Proposal, which shall be prepared using the Commercial Proposal Form attached as Annex IV to this letter. No financial proposal, quotes or other related financial information should appear in the Technical Proposal.**

**Note:** If the inner envelopes are not sealed and marked as per the instructions in this clause, the ILO will not assume responsibility for the proposal's misplacement or premature opening.

- 2.2 For the purpose of identification, you are required to cut out and stick the label set out below on the outer envelope or package:

International Labour Office  
 REGISTRY  
 4, route des Morillons  
 CH-1211 Geneva 22 (Suisse)  
**RFP N° 43/2012 – Research on improving Working Conditions and Safety, Skills and Productivity in SMEs**  
**DO NOT OPEN BEFORE 17 October 2012 (16:00 CET)**

Proposals sent by fax or E-mail are not admissible. The ILO reserves the right to reject any proposal that is not submitted in the prescribed manner.

- 2.3 **The envelope/package containing the original and two copies of the proposal must reach the ILO before 16:00 hours CET on Wednesday 17 October 2012.** It is the exclusive responsibility of the Bidder that the sealed envelope/package reaches the above address before the closing date of this RFP. No excuses or extenuating circumstances will be accepted. Any proposal received after the official closing time and date will be rejected and will be returned unopened to sender.

- 2.4 The Proposal from the Bidder shall include the following ten (10) documents:

Submission	
1	One original and two copies of the Technical Proposal duly completed, with explicit indication of any non-compliance to the Terms of Reference ( <u>Annex I</u> ), stamped, signed and dated and placed into a sealed envelope marked: <b>TECHNICAL PROPOSAL.</b>
2	One original and two copies of the Commercial Proposal Form ( <u>Annex IV</u> ) duly completed, stamped, signed and dated and <b>placed into a separate and sealed envelope</b> bearing the words: <b>COMMERCIAL PROPOSAL.</b> The Bidder shall indicate in the Commercial Proposal a fixed price quote for the Services.
Certifications <sup>1</sup>	
3	Certificate of registration with the Business Registration Office in the Bidder's location.
4	Certificate(s) confirming that obligations relating to the payment of social security contributions and/or the payment of taxes in accordance with the legal provisions of the country in which the Bidder is established, have been fulfilled.
5	Declaration from the Bidder that it adheres to the collective agreements of the industry or branch it belongs to.

<sup>1</sup> To be submitted with the Technical Proposal.



6	Signed Certification to be submitted by a Bidder in an ILO Competitive Bidding Procedure ( <u>Annex III</u> ).
	Organization <sup>2</sup>
7	A short summary of profile and capacity of the Bidder, including a record of collaboration with institutions in the countries listed in paragraph 11.3 of the TOR.
8	A track record of publications and research related to the outputs.
9	The CVs of researchers that will be part of the Bidder's team.
10	The Bidder's proposed approach and methodology for each output.

**The absence or non-validity of any document may disqualify a Bidder.**

You will be informed in due course of time whether your proposal has been selected. The ILO however is not obliged to provide explanations or reasons for its selection.

We would be grateful to receive an e-mail acknowledging receipt of this invitation indicating whether you intend to submit a proposal or not.

We look forward to receiving your proposal by the closing date.

Yours faithfully,

Geneva, 17 September 2012

Vittoria Pasca  
Lead Buyer RFP N° 43/2012  
ILO/PROCUREMENT

Enclosed:

**Annex I: Terms of Reference**

**Annex II: Draft Contract and Terms and Conditions applicable to ILO Contracts for Services**

**Annex III: Certification to be submitted by a Bidder in an ILO Competitive Bidding Procedure**

**Annex IV: Commercial Proposal Form**

<sup>2</sup> To be submitted with the Technical Proposal.



## **ANNEX I**

### **TERMS OF REFERENCE RFP N° 43/2012**

#### **Research on improving Working Conditions and Safety, Skills and Productivity in SMEs**

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##### **Introduction**

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1. Improving working conditions which incorporates wages, work organization, maternity protection, working time, training and occupational safety and health, is one of the key dimensions of ILO's Decent Work Agenda. While this goal has been globally recognized, concerns have been expressed about the possible consequences on labour costs and hence enterprise profitability and employment. Certainly, the goal of securing good working conditions for all women and men goes beyond (narrowly-defined) economic considerations and is anchored in social, political, and human rights. Nonetheless, these economic concerns cannot be taken lightly, as enterprises are the basic unit of organized economic activity in the market economy and their performance determines the provision of decent work. Thus, it is important to pursue a business case, as well as a rights case, for the improvement of working conditions, and to bring to light the circumstances and policy environment in which they can be mutually supportive. The need for such approaches is particularly strong in SMEs, where economic constraints are often overwhelming and policy measures sometimes fail to reach.
2. In recent years, the “high-road” or “win-win” hypothesis, that better conditions of work can lead to higher productivity, has been subjected to intense empirical research and experimentation in both industrialized and developing countries. Both academic research and practical experience in ILO projects such as SCORE show that progressive workplace practices, such as innovations in work organization, continuous workplace learning, good labour-management relations and respect for workers' rights, are important ways of raising productivity while also promoting decent work. One of the key hypotheses is that involving employees in workplace decision-making is linked to lower employee turnover, improved productivity and better commercial outcomes, including sales growth, customer satisfaction and returns to shareholders. Compliance with labour standards can also help enterprises to access new markets and buyers and new sources of financing and credit.

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## **Background on the research project**

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3. To build on existing research and contribute new empirical evidence and analysis on the topic, the ILO is initiating a research project: “Improving Working Conditions and Safety, Skills and Productivity, in SMEs.” The research project is bringing together an interdisciplinary team from four ILO departments - Enterprise, Safework (OSH), Travail (working conditions) and Skills. The first phase of the project began in June 2012 and will end on 31 December 2013. If successful, the project will be extended for another two years until December 2015.
4. The project has already begun work on a paper which analyses ILO tools and interventions relating to the above questions, to identify lessons that can be learned from this. It has further identified the need to develop partnerships with one or more research teams or academic institutions (“vendors”) to produce a range of other research outputs.
5. These TORs detail specific research outputs that form part of the work of this project (referred to as ‘the research project’). However, proposals received will also be used to create a short-list of preferred vendors who can be contacted directly by ILO in the event that research work of a similar nature arises in the future.
6. The objective of this research will be to produce up-to-date analysis, data, and improved insights into the complex linkages between working conditions, OSH, skills/vocational training, and productivity in SMEs, so as to inform the development of policies and interventions that optimise SME productivity, boost the quality and take-up of vocational training, and increase access to decent work opportunities.
7. The research undertaken up to February 2013 will be brought together under a Synthesis Report, to be shared at a Research Conference in May 2013. Subsequently, this Synthesis Report and later research undertaken for the project will be converted into an ILO policy package.
8. Key questions for this research project include:
  - Do better conditions of work lead to higher productivity or improved SME performance? Can they help to increase the level of interest in vocational training?
  - Under what conditions (sectors, enterprise segments, export-orientation, socio-economic environment etc.) are the positive relationships described above more likely to materialize in SMEs? What are the cause-effect relationships? What are the key motivators for enterprises to adopt high-road strategies that involve the greater use of





skills, more training and improved working conditions and OSH? What are the disincentives?

- What policy measures are likely to create the conditions that influence SMEs to take the high-road approach and improve working conditions? In what way do gender-specific issues need to be integrated into this? What combination of interventions, awareness raising and promotional strategies by ILO projects and constituents are most likely to be successful? Are special measures called for to catalyse change in smaller enterprises? Is the sequencing of improvement measures important (i.e. what are most promising entry points)?
- What are the key indicators to capture the impact of working conditions and OSH on productivity? What are the key indicators of working conditions and OSH that are positively associated with an increased perception of and willingness among young women and men to invest in technical or vocational education?

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### **Selection of vendors for list of preferred vendors**

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9. These TORs describe specific research outputs, listed in paragraph 12, for which formal proposals are invited as part of a contractor selection process. In addition, the ILO intends to create a list of preferred vendors who can be contacted directly by ILO in the event that research work of a similar nature arises in the future. The proposals received in relation to the outputs listed in paragraph 12 will, therefore, also be evaluated for the purpose of selecting vendors to be entered on to this list of preferred vendors.

10. At this stage, future research to be conducted is likely to include:

- An academic paper on the role training, working conditions and productivity in value chains, and the extent to which these factors are critical for SMES (possibly focusing on agro-processing chains in Mexico and Viet Nam and the timber value chain in Zambia).
- An investigation of apprenticeships in different sectors in 3 countries - possibly Colombia, Jordan and Vietnam - that examines the effect of working conditions on social perceptions of apprenticeships.

Separate ToRs for these papers will be disseminated to the list of preferred vendors in 2013.

11. Contractor should have the following profile:

- 11.1 Have a track record of at least five years in research on SMEs, in areas relevant to the deliverables, particularly value chains, safety and health, working conditions, vocational training and enterprise productivity.
- 11.2 Be made up of a small research team (3-5 researchers) with the time and motivation to draft joint research papers with ILO in English.
- 11.3 Research links to research institutions in one or more of the following countries are preferred: China, India, Viet Nam, Indonesia, Ghana, South Africa, Colombia, Peru, Jordan, Mexico and Zambia. Bidders with links to more than one country not necessarily be preferred. The evaluation will take account of the strength of connections with institutes and the nature of past cooperation.
- 11.4 Experience of at least 3 years with impact assessments and randomised controlled trials would be a plus.
- 11.5 Sensitivity to cultural and gender issues as demonstrated by:
  - the technical content of the bid (particularly the methodology and data analysis proposed)
  - the wording used in the bid
  - mix of sexes in the proposed research team. In relation to this point, all teams that contain members of both sexes, in whatever proportion, will be evaluated equally.

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## **Contractor' responsibilities**

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12. The project has identified the need for completion of specific research outputs and seeks a contractor to deliver these. These research outputs are listed and described in the following table.

<b>Outputs</b>		
<b>Output Title and Code</b>	<b>Output Description</b>	<b>Approx' Length</b>
Synthesis report (GP04)	A synthesis report that presents key research evidence and the conclusions that can be drawn from three research papers to be produced by the project. These papers will include the literature review (GP02), which is included in these TORS. The remaining two papers, which are not included in these TORS will be a review of ILO interventions and tools (GP01) and a review relating to G20-country SME apprenticeships (GP03)	50 pages
Attendance and presentation at Research	The lead researcher to make him/herself available to attend and present research findings at a two-day research conference currently planned to take place on 9 and 10 May 2013, at ILO	2 days, plus travel



Conference (GP05)	Geneva office (dates could be subject to change) on the understanding that ILO will be responsible for expenses arising from this mission, in accordance with ILO travel policy.	
Feasibility study for RCTs in ILO projects (GP10)	A study to assess feasibility and costs for conducting randomized control trials (RCTs) in ILO projects to examine the impact of training on productivity and working conditions in SMEs. These trials could be carried out in the context of the second phase of an ongoing ILO project: SCORE (Sustaining Competitive and Responsible Enterprises)	30 pages

13. Requirements for the delivery of plans and drafts for each output are set out in the Schedule of Deliverables.

14. The Contractor will be responsible for the design, planning, implementation, supervision and write-up of such research, and all liaison and costs related thereto.

15. The Contractor will be responsible for conducting all research relating to the deliverable, using an approach agreed with ILO, and for delivering in accordance with the ILO's specifications and timeline set out in the schedule below.

16. The research for these deliverables will be secondary in nature, and is likely to include the analysis of primary and secondary data, as well as a review of existing research in relevant areas. The exact research approach will be agreed with the Contractor after contracting.

17. The Contractor will also be required to:

- Consult and liaise, as required, with ILO and any partners/ contractors assisting with the delivery of the project, so as to ensure the coherence in style and content of all deliverables, and to avoid overlap and/or inconsistencies.
- Make themselves available, if required, to take part in briefings and discussions, electronically or, if judged necessary, at the ILO Geneva Office or other venue, on dates to be agreed. In the event of travel being involved, ILO will be responsible for the payment of expenses arising from these missions, such expenses to be reimbursed in accordance with ILO travel policy. With the exception of Output GP05 (Attendance and presentation at a research conference) no missions is currently foreseen for the completion of any deliverable.

18. All deliverables must be prepared in English, using Microsoft Word, and delivered electronically to ILO. Hard copies must be provided if requested.

## **ILO's responsibilities**

19. The Contractor will use their own facilities to complete all work. No facilities or equipment will be provided by ILO, with the exception of GP05, where the conference will be organised by ILO and the Contractor can be required to attend in accordance with paragraph 16, above .
20. ILO will liaise with the Contractor to ensure the quality and timely delivery of deliverables by the Contractor. Where appropriate, ILO will also provide the Contractor with documents or references, which the Contractor may be required to refer to. However, the Contractor will be responsible for identifying and accessing all relevant research sources and for ensuring that are reviewed and taken into account in the deliverable.
21. Where drafts and reports are required under these TORS, ILO undertakes to review these and provide the Contractor comments and inputs within, at the latest, four weeks of receipt.

## **Delivery Schedule and Stages**

22. Requirements in relation to the delivery of research plans, draft and final versions of deliverables are set out in the following table.

<b>Output Title and code</b>	<b>Research methodology/plan and outline of the deliverable to be submitted for ILO's agreement</b>	<b>First draft of deliverable to be submitted for ILO review and comments.</b>	<b>Second draft of deliverable to be submitted for ILO review and comments</b>	<b>Final delivery of deliverable</b>
Synthesis report (GP04)	Within 4 weeks of contract signature by both parties	Within 8 weeks of contract signature by both parties	Final draft (for conference) by March 2013	30 June 2013
Attendance and presentation at Research Conference (GP05)	N/A	8 weeks before the conference at the latest	Within 1 week of ILO comments being received	9 and 10 May 2013
Feasibility study (GP10)	Within 6 weeks of contract signature by both parties	Within 16 weeks of contract signature by both parties	Within 4 weeks of ILO comments being received	21 December 2013



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## **Completion criteria**

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23. ILO will have ownership and copyright of all deliverables.
24. Deliverables will be regarded as delivered when they have been received electronically by the ILO Project Manager and he has reviewed them and confirmed acceptance of them.
25. Acceptance will be acknowledged only if the deliverable(s) concerned are judged to be in accordance with the requirements set out in the contract, to reflect agreements reached and plans submitted during the contract process, and incorporate or reflect consideration of amendments proposed by ILO.

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## **Proposal Submission Requirements**

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26. Proposals to undertake any work under these TORS must contain the following information and documents:

*1. Technical Proposal*

- A short summary of profile and capacity of the Contractor, including a record of collaboration with institutions in the countries listed in paragraph 12, above.
- A track record of publications and research related to the outputs.
- The CVs of researchers that will be part of the Contractor's team.
- The contractor's proposed approach and methodology for each output.
- Confirmation of the date when the research team could begin work.

*2. Commercial Proposal*

- A schedule setting out, for each output, the daily cost per research team member, the number of days each team member will work, and the total fee for completion of all outputs. The Commercial Proposal form is enclosed as [Annex IV](#).



## **ANNEX II**

### **DRAFT CONTRACT AND TERMS AND CONDITIONS APPLICABLE TO ILO CONTRACTS FOR SERVICES**

#### **SERVICE CONTRACT**

No. [...]

between

**THE INTERNATIONAL LABOUR ORGANIZATION**

represented by

**the International Labour Office (ILO)**

and

**[the Contractor]**

The International Labour Office (hereinafter referred to as “the ILO”) intends that the services in connection with its Request for Proposals No. 43/2012 – Research on improving working conditions in SMEs (hereinafter referred to as “the Services”) be contracted out and [the Contractor] (hereinafter referred to as “the Contractor”) has accepted to execute such Services.

Therefore the ILO and the Contractor (hereinafter collectively referred to as the “Parties”) hereby agree as follows:

#### **1. SERVICES TO BE PERFORMED**

- 1.1 The Contractor will perform the Services as described in the Terms of Reference (TOR) in **Annex 2** and the Contractor’s offer in **Annex 3**.
- 1.2 The Contractor will perform the Services from [date] and complete it by [date].
- 1.3 In the event that the Contractor considers that it is assigned by the ILO the performance of Services other than such described in the TOR in **Annex 2**, the Contractor will immediately inform the ILO before its performance and request the application of article 3 below. If the Contractor neglects its duty to seek approval from the ILO before performing additional Services, the Contractor waives any claim for compensation it may have for performing those Services.
- 1.4 Under all circumstances, any additional Services to be performed by the Contractor under the Contract will be assigned to the Contractor in writing by the ILO before its performance by the Contractor.
- 1.5 The term “Services” within the meaning of the present Contract will also include, where applicable, services on a cost-plus basis not included in the TOR in **Annex 2** and those to be performed in the case of change orders as described in article 3 below.

#### **2. DETAILS OF PERFORMANCE OF THE SERVICES**

- 2.1 The Contractor will draw to the attention of the ILO immediately and in writing any event which may cause delay in the planning of the Services, as stated in the TOR in **Annex 2**, including any error, that it may note in the TOR in **Annex 2** or in the



information provided by the ILO, which may be such as to compromise the proper execution of the Contract. Where necessary, the Parties will establish in writing an amended TOR and a revised planning of the Services, which will take the form of an addendum to the Contract.

- 2.2 The Contractor will perform the Services through its own company and is entirely responsible for obtaining all necessary licenses or authorizations and for paying all taxes, fees and duties in relation to the Contract.
- 2.3 The Contractor undertakes to perform the Services in accordance with good engineering practice and expert opinion and to guarantee the time schedules and the cost of the Services in compliance with the terms of the Contract.

### **3. CHANGE ORDERS**

- 3.1. Further to paragraph 12.1 of the ILO Terms and Conditions applicable to ILO Contracts for Services in **Annex 1**, a change order will consist of a notice from the ILO addressed to the Contractor to alter the scope of the Services provided for in the Contract. On receipt of such a notice, the Contractor will submit to the ILO, as soon as possible, a quotation for the implementation of the new instructions specifying, in particular, any changes in price or time schedule. Similarly, if it proves necessary to carry out Services the need for which could not be foreseen by the Contractor when the Contract was signed, such Services will be the subject of a quotation.
- 3.2. A change order will only become effective upon written acceptance of the quotation by the ILO. Such modification will take the form of an addendum to the Contract.
- 3.3. If the Parties are unable to reach agreement on the amount of the payment for additional Services, the ILO will have the right to refuse it or assign it to a third-party, without that giving rise to compensation for the Contractor.
- 3.4. If a modification of the project or the circumstances in which the project is performed result in a significant reduction in the Services, the ILO will enjoy a reduction in the payment due. This reduction will be calculated by mutual agreement between the Parties in proportion to the Services performed and the prices indicated in the Contractor's offer in **Annex 3**.
- 3.5. If these modifications result in an increase or reduction in the costs and/or time schedule for the performance of the Contract, fair adjustments will be made to the prices or the planning of the Services, or to both, and the provisions of the Contract will be modified in consequence by mutual agreement between the Parties.

### **4. CONTRACTOR'S PROJECT TEAM**

- 4.1 The Contractor's project team will be composed of the Personnel listed below:
  - (a) [Name and position]
  - (b) [Name and position], etc.



- 4.2 The Contractor's project team is considered essential for the performance of the Services. In consequence:
- a) prior to replacing any Personnel of the Contractor's project team, the Contractor will notify the ILO reasonably in advance and will submit detailed justifications together with the curriculum vitae of members of the proposed replacement Personnel in order to allow, firstly, their evaluation by the ILO and, secondly, an estimate of the impact of the said replacement on the planning of the Services; and
  - b) the Contractor will not replace any Personnel on the Contractor's project team without the prior written consent of the ILO, which approval will not be unreasonably withheld.
- 4.3 If any Personnel of the Contractor's project team are removed by the Contractor or for any reason are no longer available to perform the Services, the Contractor will propose replacement Personnel acceptable to the ILO of equal or better knowledge, experience and ability to carry out the assigned tasks. The provisions of paragraph 4.2 a) and b) will apply.
- 4.4 Further to sub-paragraph 4.5.3 of the ILO Terms and Conditions applicable to ILO Contracts for Services in **Annex 1**, in the event of demonstrable poor performance or misconduct by Personnel of the Contractor's project team, if the ILO so decides, the Contractor will provide an appropriate replacement or replacements for such Personnel. The Contractor will provide suitable replacement Personnel within **10 (ten)** working days. The provisions of paragraph 4.2 a) and b) will apply.

## **5. PAYMENT AND PAYMENT CONDITIONS**

- 5.1 Upon satisfactory completion of the Services, the ILO, in accordance with the provisions below, will pay the Contractor the amount of [currency and amount] representing the total Contract price and ILO's maximum financial liability under this Contract.
- 5.2 The amount as per paragraph 5.1 above will be paid as follows:
- 10% of the total contract price on signing of the contract (or USD 15,000.00, whichever is the lowest);
  - 90% of the price for output GP02 (Literature review) on acceptance of the report;
  - 90% of the price for output GP04 (Synthesis report) on acceptance of the report;
  - 90% of the price for output GP05 (Attendance and presentation at Research Conference) once attendance and presentation at research conference has been completed;
  - 90% of the price for output GP10 (Feasibility study) on acceptance of the report.
- 5.3 Payments as per paragraph 5.2 above will only be made against invoices sent to Stephan Ulrich and which state the portion of the Services that has been completed.
- 5.4 Any reimbursement due to the ILO by the Contractor will be made in the currency of original payment within a period of 30 (thirty) days from the date of receipt of a written notice by the ILO.





## **6. MEETINGS AND REPORTING**

- 6.1 Up to the successful completion of the project, discussion, on dates to be determined by the Parties, will take place over the telephone at reasonable frequency. The minutes will be drafted by the Contractor and sent within 2 (two) working days to the ILO. The ILO will have 3 (three) working days to add any comments or approve them.
- 6.2 The Contractor's project manager will be [name, position, contact details]
- 6.3 The ILO's project manager will be Stephan Ulrich, Technical Officer.
- 6.4 The Contractor will submit reports required in the TOR in **Annex 2** by the deadlines specified in the TOR in **Annex 2**.

## **7. ANNEXES**

- 7.1 The Contract is composed of the following documents listed in their order of precedence:
  - (a) The present Contract document, duly signed by the Parties, will prevail over any other document;
  - (b) The Terms and Conditions applicable to ILO Contracts for Services, in **Annex 1**;
  - (c) The complete file of the Request for Proposals No. 43/2012, including the Terms of Reference (TOR), in **Annex 2**;
  - (d) The Contractor's offer of [date], in **Annex 3**.

**For the International Labour Office**

**For the Contractor**

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(signature)

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(signature)

## ANNEX 1 TO THE DRAFT CONTRACT TERMS AND CONDITIONS APPLICABLE TO ILO CONTRACTS FOR SERVICES

### TERMS AND CONDITIONS APPLICABLE TO ILO CONTRACTS FOR SERVICES

#### 1. THE PARTIES

- 1.1. **LEGAL STATUS OF THE PARTIES:** The International Labour Organization, represented by the International Labour Office (ILO), and the Contractor (referred to individually as a “Party” and together as the “Parties”) have the following legal status:
- 1.1.1. The International Labour Organization has full juridical personality, including the ability to contract and enjoys such privileges and immunities as are necessary for the independent fulfilment of its purposes pursuant to the *Constitution of the International Labour Organisation*. Nothing in or related to the Contract will be deemed a waiver of any of the privileges and immunities of the International Labour Organization recognized in the Convention on the Privileges and Immunities of the Specialized Agencies (1947), and relevant national and international law.
  - 1.1.2. The Contractor is an independent contractor. Nothing contained in or relating to the Contract will be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent.

#### 2. CONTRACT DOCUMENTS AND VALIDITY

##### 2.1. NATURE OF THE CONTRACT:

- 2.1.1. The Contract constitutes the complete and exclusive agreement between the Parties. It supersedes all proposals, verbal or written arrangements or agreements, and any other communications by one of the Parties or between the Parties relating to the Contract.
  - 2.1.2. The Contract is composed of the following documents listed in their order of precedence:
    - 2.1.2.1. **Purchase Order/Contract Document**, including any specific conditions;
    - 2.1.2.2. Terms and Conditions applicable to ILO Contracts for Services (**Annex 1**); and
    - 2.1.2.3. Any other document explicitly listed in the Purchase Order/Contract Document and attached to it (i.e., **Annex 2, 3**, etc).
  - 2.1.3. Unless otherwise included in any of the documents listed in paragraph 2.1.2., the terms of business, conditions of contract, general reservations published or issued by the Contractor or written in any correspondence or documents emanating from the Contractor will not form part of the Contract.
- 2.2. **VALIDITY:** The Contract will expire upon fulfilment by the Parties of their respective obligations or otherwise in accordance with its provisions.
- 2.3. **NON-EXCLUSIVITY:** The ILO may contract for works or services (referred together to as “Services”) of the same or similar kind and quality described in the Contract from any other source at any time.
- 2.4. **COMMUNICATIONS:** Communications (e.g., notices, documents) will be addressed to:

**INTERNATIONAL LABOUR OFFICE**  
Procurement Bureau (PROCUREMENT)  
4 Route des Morillons  
CH 1211 Geneva 22  
Switzerland  
Facsimile: + (41)(22) 798 85 29  
Phone: + (41)(22) 799 76 02  
e-mail: [procurement@ilo.org](mailto:procurement@ilo.org)

#### 3. PRICE AND PAYMENT

- 3.1. **PRICE AND CURRENCY:** The price and currency specified in the Contractor's offer are firm and not subject to revision. The ILO's financial liability under the Contract is restricted to the price and currency indicated in the Purchase Order/Contract Document.
- 3.2. **PAYMENT:** Upon receipt of the Contractor's written invoice and any related supporting documentation, the ILO will effect payment, normally within thirty (30) days, by bank transfer (the ILO will not pay through letters of credit or bank draft). The written invoice will be sent to the addressee specified in the Purchase Order/Contract Document and will contain the:
- 3.2.1. number of the Purchase Order/Contract Document that it relates to;
  - 3.2.2. invoiced amount (without the rounding of currency decimals and exclusive of VAT, duties or charges); and
  - 3.2.3. date of the completion of Services.



In no event will complete or partial payment by the ILO, in and of itself, constitute acceptance of the Services.

- 3.3. **TAX EXEMPTION:** The International Labour Organization, as a United Nations Specialized Agency, enjoys a special tax status in Switzerland and in other member States. Except with the prior written authorization of the ILO, invoices will be submitted exclusive of any amount representing taxes (including value added tax), duties or charges. Where such authorization has been provided, the Contractor will provide the ILO with written evidence that payment of such taxes, duties or charges has been made. In the event any government authority refuses to recognize the ILO's exemption from such taxes, duties or charges, the Contractor will immediately consult with the ILO to determine a mutually acceptable procedure.

#### 4. PERFORMANCE

- 4.1. **ITEMS FURNISHED BY THE CONTRACTOR:** The Contractor is solely responsible for the arrangement, provision and operation of all equipment, supplies, related support services and personnel (including any related costs so incurred) necessary for the performance of the Contractor's obligations under the Contract.
- 4.2. **ITEMS FURNISHED BY THE ILO TO THE CONTRACTOR:** Where goods and equipment (referred together as "**Goods**") are funded or provided by the ILO to the Contractor to support the performance of the Contractor's obligations under the Contract, the following terms apply:
- 4.2.1. The Contractor acknowledges and agrees that the ILO hereby disclaims any and all warranties regarding the functionality or installation of such Goods. The Contractor is solely responsible for the installation (including any personnel, tools, materials or other Goods necessary for installation), maintenance and functioning of all the Goods funded or provided by the ILO under the Contract.
- 4.2.2. The Contractor will promptly report to the ILO each loss, damage or theft of such Goods.
- 4.2.3. Title to the Goods that may be funded or provided by the ILO to the Contractor will be retained by the ILO. The Contractor will not cause or permit any lien, claim or other encumbrance to be attached to any or all such Goods, or to any other item that is the subject matter of the Contract.
- 4.2.4. Upon the termination or expiration of the Contract, all such Goods will be returned to the ILO in the same condition as when delivered to the Contractor, excluding normal wear and tear. The return of such Goods, or other disposal as the ILO may direct, will be at the Contractor's expense. Upon termination or expiration of the Contract, the Contractor will take all reasonable measures to avoid any loss of or deterioration to such Goods. The Contractor will compensate the ILO for actual costs of any loss of, damage to or deterioration of such Goods that is beyond normal wear and tear.
- 4.3. **INSTALLATION, MAINTENANCE, TRAINING:** Where installation, maintenance (ongoing or as specified in the Purchase Order/Contract Document) or training is required, the following terms apply:
- 4.3.1. The Contractor, in a timely manner, will arrange for and provide all equipment, supplies, related support services and personnel necessary to complete the installation, maintenance or training.
- 4.3.2. All costs related to the installation, maintenance or training will be borne by the Contractor.
- 4.3.3. The ILO and the Consignee will be permitted to monitor the installation or maintenance work, as well as to oversee the training.
- 4.3.4. In addition, where training is required the Contractor will train any persons identified by ILO or the Consignee in the installation, operation, maintenance, etc. of the Services described in the Contract.
- 4.4. **ACCESS:** If some or all of the contractual obligations will be performed on ILO premises, the ILO will facilitate access to its premises in line with requirements for such performance. The Contractor will comply with ILO security requirements and any other relevant ILO rules, regulations and guidelines while on ILO premises, as well as with the instructions given by designated ILO officials.
- 4.5. **RESPONSIBILITY FOR PERSONNEL:**
- 4.5.1. The employees, officials, representatives, staff or subcontractors (**Personnel**) of either of the Parties will not be considered in any respect as being the employees or agents of the other Party.
- 4.5.2. Each Party is solely responsible for the professional and technical competence of its respective Personnel, which will permit that Party to effectively perform its obligations under the Contract.
- 4.5.3. Without prejudice to any other right or remedy available under the Contract, the ILO reserves the right to request at any time, in writing, the withdrawal or replacement of any of the Contractor's Personnel and such request will not be unreasonably refused by the Contractor.
- 4.5.4. Each Party is solely responsible for all claims arising out of or relating to the engagement of its respective Personnel.
- 4.5.5. All expenditures related to the assignment of the Contractor's Personnel, including allowances, insurance, cost of travel arrangements and local transport will be borne by the Contractor. All expenditures related to the assignment of the ILO's Personnel, including allowances, insurance, cost of travel arrangements and local transport will be borne by the ILO.
- 4.6. **INSURANCE:**
- 4.6.1. The Contractor, for the duration of the Contract, any extension thereof or any period following any termination of the Contract and reasonably adequate to deal with losses, will insure its Personnel against the consequences of the following risks:



- 4.6.1.1. illness, injury and death; and
- 4.6.1.2. incapacity to work due to accident and sickness either during normal working hours or outside working hours.
- 4.6.2. Time lost as a result of the occurrence of the risks identified in subparagraphs **4.6.1.1** or **4.6.1.2** will not be chargeable to the ILO.
- 4.6.3. The Contractor for the duration of the Contract, any extension thereof or any period following any termination of the Contract and reasonably adequate to deal with losses, warrants that it is insured with a coverage for a sufficient amount for the use of any vehicles, boats, airplanes or other transportation vehicles and equipment, whether or not owned by the Contractor, as well as that it carries comprehensive civil liability insurance with regard to third-parties, including the ILO and its Personnel, in respect of physical injury, damage to property or theft, as well as the direct or indirect effects thereof, including the unavailability of premises and loss of production.
- 4.6.4. Where required by the ILO and as specified in the Purchase Order/Contract Document (except for the workers' compensation insurance or any self-insurance program maintained by the Contractor and approved by the ILO), the Contractor's insurance policies will:
  - 4.6.4.1. name the ILO as an additional insured under the liability policy/policies, including, if required, as a separate endorsement under the Contractor's policy/policies;
  - 4.6.4.2. include a waiver of subrogation of the Contractor's insurance carrier's rights against the ILO; and
  - 4.6.4.3. provide that the ILO will receive written notice from the Contractor's insurance carrier not less than thirty (**30**) days prior to any cancellation or material change of coverage.
- 4.6.5. The Contractor will take out any other insurance required by the ILO and as specified in the Purchase Order/Contract Document.
- 4.6.6. Upon written request by the ILO, the Contractor will provide the ILO with a copy of the general and specific conditions of the insurance policy/policies required under the Contract.
- 4.7. INDEMNIFICATION:**
  - 4.7.1. The Contractor is solely responsible for any claim or damage resulting from the negligence, acts, or omissions of its Personnel.
  - 4.7.2. The Contractor will indemnify and hold the ILO harmless from and against any direct or indirect responsibilities, complaints, claims (including intellectual property rights infringement), suits, judgments, damages and losses, including costs, fees and related expenses, in respect of any physical injury, damage to property, theft, or economic or other prejudice suffered by the ILO, its Personnel or third-parties which may result from the performance of the Contractor's obligations under the Contract or the Contractor's acts or omissions or those of the Contractor's Personnel.
  - 4.7.3. The Contractor will immediately notify the ILO upon becoming aware of any direct or indirect responsibilities, complaints, claims (including intellectual property rights infringement), suits, judgments, damages and losses, including costs, fees and related expenses, in respect of any physical injury, damage to property, theft, or economic or other prejudice suffered by the ILO or which could adversely affect the ILO.

## **5. ASSIGNMENT AND SUBCONTRACTING**

- 5.1. **ASSIGNMENT:** The Contractor may not assign, transfer, pledge or make any other disposition of the Contract, of any part of the Contract, or of any of the rights, claims or obligations under the Contract except with the prior written authorization of the ILO. Any such unauthorized assignment, transfer, pledge or other disposition, or any attempt to do so, will not be binding on the ILO.
- 5.2. **SUBCONTRACTING:** In the event that the Contractor requires the services of any subcontractor, the Contractor will obtain the prior written authorization to subcontract and the approval of the ILO of the subcontractor selected. The authorization and approval by the ILO of such a subcontractor does not relieve the Contractor of any of its obligations under the Contract and the Contractor is solely responsible for the Services provided by a subcontractor in the framework of the Contract, including their quality. The Contractor, to the same extent as for its own Personnel, will be liable for a subcontractor and its Personnel who are performing any part of the Contractor's obligations under the Contract. The terms of any subcontract will be subject to and be in conformity with the provisions of the Contract. Except with the prior written authorization to subcontract and the approval of the ILO of the subcontractor selected, the Contractor will ensure that its subcontractor(s) do not subcontract, assign, transfer, pledge or make any other disposition of the Contract, of any part of the Contract, or of any of the rights, claims or obligations under the Contract. The provisions of this paragraph apply to any subcontractor who, in turn, requires the services of a subcontractor.

## **6. INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIALITY**

- 6.1. **PROPRIETARY ITEMS AND INTELLECTUAL PROPERTY RIGHTS:**
  - 6.1.1. All documents (including drawings, estimates, manuscripts, maps, plans, records, reports, recommendations) and other proprietary items (including data, devices, gauges, jigs, mosaics, parts, patterns, photographs, samples, and software) (jointly referred to as **Proprietary Items**), either developed by the Contractor or its Personnel in connection with the Contract or furnished to the Contractor by or on behalf of the ILO to support the performance of the Contractor's

obligations under the Contract, are the exclusive property of the International Labour Organization; and, will be used by the Contractor and its Personnel solely for the purposes of the Contract.

- 6.1.2. All intellectual property rights and all other proprietary rights (including copyrights, patents, trademarks, source codes, products, processes, inventions, ideas, know-how) with regard to any materials (jointly referred to as **Intellectual Property**), either developed by the Contractor or its Personnel in connection with the Contract or furnished to the Contractor by or on behalf of the ILO to support the performance of the Contractor's obligations under the Contract, are the exclusive property of the International Labour Organization; and, will be used by the Contractor and its Personnel solely for the purposes of the Contract.
- 6.1.3. During the course of development, Proprietary Items and Intellectual Property developed or utilized by or furnished to the Contractor will be made available for use and inspection by the ILO, upon request at reasonable times and in reasonable places.
- 6.1.4. Such Proprietary Items and Intellectual Property will be delivered only to ILO authorized officials on completion of the Contract.
- 6.1.5. The Contractor will disclose, throughout its performance, to the ILO's authorized officials full particulars of all source codes, products, processes, inventions, ideas, know-how, documents and any other materials developed or conceived by the Contractor, alone or jointly, in connection with the Contract.
- 6.1.6. At the request of the ILO, the Contractor will take all necessary steps to execute all necessary documents and generally assist the ILO in securing intellectual property rights and all other proprietary rights in compliance with the requirements of applicable law.
- 6.1.7. To the extent that any Intellectual Property due to the ILO under paragraph **6.1.2** includes any intellectual property:
  - 6.1.7.1. of the Contractor that: (i) pre-existed the performance by the Contractor of its obligations under the Contract; or (ii) it may develop or acquire, or that may have been developed or acquired, independently of the performance of the Contractor's obligations under the Contract; or
  - 6.1.7.2. of a third-party;  
the Contractor grants to the International Labour Organization a perpetual, royalty-free license to make unrestricted use of such intellectual property. The International Labour Organization will not claim any ownership interest in the intellectual property described in subparagraphs **6.1.7.1** or **6.1.7.2**.
- 6.1.8. The Contractor undertakes to obtain, at its own expense, permission to use any third-party protected rights that are necessary for the performance of the Contract and, if requested, provide the ILO with evidence of such permission.
- 6.1.9. In the event that any Proprietary Items or Intellectual Property provided to the ILO by the Contractor are for some reason enjoined or found to infringe any rights of a third-party, or in the event of a settlement, are enjoined, limited or otherwise interfered with, then the Contractor, at its sole cost and expense, will promptly:
  - 6.1.9.1. procure for the ILO the unrestricted right to continue using such Proprietary Items and Intellectual Property provided to the ILO;
  - 6.1.9.2. replace or modify the Proprietary Items and Intellectual Property provided to the ILO, or part thereof, with the equivalent or better Proprietary Items and Intellectual Property, or part thereof, that are non-infringing; or,
  - 6.1.9.3. refund to the ILO the full price paid by the ILO for the right to have or use such Proprietary Items and Intellectual Property or part thereof.
- 6.2. **CONFIDENTIAL NATURE OF AND RESPONSIBILITY FOR PROPRIETARY ITEMS, INTELLECTUAL PROPERTY AND OTHER INFORMATION:**
  - 6.2.1. Unless otherwise made public with the authorization of the ILO, Proprietary Items, Intellectual Property and other information, irrespective of what form they are, developed, collected, known, marked or received by the Contractor, will be treated by the Contractor as confidential and be used only for the purposes of the Contract.
  - 6.2.2. The Contractor will not communicate at any time to any other person, government or entity external to the ILO, any Proprietary Items, Intellectual Property or other information known by reason of its association with the ILO, which has not been made public, except with the authorization of the ILO; nor will the Contractor at any time use such information for private advantage or in any manner prejudicial to or incompatible with the interests of the ILO. Where the Contractor is required by law to disclose such Proprietary Items, Intellectual Property or other information, it will give the ILO sufficient prior notice of the request to disclose in order to allow the ILO to have a reasonable opportunity to take protective measures or such other action as may be appropriate.
  - 6.2.3. The Contractor will be responsible for such Proprietary Items, Intellectual Property and other information. In case of loss of or damage to any Proprietary Items, Intellectual Property or other information the Contractor may be required to:
    - 6.2.3.1. replace or repair the lost or damaged Proprietary Items, Intellectual Property or other information; or
    - 6.2.3.2. provide compensation to the ILO for the cost of replacing or repairing the lost or damaged Proprietary Items, Intellectual Property or other information.





**6.3. PUBLICITY AND USE OF THE NAME, EMBLEM OR OFFICIAL SEAL:**

- 6.3.1. The Contractor may neither disclose the terms and conditions of the Contract nor advertise or otherwise make public the fact that it is a Contractor to the ILO.
- 6.3.2. The Contractor may not use or reproduce the name, emblem or the official seal of the International Labour Organization or of the International Labour Office, including their abbreviations, in connection with the Contractor's business or otherwise.
- 6.3.3. In reporting its procurement activities, the ILO may publish (e.g., on the internet) the Contractor's name and amount of the Contract.

**7. ETHICAL CONDUCT**

**7.1. LABOUR CLAUSES:** The Contractor undertakes to respect, at all times and in all circumstances relevant to the performance of the Contract and in relation to all its Personnel, and to ensure that its subcontractors respect:

- 7.1.1. The following principles concerning international labour standards of the International Labour Organization:
  - 7.1.1.1. the freely-exercised right of workers, without distinction, to organize, further and defend their interests and to bargain collectively, as well as the protection of those workers from any action or other form of discrimination related to the exercise of their right to organize, to carry out trade union activities and to bargain collectively;
  - 7.1.1.2. the prohibition of forced or compulsory labour in all its forms;
  - 7.1.1.3. equal remuneration for men and women for work of equal value;
  - 7.1.1.4. equality of opportunity and treatment in respect of employment and occupation without discrimination on grounds of race, colour, sex, religion, political opinion, national extraction or social origin and such other ground as may be recognized under the national law of the country or countries where the performance, in whole or in part, of the Contract takes place;
  - 7.1.1.5. the prohibition of the employment of children below fourteen (14) years of age or, if higher than fourteen (14), the minimum age of employment permitted by the law of the country or countries where the performance, in whole or in part, of the Contract takes place, or the age of the end of compulsory schooling in that country or countries, whichever is higher;
  - 7.1.1.6. the prohibition of the employment of persons under the age of eighteen (18) for work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of such persons;
  - 7.1.1.7. the payment of wages in legal tender, at regular intervals no longer than one month, in full and directly to the workers concerned. The Contractor shall keep an appropriate record of such payments. Deductions from wages are permitted only under conditions and to the extent prescribed by the applicable law, regulations or collective agreement, and the workers concerned must be informed of such deductions at the time of each payment.
  - 7.1.1.8. the provision of wages, hours of work and other conditions of work not less favourable than the best conditions prevailing locally (i.e., as contained in: (i) collective agreements covering a substantial proportion of employers and workers; (ii) arbitration awards; or, (iii) applicable laws or regulations, whichever offers the best working conditions), for work of the same character performed in the trade or industry concerned in the area where work is carried out;
  - 7.1.1.9. the need to ensure, so far as is reasonably practicable, that the workplaces, machinery, equipment and processes under their control are safe and without risk to health, and that the chemical, physical and biological substances and agents under their control are without risk to health when the appropriate measures of protection are taken; and provide, where necessary, adequate protective clothing and protective equipment to prevent, so far as is reasonably practicable, risk of accidents or of adverse effects to health; and
- 7.1.2. All applicable laws or regulations concerning terms of employment and conditions of work, any collective agreements to which it is party, or any other related measure with which it must comply.

**7.2. PERSONNEL NOT TO BENEFIT:**

- 7.2.1. The ILO requires bidders and contractors to observe the highest ethical standards during the procurement process and the execution of contracts. In order to ensure the respect of these obligations, the ILO provides the following definitions:
  - 7.2.1.1. "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, another to obtain a financial or other benefit or to avoid an obligation;
  - 7.2.1.2. "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of any advantage, in order to influence improperly the actions of another;
  - 7.2.1.3. "conflict of interest" is a situation that gives rise to an actual, potential or perceived conflict between the interests of one party and another;
  - 7.2.1.4. "collusive practice" is any conduct or arrangement between two or more bidders or contractors, designed to achieve an improper purpose, including to influence improperly the actions of another or to set prices at an artificial level or in a non-competitive manner;



- 7.2.1.5. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, another or the property of another to influence improperly the actions of another.
- 7.2.2. The Contractor will not (and will ensure that its Personnel do not) place itself in a position that may, or does, give rise to a conflict between its interests and the ILO's interests during the procurement process or the execution of the Contract.
- 7.2.3. If during any stage of the procurement process a conflict of interest arose or during contract execution a conflict of interest arises, or appears likely to arise, the Contractor will immediately notify the ILO in writing, setting out all relevant details, including any situation in which the interests of the Contractor conflict with the interests of the ILO, or in any situation in which any ILO official, employee or person under contract with the ILO may have, or appears to have, an interest of any kind in the Contractor's business or any kind of economic or personal ties with the Contractor. The Contractor will take such steps as the ILO may reasonably require to resolve or otherwise deal with the conflict to the satisfaction of the ILO.
- 7.2.4. Without prejudice to any other right or remedy available under the Contract, the ILO reserves the right to disqualify the Contractor for a specified or indefinite period from participating in the procurement process of the ILO or contracting with the ILO, if it is shown that the Contractor has, directly or indirectly, employed fraudulent, corrupt, collusive or coercive practices or failed to disclose a conflict of interest.

## 8. FULL DISCLOSURE

- 8.1. **FULL DISCLOSURE:** The Contractor warrants that it has made and will make full and proper disclosure to the ILO of all relevant information relating to its business activities, financial condition and ownership, prior to entering into this Contract and for its duration, including that it is not identified on or associated with<sup>3</sup> any individual, groups, undertakings and entities identified on the list established by the United Nations Security Council Resolution 1267 (**1267 Consolidated List**)<sup>4</sup>; and that it is not, nor has been, subject to any sanction or temporary suspension imposed by any organization within the United Nations System including the World Bank.

## 9. DELAY, FORCE MAJEURE AND LIQUIDATED DAMAGES

### 9.1. DELAY:

- 9.1.1. Should the Contractor encounter conditions that do not constitute *Force majeure* and which impede or are likely to impede timely performance of the Contract (**Delay**), the Contractor will immediately notify the ILO in writing with full particulars of the Delay, including its likely duration, and its cause. At the ILO's request, the Contractor and the ILO will consult as soon as practicable after receipt of such notice, to evaluate any available means of mitigation or appropriate remedies provided under the Contract.
- 9.1.2. In addition to any other right or remedy available under the Contract, upon receiving notice of Contractor's Delay (or likely Delay) in performance, the ILO will have the right to:
- 9.1.2.1. suspend the Contract, in whole or in part, and notify the Contractor not to proceed further with its performance which has been subject to (or will be subject to) Delay;
- 9.1.2.2. withhold and/or deduct payment to the Contractor for the portion of the Contract subject to Delay; and
- 9.1.2.3. procure all or part of the Services which the Contractor fails to provide in a timely manner.
- 9.1.3. Without prejudice to any other right or remedy available under the Contract, the Contractor will be liable for any increase in the price payable by the ILO resulting from the procurement of the Services from other sources and the ILO may apply such additional costs incurred, by deduction or otherwise, against future amounts owed by the ILO to the Contractor.
- 9.1.4. Upon receipt of notice of any decision by the ILO to suspend the Contract under subparagraph 9.1.2.1 and with respect to the suspended portion of the Contract, the Contractor will take immediate steps to reduce expenses to a minimum and will not undertake any further obligations; provided, however, that the ILO and the Contractor will continue performance of the Contract to the extent that it is not suspended or cancelled.

### 9.2. FORCE MAJEURE:

- 9.2.1. Neither Party will be liable to the other Party for failure to perform its respective obligations, if such failure is as a result of an unforeseeable and irresistible event, act of nature (including fire, flood, earthquake, storm, hurricane, epidemic or other natural disaster), any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, (**Force Majeure**) provided that such acts arise from causes beyond the control and without the fault or negligence of the invoking Party.
- 9.2.2. The defaulting Party will notify, as soon as possible after the occurrence of the *Force Majeure* event, the other Party in writing with full particulars of the *Force Majeure* event, including its likely

<sup>3</sup> United Nations Security Council Resolution 1617 defines "associated with" and it is available at <http://www.un.org/sc/committees/1267/resolutions.shtml>.

<sup>4</sup> The 1267 Consolidated List is available at [www.un.org/sc/committees/1267/consolist.shtml](http://www.un.org/sc/committees/1267/consolist.shtml).



duration, the estimated expenditures that will likely be incurred for the duration of the *Force Majeure* event, and any other conditions which threaten to interfere with the defaulting Party's performance of the Contract.

- 9.2.3. Without prejudice to any other right or remedy available under the Contract, if either Party is rendered unable, in whole or in part, by reason of *Force Majeure* to perform its obligations and meet its responsibilities under the Contract and where the *Force Majeure* event exists beyond sixty (60) days then that Party will have the right to suspend or terminate the Contract with a period of written notice of seven (7) days.

- 9.3. **NOTICE OF DELAY AND FORCE MAJEURE:** If notice is not received by a Party in accordance with paragraphs 9.1.1 or 9.2.2, the Party who fails to notify of the Delay or *Force Majeure* event will be liable for damages resulting from such non-receipt, except where the Delay or *Force Majeure* event also prevents transmission of the notice.

- 9.4. **LIQUIDATED DAMAGES:** Without prejudice to any other right or remedy available under the Contract, the Parties agree that if the Contractor breaches the Contract, including a Delay in performance of the Contractor's obligations under the Contract, it will be impractical or difficult to quantify the damages suffered by the ILO. The Parties, therefore, agree that in the event of such a breach by the Contractor, the Contractor will pay to the ILO, as liquidated damages, a sum equal to three-tenths of one (0.3) per cent of the Contract price for each day of delay until actual delivery or performance, up to a maximum of ten (10) per cent of the Contract price. Each Party acknowledges and agrees that the liquidated damages amount specified herein are intended to reasonably compensate the ILO and not intended to punish the Contractor. Without prejudice to any other right or remedy available under the Contract, the ILO reserves the right to recover such liquidated damages by deduction or otherwise, against future amounts owed by the ILO to the Contractor.

## 10. TERMINATION

### 10.1. TERMINATION BY THE ILO:

- 10.1.1. Without prejudice to any other right or remedy available under the Contract and without the authorisation of a court or any other authorisation, the ILO may terminate the Contract immediately by written notice in the event that the Contractor:

- 10.1.1.1. is found to have made any material or fraudulent misrepresentation in the making of or performance of the Contract regardless of when the misrepresentation is discovered;
- 10.1.1.2. becomes bankrupt, otherwise insolvent, or the ILO reasonably determines that the Contractor has become subject to a materially adverse change in its financial condition that threatens to substantially affect the ability of the Contractor to perform any of its obligations under the Contract;
- 10.1.1.3. fails to perform contractual obligations or to satisfy any guarantees or warranties it has made under the Contract and does not rectify such failure within sixty (60) days following receipt of a written notice by the ILO;
- 10.1.1.4. is declared undesirable by the government where the Contractor is to perform any of its obligations under the Contract;
- 10.1.1.5. is the subject of any sanction or temporary suspension imposed by any organization within the United Nations System including the World Bank; or
- 10.1.1.6. the ILO's activities are curtailed or terminated.

- 10.1.2. Upon receipt of notice of termination by the ILO, the Contractor will take immediate steps to bring any Services to a close in a prompt and orderly manner, will reduce expenses to a minimum and will not undertake any further obligations from the date of receipt of notice of termination.

- 10.1.3. If the Contract should be terminated by the ILO, the ILO will make all payments which may be due up to the effective date of termination for any Services satisfactorily delivered or performed and accepted by the ILO.

### 10.2. TERMINATION BY THE CONTRACTOR:

- 10.2.1. Without prejudice to any other right or remedy available under the Contract and without the authorisation of a court or any other authorisation, the Contractor may terminate the Contract immediately by written notice in the event that the ILO:

- 10.2.1.1. fails to make payments which are due under the Contract and the ILO does not rectify such failure within a period of sixty (60) days after receipt of the Contractor's written notice of default; or
- 10.2.1.2. fails in its contractual obligations so as to make it unreasonable for the Contractor to proceed with the performance of its obligations under the Contract and the ILO does not rectify such failure within a period of sixty (60) days after receipt of the Contractor's written notice of default.

## 11. WARRANTY

### 11.1. WARRANTY OF SERVICES:

- 11.1.1. The Contractor warrants that any Services provided in accordance with the Contract will meet the specifications, timeframes and related requirements set forth in the Contract. All materials and workmanship utilized in performing the Services under the Contract will be of the respective





kind(s) described in the Contract and free from defects. Materials not conforming to the specifications in the Contract will not be used in performance of the Services without prior written approval of the ILO.

- 11.1.2. If the Services do not meet the requirements referred to above, the Contractor will, at its sole expense, either by repair or replacement, correct, promptly modify or change any faulty workmanship materials, parts and equipment supplied by it to the extent necessary to satisfy the above warranty.
- 11.1.3. If any defect or failure in the Services cannot be rectified by remedial measures within the period agreed by the ILO and the Contractor, the Contractor will be considered to be in default and in addition to exercising any suspension or termination rights set forth in the Contract, the ILO has the right to independently replace or repair the Services and the Contractor will be obligated to reimburse the ILO for all the additional costs so incurred, including by deduction or otherwise, against future amounts owed by the ILO to the Contractor.

## **12. MISCELLANEOUS**

- 12.1. **CHANGE ORDERS:** The ILO may, by written notification, increase or decrease the scope of Services of the Contract provided the stage reached in the performance of the Contract so allows. If any such changes increase or decrease the cost of and/or the time required for the performance of any part of the Contract, an equitable adjustment will be made in the Contract's price or time schedule, or both, and the Contract will accordingly be amended. Any request for consultation or claim for adjustment under this paragraph will be asserted by the Contractor within thirty (30) working days from the date of receipt of ILO's change order.
- 12.2. **AMENDMENTS:** The Parties may by mutual agreement amend the Contract. Amendments will be effective only if in writing and when executed and delivered on behalf of the ILO and the Contractor by persons duly authorized to do so.
- 12.3. **NON-WAIVER OF RIGHTS:** Termination of the Contract in whole or in part by a Party or the failure by either Party to exercise any rights available to it, will not affect the accrued rights or claims and liabilities of either Party to the Contract.
- 12.4. **SURVIVAL:** The obligations contained in paragraphs 4.6 (Insurance); 4.7 (Indemnification); 6.1 (Proprietary Items and Intellectual Property Rights); 6.2 (Confidential Nature of and Responsibility for Proprietary Items, Intellectual Property and Other Information); 6.3 (Publicity and Use of the Name, Emblem or Official Seal); and 11.1 (Warranty of Services) survive the termination or expiration of the Contract.
- 12.5. **LIMITATION ON ACTIONS:** Irrespective of their nature, any dispute, controversy, or claim arising out of the Contract or the breach, termination, or invalidity thereof (other than obligations enumerated in paragraph 12.4) must be asserted within six (6) months after the termination or expiration of the Contract.

## **13. SETTLEMENT OF DISPUTES**

- 13.1. **AMICABLE SETTLEMENT:** The Parties will use their best efforts to amicably settle any dispute, controversy, or claim arising out of the Contract or the breach, termination, or invalidity thereof by direct informal negotiations, including, where agreed, by referral, to an executive level of authority within the Parties. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation will take place in accordance with the Conciliation Rules then prevailing of the United Nations Commission on International Trade Law (**UNCITRAL**) or according to such other procedure as may be agreed between the Parties in writing.
- 13.2. **ARBITRATION:** Unless settled amicably under paragraph 13.1, within sixty (60) days, after receipt by one Party of the other Party's written request, any dispute, controversy or claim arising out of the Contract, or the breach, termination or invalidity thereof, will be settled by arbitration in accordance with the UNCITRAL Arbitration Rules then prevailing. In addition:
  - 13.2.1. the place of arbitration will be Geneva;
  - 13.2.2. the decisions of the arbitral tribunal will be based on general principles of international commercial law;
  - 13.2.3. the arbitral tribunal will have no authority to award punitive damages; and
  - 13.2.4. the Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim arising out of the Contract, or the breach, termination or invalidity thereof.
- 13.3. **LANGUAGE:** The conciliation and the arbitration proceedings will be conducted in the language in which the Contract is signed provided that it is one of the three working languages of the ILO (English, French and Spanish). In the event the Contract is in a language other than English, French or Spanish, the conciliation or the arbitration proceedings will be conducted in English, French or Spanish.



### **ANNEX III**

## **CERTIFICATION TO BE SUBMITTED BY A BIDDER IN AN ILO COMPETITIVE BIDDING PROCEDURE**

The ILO expects all participants in its procurement process to adhere to the very highest standards of moral and ethical conduct and transparency, to prevent any conflict of interest and not to engage in any form of coercive, collusive, corrupt, or fraudulent practices.

With respect to its proposal submitted in response to the ILO's Invitation to Bid/Request for Proposal mentioned above, the bidder hereby certifies that:

1. The prices in its proposal have been arrived at independently without consultation, communication or agreement with any other interested companies, competitor or potential competitor with a view to restricting competition.
2. No attempt has been made or will be made by the bidder to influence any other bidder, organization, partnership or corporation to either submit or not submit a proposal.
3. The bidder will not offer, solicit or accept, directly or indirectly, any gratuity, gift, favour, entertainment, promises of future employment or other benefits to or from anyone in the ILO.
4. The bidder (both parent company and/or any subsidiaries) is not identified on, or associated with any individual, groups, undertakings and entities identified on, the list established pursuant to United Nations Security Council Resolution 1267 (Consolidated List).<sup>5</sup>
5. The bidder (both parent company and/or any subsidiaries) will not use the funds received under any contract with the ILO to provide support to individuals, groups, undertakings or entities associated with terrorism.
6. The bidder (both parent company and/or any subsidiaries) is not the subject of any form of sanction imposed by an organization or body within the United Nations System, including the World Bank.

The ILO reserves the right to cancel or terminate with immediate effect and without compensation any offer of or contract arising from this bidding procedure in the event of any misrepresentation in relation to the above certifications.

#### **Definitions of terms used in this declaration:**

*“coercive practice”* is impairing or harming, or threatening to impair or harm, directly or indirectly, another or the property of another to influence improperly the actions of another.

*“collusive practice”* is any conduct or arrangement between two or more bidders or contractors, designed to achieve an improper purpose, including to influence improperly the

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<sup>5</sup> The Consolidated List can be found at the website [www.un.org/sc/committees/1267/consolist.shtml](http://www.un.org/sc/committees/1267/consolist.shtml).



actions of another or to set prices at an artificial level or in a non-competitive manner;

“*conflict of interest*” is a situation that gives rise to an actual, potential or perceived conflict between the interests of one party and another;

“*corrupt practice*” is the offering, giving, receiving or soliciting, directly or indirectly, of any advantage, in order to influence improperly the actions of another;

“*fraudulent practice*” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, another to obtain a financial or other benefit or to avoid an obligation;

The undersigned certifies/y to be duly authorized to sign this Certification on behalf of the bidder.

<u>Name and Position</u>	<u>Signature</u>	<u>Date</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____



## **ANNEX IV**

### **COMMERCIAL PROPOSAL FORM**

< *Bidder's Name* >  
< *Bidder's Address* >  
< *Bidder's Address* >  
< *Bidder's Address* >  
< *Country* >

**Closing Date: 17 October 2012 (16:00 CET)**

**Reply Via: Sealed Mail**

**The following should be completed by the Bidder**

<b>Your Bid Reference</b>	<b>Date</b>	<b>Bid Validity Date<sup>6</sup></b>	<b>Total Contract Price (USD)</b>

Your financial proposal must provide the price breakdown as per the following structure:

<b>Price Component</b>	<b>Daily cost per research team member (USD)</b>	<b>Number of days of work per research team member (USD)</b>	<b>Total price per output (USD)</b>
1. Cost for output GP04 (Synthesis report)	<ul style="list-style-type: none"> <li>• &lt;team member 1&gt;</li> <li>• &lt;team member 2&gt;</li> <li>• &lt;...&gt;</li> </ul>	<ul style="list-style-type: none"> <li>• &lt;team member 1&gt;</li> <li>• &lt;team member 2&gt;</li> <li>• &lt;...&gt;</li> </ul>	
2. Cost for output GP05 (Attendance and presentation at Research Conference)	<ul style="list-style-type: none"> <li>• &lt;team member 1&gt;</li> <li>• &lt;team member 2&gt;</li> <li>• &lt;...&gt;</li> </ul>	<ul style="list-style-type: none"> <li>• &lt;team member 1&gt;</li> <li>• &lt;team member 2&gt;</li> <li>• &lt;...&gt;</li> </ul>	
3. Cost for output GP10 (Feasibility study for RCTs in ILO projects)	<ul style="list-style-type: none"> <li>• &lt;team member 1&gt;</li> <li>• &lt;team member 2&gt;</li> <li>• &lt;...&gt;</li> </ul>	<ul style="list-style-type: none"> <li>• &lt;team member 1&gt;</li> <li>• &lt;team member 2&gt;</li> <li>• &lt;...&gt;</li> </ul>	
<b>Total Price (USD)</b>			

**Payments terms:** Payment will be made to the successful contractor as follows:

- 10% of the total contract price on signing of the contract (or USD 15,000.00, whichever is the lowest);

<sup>6</sup> Minimum 90 calendar days after the closing date, as per paragraph 1.5.1 of RFP N° 43/2012.



- 90% of the price for output GP02 (Literature review) on acceptance of the report;
- 90% of the price for output GP04 (Synthesis report) on acceptance of the report;
- 90% of the price for output GP05 (Attendance and presentation at Research Conference) once attendance and presentation at research conference has been completed;
- 90% of the price for output GP10 (Feasibility study) on acceptance of the report.

**Responsible for sale**

**Signature**

This Proposal has been prepared in accordance with  
**“Terms and Conditions Applicable to ILO Contracts for Services”**