

**CONTRACT NO.**

between

**THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION**  
(UNIDO)

and

UNIDO Project No.:

Activity Code:

This Contract comprises this cover page, a table of contents and ( ) pages of text and ( ) Annexes (A through ).

UNIDO  
OSS/PRS

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UNIDO Contract No.:  
Project No.:  
Activity Code:

## CONTRACT

between

**THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION**

and

for the provision of services relating to the

*<title of the project>*

This CONTRACT is entered into between the UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (hereinafter referred to as "UNIDO"), having its headquarters located at Wagramer Strasse 5, A-1220 Vienna, Austria, and *<name of the contractor>* (hereinafter referred to as "the Contractor"), having its principal office located at .

WHEREAS, UNIDO, in response to a request from the GOVERNMENT OF (hereinafter referred to as "the Government"), has agreed to provide assistance to the Government in carrying out the project entitled "*<title of the project>*" (hereinafter referred to as "the Project") in *<project location, country>* (hereinafter referred to as "the Project Area");

WHEREAS, in this connexion, UNIDO, acting in agreement with the Government desires to engage a contractor to provide the services and perform the work hereinafter set forth; and

WHEREAS, the Contractor represents that he is ready, willing and able to provide such services and perform such work;

NOW, THEREFORE, the Parties hereto mutually agree as follows:

### **1.00 AIMS OF THE CONTRACT**

#### **1.01 Synopsis**

The aim(s) of this Contract is (are):

### **2.00 RESPONSIBILITIES OF THE CONTRACTOR**

#### **2.01 Statement of Work**

Given the aim of this Contract, the Contractor shall render, on the terms and conditions set forth herein, all the services and facilities necessary to carry out the Contract and, in particular, the work as detailed in the UNIDO Terms of Reference dated *<date>*, a copy of which is attached hereto as Annex D. In carrying out the work hereunder, the Contractor shall conform to the methodology, approach and work plan set forth in the Proposal dated *<date>*, hereinafter referred to as "the Proposal", submitted in response to UNIDO Request for Proposal No. *<number>* of *<date>*. The Contractor's said Proposal, although not attached hereto, is made a part hereof by way of reference.

While the Annexes hereto (Annexes A - ) and the Contractor's Proposal shall form integral parts of the Contract, it is understood that in the event of a conflict between the provisions in the Terms of Reference, in the Contractor's Proposal and in the present Contract and its other Annexes, the provisions in the Contractor's Proposal shall be subject to those in the Terms of Reference or in the Contract and its other Annexes, and the provisions in the Terms of Reference shall be subject to those in the Contract and its other Annexes.

**2.02 Contractor's Services**

For the performance of his obligations under this Contract, the Contractor shall make available a total of <number in words> (figure) work-months of personnel services as specified in sub-paragraphs a) and b) of this paragraph. In connection with this Contract, a work-month of service in the Project Area and at the Home Office shall consist of five (5) working days per week and eight (8) working hours per day.

**a) Project Area Services**

<number in words> (figure) work-months of service shall be carried out in the Project Area by a team comprising the Team Leader and <number in words> (figure) other specialist as named in sub-paragraph 2.03 a).

The time required by the Contractor's Team Leader for his briefing and de-briefing at UNIDO, Vienna, and the time spent by the Contractor's Team traveling from their place of residence and/or work to UNIDO, Vienna, and to the Project Area and return, is not included in the number of man-months stated above.

**b) Home Office Services**

<number in words> (figure) work-months of service shall be carried out at the Contractor's Home office by the specialists named in sub-paragraph 2.03 a).

**c) Home Office Support Services**

In addition to the services referred to in sub-paragraphs a) and b) of this paragraph, the Contractor shall provide such other Home Office personnel services and technical facilities as may be necessary for the back-stopping support to his personnel serving in the Project Area.

**2.03 Contractor's Personnel**

**a) Name, Project Function and Duration of the Assignments of the Contractor's Personnel**

The personnel to be provided by the Contractor and the duration of their assignments shall be as follows:

<u>Name</u>	<u>Project Function</u>	<u>Duration of Assignment</u>	
		<u>(work-months)</u>	
		<u>Project Area</u>	<u>Home Office</u>

**b) Replacement of the Contractor's Personnel**

The Contractor's personnel named in sub-paragraph a) hereinbefore are considered essential for the work to be performed under this Contract, accordingly:

- i) prior to replacing any of such personnel, the Contractor shall notify UNIDO reasonably in advance and shall submit detailed justifications together with the curriculum vitae of the proposed substitute(s) to permit evaluation by UNIDO of the impact which such replacement(s) would have on the work programme;

- ii) no personnel replacement shall be made by the Contractor without the prior written consent of UNIDO in accordance with Clause 4 of the UNIDO General Conditions of Contract (Annex A hereof).

**2.04 Briefing, Debriefing and Draft Final Report Review Meeting**  
*(when and if required by the Terms of Reference)*

The Contractor's Team Leader shall be available:

- a) at the UNIDO Headquarters in Vienna, for <number in words> (figure) day(s) for briefing and exchange of views, no later than <date of briefing> ;
- b) at the UNIDO Headquarters in Vienna, for <number in words> (figure) days for debriefing upon completion of his assignment in the Project Area;
- d) at the UNIDO Headquarters in Vienna or in the Project Area, for approximately <number in words> (figure) calendar days to review, with the UNIDO staff and the Government Representatives concerned, the Contractor's Draft Final Report referred to hereinafter.

All costs incurred by the Contractor in connection with such *briefing, de-briefing and Draft Final Report Meeting* ( to be adjusted in each particular case by the Contracts Officer) are included in the Contract price provided hereinafter.

**2.05 Commencement and Completion of the Contractor's Work in the Project Area**

The Contractor's Team shall be in the Project Area and commence performance no later than and shall complete all work in the Project Area no later than <number in words> (figure) calendar months thereafter.

**2.06 Responsibilities of the Contractor's Team Leader**

The Contractor's Team Leader shall be responsible for ensuring that the work in the Project Area and at the Home Office is performed in accordance with the terms of this Contract and for supervising, directing and co-ordinating the performance of the duties of the Contractor's personnel.

**2.07 Relationship between the Contractor's Personnel and the UNIDO Representative in the Project Area**

While in the Project Area in connection with the performance of the work hereunder, the Contractor's Team Leader shall maintain a close working relationship and co-operate with the UNIDO Representative in the Project Area or UNDP Resident Representative in case UNIDO is not directly represented in <name of the country>, and/or his designated representative(s), and shall keep him/them currently informed of the progress of the assignment and plans for the performance of the work. The UNIDO Representative or UNDP Resident Representative in case UNIDO is not directly represented in <name of the country>, and/or his designated representative(s) shall have the right to observe at any time the progress of the work carried out under this Contract and to consult with the Contractor's Team Leader and the other specialists concerning their work performance.

**2.08 Facilities and Services Provided by the Contractor**

The Contractor shall provide all the facilities and services required by the Contractor's personnel for the execution of the Contract. Expenses of every kind incurred in connexion with such execution shall be solely for the account of the Contractor. Such expenses shall include, but shall not be limited to, the cost of wages, housing, food, travel, medical attention and insurance.

## **2.09 Protests**

If the Contractor considers any work demanded of him by the UNIDO Representative or UNDP Resident Representative in case UNIDO is not directly represented in *<name of the country>*, and/or his designated representative(s) and/or by the Government or its co-operating Agency(ies) to be outside the requirements of this Contract, or considers any ruling of the UNIDO Representative or UNDP Resident Representative in case UNIDO is not directly represented in *<name of the country>*, and/or his designated representative(s) and/or the Government or its co-operating Agency(ies) to be unfair, he shall immediately upon such work being demanded, or such ruling being made, request the CHIEF, PROCUREMENT SERVICES UNIT/OSS/PRS, UNIDO, Vienna, (hereinafter referred to as the "CHIEF, PSM/OSS/PRS") for his written instructions or decisions.

## **2.10 Reports**

*(The number and titles of reports may be changed depending on the contract requirements)*

The Contractor shall submit to UNIDO, Vienna, in English, the reports and documents, which are listed below. All reports shall be dispatched in accordance with Annex C entitled "Instructions to Contractors for the Dispatch of Reports" which are attached hereto.

### **a) Interim Report**

An Interim Report, in *<number in words>* (*figure*) hard copies and in one electronic copy in MS Word format, covering the work performed in the Project Area and at the Home Office as detailed in *<paragraph>* of the Terms of Reference (Annex D hereof). This Interim Report shall be submitted no later than \_\_\_\_\_ calendar months from the date of arrival of the Contractor's personnel in the Project Area.

All interim reports shall include sufficient information for UNIDO to determine the extent of the work carried out at the Contractor's Home Office by the personnel referred to in paragraph 2.03 a) hereinbefore. No invoice submitted for payment pursuant to the stipulations of paragraph 4.04 b) shall be paid by UNIDO unless the relevant interim report submitted by the Contractor and/or other information as may be available to UNIDO confirm that satisfactory progress has been achieved also in the performance of the work at the Contractor's Home Office.

### **b) Draft Final Report**

A Draft Final Report, in *<number in words>* (*figure*) copies and in one electronic copy in MS Word format, covering the work performed in accordance with paragraph 2.01 which shall be submitted to UNIDO, Vienna, in time to ensure it is received no later than *<number in words>* (*figure*) calendar months from the date of arrival of the Contractor's personnel in the Project Area.

### **c) Final Report**

A Final Report, in *<number in words>* (*figure*) copies and in one electronic copy in MS Word format, covering the work performed in accordance with paragraph 2.01. In the preparation of the Final Report the Contractor shall give due consideration to the comments and recommendations advised in writing by UNIDO to the Contractor within *<number in words>* (*figure*) weeks after UNIDO's receipt of the Draft Final Report from the Contractor \*or after the Draft Final Report Review Meeting referred to in paragraph 2.04. The Final Report shall be submitted to UNIDO, Vienna, in time to ensure it is received no later than *<number in words>* (*figure*) weeks after the Contractor's receipt of UNIDO's written comments on, or approval of, the Draft Final Report.

## **2.11 Standards of Work**

The Contractor shall exercise all reasonable skill, care and diligence in the performance of the work hereunder and shall carry out all his responsibilities in accordance with the highest

recognized professional standards.

### **3.00 RESPONSIBILITIES OF UNIDO**

#### **3.01 Facilities and Services**

To assist the Contractor and his Team assigned to the Project Area in connexion with the performance of the work hereunder, UNIDO shall provide, or cause the Government to provide, at no cost to the Contractor, the following facilities and services as UNIDO may determine to be necessary for the execution of the Project: such office space, essential office furniture and equipment and local transportation for official purposes as may be available to UNIDO and as normally provided to UNIDO's own experts in the Project Area.

#### **3.02 Responsibilities of the UNIDO Representative**

The UNIDO Representative in the Project Area shall:

- a) act as Liaison Officer between the Contractor's personnel and officials of the Government in all matters relating to this Contract;
- b) cable UNIDO, attention Chief, PSM/OSS/PRS, confirming the arrival in, and departure from, the Project Area of the Contractor's personnel;
- c) refer to UNIDO, attention Chief, PSM/OSS/PRS, such administrative matters relating to execution of this Contract as may be brought to his attention and which cannot be resolved in the Project Area.

### **4.00 CONTRACT PRICE AND TERMS OF PAYMENT**

#### **4.01 Contract Price**

UNIDO shall pay the Contractor for the full and proper performance of his obligations under this Contract, the sum of *<currency amount in words> (figure)*. Payment of this sum shall be made in the currency and in the pro-rated amounts hereinafter set forth. This sum shall cover all expenses incurred by the Contractor including, but not limited to: salaries, indemnities, social charges, overheads, technical assistance and supervision costs. The total Contract price is also inclusive of:

- a) the costs in connexion with the travels of the Contractor's personnel
  - i) from their country of residence and/or place of work to the Project Area and return;
  - ii) from the Project Area to other countries, if such journeys are considered necessary for the execution of the Contract; and
  - iii) within the Project Area, for which the Project transportation facilities referred to in paragraph 3.01 are unavailable.
- b) the subsistence allowance of the Contractor's personnel assigned to the Project Area.

#### **4.02 Contract Ceiling**

The Contractor shall not do any work, provide any materials or equipment or perform any services which may result in any charges to UNIDO over and above the said sum of *<currency amount in words> (figure)* without the prior written consent of UNIDO and a formal amendment to this Contract.

**4.03 Currency of Payment**

The total Contract price of <currency amount in words> (figure) shall be paid in this currency.

**4.04 Progress Payments**

Progress payments on account of the Contract price set forth in paragraph 4.01 shall be made against the Contractor's invoices rendered as follows:

Currency

- a) upon UNIDO's receipt of the Contract duly countersigned the sum of .....
- b) upon UNIDO's receipt and acceptance of the Contractor's Interim Report referred to in sub-paragraph 2.10 a), the sum of.....
- c) upon UNIDO's receipt and acceptance of the Contractor's Draft Final Report referred to in sub-paragraph 2.10 b), the sum of.....
- d) upon UNIDO's receipt and acceptance of the Contractor's Final Report referred to in sub-paragraph 2.10 c), the sum of.....

Grand Total:

The making of any payment hereunder by UNIDO shall not be construed as an unconditional acceptance by UNIDO of the work accomplished by the Contractor up to the time of such payment.

**4.05 Withholding of Payments**

UNIDO may withhold any payment to the Contractor or, on account of subsequently discovered evidence, nullify the whole or part of any payment approval theretofore given, to such an extent as may be necessary to protect UNIDO from loss under this Contract on account of:

- a) the Contractor's failure to carry out the work or to make adequate progress on the work, except for failure arising out of force majeure;
- b) the Contractor's failure to remedy defective work and/or unsatisfactory performance, when such failure has been drawn to his attention by UNIDO;
- c) the Contractor's failure to submit on time the reports required hereunder;
- d) the Contractor's failure to make payments properly for material or labour in the Project Area, or
- e) the existence of damage claims presented by UNIDO or of reasonable evidence indicating the probable basis on which damage claims may be presented by UNIDO.
- f) breach by the Contractor of the Contract.

The withholding by UNIDO of any interim payment shall not affect the Contractor's obligation to continue performance under this Contract.

No interest shall accrue on payments eventually withheld by UNIDO in application of the stipulations of this paragraph.

**4.06 Contractor's Invoices**

Each payment shall be made by UNIDO on the basis of an invoice submitted by the Contractor. Contractor's invoice (original) must reflect Contractor's banking instructions i.e. Name and address of Bank, Account No., Sort Code No., IBAN, SWIFT for payment by electronic transfer.

**4.07 Mode of Payment**

All payments under this Contract shall (subject to receipt of the Contractor's original invoices) be made by UNIDO by electronic bank transfer to the account(s) of the Contractor.

**5.00 GENERAL PROVISIONS**

**5.01 Entry into Effect of the Contract**

This Contract shall be deemed to be effective from the date of its signature by both Parties.

*or, optionally (to be decided by the Contracts Officer depending on the case)*

This Contract shall be deemed to be effective from *<date>* which was the date of Contractor's confirmation of acceptance of UNIDO's Contract award of *<date>*.

**5.02 General Conditions**

The Parties hereto agree to be bound by the UNIDO General Conditions of Contract a copy of which is attached hereto as Annex A and made a part hereof.

**5.03 Contract Amendment**

No modification of, or change in, this Contract, or waiver of any of its provisions, or additional contractual relationship with the Contractor shall be valid unless approved in the form of a written amendment to this Contract, signed by the authorized representatives of the Contractor and UNIDO.

**5.04 Transmission of Reports, Invoices and Notices**

All reports, invoices and notices submitted or given hereunder shall be addressed to the Procurement Services Unit/OSS/PSM (Attention: ....., Contracts Officer), UNIDO, P.O. Box 300, A-1400 Vienna, Austria.

**5.05 Covenant against Contingent Fees**

The Contractor warrants that:

- a) no person or selling agency has been employed or retained by him to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, contingent fee or retainer, except regular employees or bona fide and officially established commercial or selling agencies maintained by the Contractor for the purpose of securing business;
- b) no official or servant or retired employee of UNIDO, the United Nations, the UNDP and the Participating and Executing Agencies of the UNDP or the Government and/or its co-operating Agency(ies), who is not a bona fide employee of the Contractor, has been or shall be admitted by the Contractor to any direct or indirect benefit arising from this Contract or the award thereof.

For breach of these warranties, UNIDO shall have the right to deduct from the Contract price, or otherwise recover from the Contractor, the full amount of any such commission, percentage, brokerage, contingent fee or retainer so paid.

**5.06 Default by the Contractor**

In case the Contractor fails to fulfil his obligations and responsibilities under this Contract, and provided the Contractor has not remedied such failure(s) within thirty (30) days of having been given UNIDO's express written notification of the nature of the failure(s), UNIDO may, at its sole option and without prejudice to its right to withhold payment(s) as hereinbefore provided, hold the Contractor in default under this Contract. When the Contractor is thus in default, UNIDO may, by giving written notice to the Contractor, terminate the Contract as a whole or such part or parts thereof in respect of which the Contractor is in default. Upon such notice, UNIDO shall have the right to seek completion, at the Contractor's expense, of that part or those parts of the Contract with respect to which the Contractor is in default. The Contractor shall, in this case, be solely responsible for any reasonable costs of completion, including such costs which are incurred by UNIDO over and above the originally agreed Contract price stipulated hereinbefore.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract.

**UNITED NATIONS INDUSTRIAL  
DEVELOPMENT ORGANIZATION**

By.....

By.....

Procurement Services Unit  
Operational Support Services/PSM  
UNIDO  
P.O. Box 300  
A-1400 Vienna  
AUSTRIA

Date:.....

Date:.....

## UNIDO GENERAL TERMS AND CONDITIONS

### **1. Confidential Nature of Documents**

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 UNIDO, shall be treated as confidential and shall be delivered only to UNIDO's authorized officials on completion of the work under this Contract; their contents shall not be made known by the Contractor, without the written consent of UNIDO, to any person other than the personnel of the Contractor performing services under this Contract. The obligations of this paragraph do not lapse upon satisfactory completion of the work under this Contract or termination of this Contract, including termination by UNIDO.

### **2. Independent Contractor**

The Contractor shall have the legal status of an independent contractor. Any person assigned by the Contractor to perform services under this Contract shall remain in the employment of the Contractor. The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of UNIDO or the United Nations. Without restricting the generality of the foregoing, UNIDO shall not be liable for any claims and demands, loss, costs, damages, actions, suit or other proceedings, brought or prosecuted, in any manner based upon, occasioned by or attributable to the employment relationship between any person assigned by the Contractor to perform services under this Contract and the Contractor. Unless otherwise provided for in this Contract, UNIDO shall not be liable for claims of any kind in connexion with the performance of such services. The Contractor and his employees shall conform to all applicable laws, regulations and ordinances promulgated by legally constituted authorities of the Government.

### **3. The Contractor's Responsibility for Employees**

The Contractor shall supervise and be fully responsible for the work performed by and the professional and technical competence of his employees and shall select, for work under this Contract, reliable individuals who will perform effectively in the implementation of the Contract, comply with the laws of the Government, respect the local customs and conform to a high standard of moral and ethical conduct.

### **4. Assignment of Personnel**

The Contractor shall not assign any personnel other than those referred to in this Contract for the performance of work in the field without the prior written approval of UNIDO. Prior to assigning any other personnel for the performance of work in the field, the Contractor shall submit to UNIDO for its consideration, the curriculum vitae of any person the Contractor proposes to assign for such service.

### **5. Removal of Personnel**

Upon written request by UNIDO, the Contractor shall withdraw from the field any personnel provided under this Contract and shall replace such personnel by other acceptable to UNIDO, if UNIDO so requests. All costs and additional expenses resulting from the replacement, for whatever reason, of any of the Contractor's personnel shall be for the account of the Contractor. Such withdrawal shall not be considered as termination in part or in total of this Contract under the provisions of paragraph 12 "Termination" hereafter.

### **6. Assignment**

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof or of any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of UNIDO.

### **7. Sub-Contracting**

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of UNIDO for all sub-contractors. UNIDO's approval of a sub-contractor shall not relieve the Contractor of any of his obligations under this Contract, and the terms of any sub-contract shall be subject to and in conformity with the provisions of this Contract.

### **8. UNIDO Privileges and Immunities**

Nothing in or relating to this Contract shall be deemed a waiver of any of the privileges and immunities of UNIDO.

### **9. Non-employment of UNIDO Staff Members**

The Contractor shall not, while this Contract is in effect, employ or consider the employment of UNIDO staff members without the prior written approval of UNIDO.

### **10. Language, Weights and Measures**

Unless otherwise specified in the Contract, the English language shall be used by the Contractor in all written communications to UNIDO with respect to the services to be rendered and all documents procured or prepared by the Contractor pertaining to the work. The Contractor shall use the metric system of weights and measures and estimates of quantities involved shall be made and recorded in metric units, except when otherwise specified in the Contract.

### **11. Force Majeure**

Force Majeure as used herein shall mean acts of God, laws or regulations, industrial disturbances, acts of the public enemy, civil disturbances, explosions and any other similar event of equivalent force not caused by nor within the control of either party and which neither party is able to overcome. As soon as possible after the occurrence of any event constituting Force Majeure, and 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 give notice and full particulars thereof in writing to UNIDO. In this event, the following provisions shall apply:

- (a) The obligations and responsibilities of the Contractor under this Contract shall be suspended to the extent of its inability to perform them and for as long as such inability continues. During such suspension and in respect of work suspended, the Contractor shall be entitled only to reimbursement by UNIDO, against appropriate vouchers, of the essential costs of maintenance of any of the Contractor's equipment and of per diem of the Contractor's personnel rendered idle by such suspension.
- (b) The Contractor shall, within fifteen (15) days of the occurrence of the Force Majeure, submit a statement to UNIDO of estimated expenditures for the duration of the period of suspension.
- (c) The term of this Contract shall be extended for a period equal to the period of suspension taking, however, into account any special conditions which may cause the time for completion of the work to be different from the period of suspension.
- (d) 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, UNIDO shall have the right to terminate this Contract on the same terms and conditions as are provided for in paragraph 12, "Termination" except that the period of notice may be seven (7) days instead of thirty (30) days.
- (e) For the purpose of the preceding sub-paragraph (d), UNIDO may consider the Contractor permanently unable to perform in case of any period of suspension in excess of ninety (90) days. Any such period of ninety (90) days or less shall be deemed temporary inability to perform.

.../...

## **12. Termination**

UNIDO may terminate this Contract in whole or in part and at any time, upon thirty (30) days' notice of termination to the Contractor. The initiation of arbitral proceedings in accordance with paragraph 16, "Arbitration", below shall not be deemed a termination of this Contract. In the event such termination is not caused by the Contractor's negligence or fault, UNIDO shall be liable to the Contractor for payment in respect of work already accomplished, for the cost of repatriation of the Contractor's personnel, for necessary terminal expenses of the Contractor, and for the cost of such urgent work as is essential and as the Contractor is asked by UNIDO to complete. The Contractor shall keep expenses at a minimum and shall not undertake any forward commitment from the date of receipt of UNIDO's notice of termination.

## **13. Bankruptcy**

Should the Contractor be adjudged bankrupt or be liquidated or become insolvent, or should the Contractor make a general assignment for the benefit of its creditors, or should a receiver be appointed on account of the Contractor's insolvency, UNIDO may, without prejudice to any other right or remedy it may have under the terms of this Contract, terminate this Contract forthwith by giving the Contractor written notice of such termination. The Contractor shall immediately inform UNIDO of the occurrence of any of the above events.

## **14. Insurance and Liabilities to Third Parties**

- (a) 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.
- (b) 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.
- (c) 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.
- (d) Except for the workmen's compensation insurance, the insurance policies under this Article shall:
  - (i) Name UNIDO as additional insured;
  - (ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against UNIDO;
  - (iii) Provide that UNIDO shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.
- (e) The Contractor shall, upon request, provide UNIDO with satisfactory evidence of the insurance required under this Article.
- (f) Any amounts not insured or not recovered from the insurers shall be borne by the Contractor.

If the Contractor fails to effect and keep in force any of the insurances required under the Contract, then and in any such case UNIDO may, at its option, hold the Contractor in default in accordance with the Contract, or effect and keep in force any such insurances and pay any premium as may be necessary for that purpose and from time to time deduct the amount so paid from any monies due to the Contractor, or recover the same as a debt due from the Contractor.

## **15. Indemnification**

The Contractor shall indemnify, hold and save harmless and defend at its own expense UNIDO, its officers, agents, servants and employees from and against all suits, claims, demands and liability of any nature or kind, including costs and expenses, arising out of acts, omissions, negligence or misconduct of the Contractor or its officers, agents, servants, representatives, employees, or sub-contractors in the performance of this Contract. This requirement shall extend to claims or liabilities in the nature of workmen's compensation and to claims or liabilities arising out of the use of patented inventions or devices. The obligations under this paragraph do not lapse upon termination of this Contract.

## **16. 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 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.

### **(b) Arbitration**

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Contract or the breach, termination or invalidity thereof is 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, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute. It is understood, however, that the provisions of this paragraph shall not constitute nor imply the waiver by UNIDO of its privileges and immunities.

## **17. Conflict of Interest**

No employee of the Contractor assigned to perform work under this Contract shall engage, directly or indirectly, either in his own name or through the agency of another person, in any business, profession or occupation in the country of the Government; nor shall he make loans to or investments in any business, profession, or occupation in the said country.

## **18. Obligations**

In connexion with the performance of its services under this Contract, the Contractor shall neither seek nor accept instructions from any authority external to UNIDO. The Contractor shall refrain from any action which may adversely affect UNIDO and shall fulfill its commitments with full regard for the interests of UNIDO. Unless authorized in writing by UNIDO, the Contractor shall not advertise or otherwise make public the fact that it is performing or has performed services for UNIDO. Also, the Contractor shall not, in any manner whatsoever, use the name, emblem or official seal of the United Nations or of UNIDO or any abbreviation of the name of the United Nations in connexion with its business or otherwise. The Contractor is required to exercise utmost discretion in all matters relating to this Contract. Unless required in connexion with the performance of its work under this Contract or where specifically authorized by UNIDO, the Contractor shall not communicate at any time to any person, government or authority external to UNIDO any information which has not been made public and which is known to it by reason of its association with UNIDO. The Contractor shall not, at any time, use such information to private advantage. These obligations do not lapse upon satisfactory completion of the work under this Contract or termination of this Contract, including termination by UNIDO.

.../...

### **19. Title Rights**

- (a) The United Nations or UNIDO, as the case may be, shall be entitled to all property rights including but not limited to patents, copyrights and trademarks, with regard to material which bears a direct relation to, or results from the services provided to the United Nations or UNIDO by the Contractor under this Contract. At the request of UNIDO, the Contractor shall take all necessary steps, prepare and process all necessary documents and assist in securing such property rights and transferring them to the United Nations and UNIDO in compliance with the requirements of the applicable law.
- (b) Title to any equipment and supplies which may be furnished by UNIDO shall rest with the United Nations or UNIDO as the case may be and any such equipment and supplies shall be returned to UNIDO at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment and supplies, when returned to UNIDO, shall be in the same condition as when delivered by UNIDO to the Contractor, subject to normal wear and tear.

### **20. Facilities, Privileges and Immunities of Contractor and Contractor's Personnel**

UNIDO agrees to use its best efforts to obtain for the Contractor and his personnel (except Government nationals employed locally), to the extent granted by the Government to UNIDO staff members, such facilities, privileges and immunities as the Government has agreed to grant to contractors and to their personnel performing services for the United Nations Development Programme within the country. Such facilities, privileges and immunities shall include exemption from or reimbursement of the cost of any taxes, duties, fees or levies which may be imposed in the country on salaries or wages earned by the Contractor's foreign personnel in connexion with the execution of the work under this Contract and on any equipment, materials and supplies which the Contractor may bring into the country in connection with the work under this Contract or which, after having been brought into the country, may be subsequently withdrawn there from. A copy of the relevant provisions concerning facilities, privileges and immunities that UNIDO shall seek to obtain, is attached to and made a part of this Contract (Annex B).

### **21. Waiver of Facilities, Privileges and Immunities**

Any provision, whether in an Agreement, Plan of Operation or any other instrument, to which the recipient Government is a party and by which the recipient Government confers benefits upon the Contractor and his personnel in the form of facilities, privileges, immunities, or exemptions by reason of his performance of services for UNIDO under this Contract may be waived by the UNIDO where, in its opinion, the facility, privilege or immunity would impede the course of justice and can be waived without prejudice to the successful completion of the work under this Contract or to the interest of the United Nations Development Programme or UNIDO.

### **22. 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 UNIDO 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.

### **23. Tax Exemption**

- (a) In accordance with Section 7 of the Convention on the Privileges and Immunities of the United Nations and Section 9 of the Convention on the Privileges and Immunities of Specialized Agencies which are applicable to UNIDO by virtue of Article 21 of its Constitution, UNIDO 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 UNIDO's exemption from such taxes, duties or charges, the Contractor shall immediately consult with UNIDO to determine a mutually acceptable procedure.
- (b) Accordingly, the Contractor authorizes UNIDO to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNIDO before the payment thereof and UNIDO has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide UNIDO with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

### **24. Child labor**

- (a) The Contractor represents and warrants that neither him, nor any of his suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.
- (b) Any breach of this representation and warranty shall entitle UNIDO to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNIDO.

### **25. Mines**

- (a) The Contractor represents and warrants that neither him, nor any of his suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.
- (b) Any breach of this representation and warranty shall entitle UNIDO to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNIDO.

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**UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION**

**PRIVILEGES AND IMMUNITIES SECTION**

1. The Contractor's personnel (except nationals of the Government employed locally) shall have the right to the following:
  - (i) Immunity from legal process in respect of all acts performed by them in execution of the work under this Contract;
  - (ii) Immunity from national service obligations;
  - (iii) Immunity from immigration restrictions;
  - (iv) The privilege of bringing into the country reasonable amounts of foreign currency for the purpose of the work under this Contract or for personal use of such personnel, and of withdrawing any such amounts brought into the country or, in accordance with the relevant foreign exchange regulations, such amounts as may be earned therein by such personnel in the execution of the work under this Contract and
  - (v) In the event of international crises, the same repatriation facilities as diplomatic envoys.
2. All personnel of the Contractor shall enjoy inviolability for all papers and documents relating to the work under this Contract.
3. The Government shall either exempt from or bear the cost of any taxes, duties, fees or levies which it may impose on any foreign firm or organization which may be retained by the UNIDO, and on the foreign personnel of any such firm or organization in respect of:
  - (i) The salaries or wages earned by such personnel in the execution of the work under this Contract and
  - (ii) Any equipment, materials and supplies brought into the country in connection with the work under this Contract or which, after having been brought into the country, may be subsequently withdrawn therefrom.
4. The facilities, privileges and immunities to which the Contractor and his personnel may be entitled may be waived by the UNIDO where, in its opinion, such facilities, privileges and immunities would impede the course of justice and can be waived without prejudice to the successful completion of the work under this Contract or to the interests of the United Nations Development Programme or UNIDO.

**INSTRUCTIONS FOR THE DISPATCH OF REPORTS**

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**PLEASE NOTE COMPLIANCE WITH THE FOLLOWING INSTRUCTIONS IS MANDATORY**

1. The Contractor shall dispatch all copies of his interim, preliminary, draft final and final reports to the addresses stipulated in the Contract via air parcel post or airfreight. If the reports consist of several volumes, and are bulky and of considerable weights, the Contractor shall obtain appropriate instructions from UNIDO prior to effecting shipment.
2. In all instances, reports shall be packed in suitable containers, which shall be carefully marked with the following information:
  - Name(s) and address (es) of the consignee(s) as stipulated in the Contract
  - Description of Contents (i.e. interim, preliminary, draft final or final report)
  - Project No. And Title
  - UNIDO Contract No.
3. An envelope shall be securely fastened to the outside of the container(s) which shall enclose a detailed list of the contents specifying:
  - No. of copies of the reports contained in the package
  - Volume(s) number(s) (when the reports consist of more than one volume)
  - Language(s) of the report.
4. The Contractor shall ensure that the recipient(s) of the reports is (are) notified in advance of the shipment by airmail letter accompanied by copies of the above-mentioned list(s) and shipping documents if any.
5. When the Contractor is required to ship his reports to a recipient other than UNIDO Headquarters, he shall ensure that copies of the correspondence relating to and the shipping documents covering such shipments are sent, for information, to UNIDO Headquarters.

**It should be noted that the above instructions do not apply to “Monthly Progress Reports”**