

REQUEST FOR PROPOSAL

TO:

<Name and address>

[Kindly ensure to sign and stamp on the first page, financial offer page and page 13]

Date of issue:	23rd October 2024
RFP no.:	LWFDDDB/30373/2024
Contract title:	PROVISION OF CONSULTANCY SERVICES TO REVIEW THE REHABILITATION OF SOLAR SYSTEM AT DMO COMPOUND, DADAAB, GARISSA COUNTY.
Procurement ref #:	30373
Closing date:	31 st October, 2024
Buyer:	THE LUTHERAN WORLD FEDERATION P.O BOX 40870 - 00100 NAIROBI GITANGA ROAD- OPPOSITE BRAEBURN SCHOOL Contact person: The Procurement Office Email: procurement.nairobi@lutheranworld.org and cc procurementfollowup.nairobi@lutheranworld.org
Please note that the Quotations must be submitted by e-mail to procurement.nairobi@lutheranworld.org and cc procurementfollowup.nairobi@lutheranworld.org.	

THE LUTHERAN WORLD FEDERATION INVITES YOU TO SUBMIT A PROPOSAL FOR THE PROVISION OF CONSULTANCY SERVICES TO REVIEW THE REHABILITATION OF SOLAR SYSTEM AT DMO COMPOUND, DADAAB, GARISSA COUNTY

Dear Sir/Madam,

The Service is required for the **Provision of Consultancy Services to Review the Rehabilitation of the Solar System at DMO Compound, Dadaab, Garissa County** an intervention supported by LWF. Please find enclosed the following documents which constitute the Request for Proposal:

A - Instructions

B - Annexes:

- Annex 1: Terms of Reference**
- Annex 2: Technical Offer**
- Annex 3: Financial Offer**
- Annex 4: Vendor Registration Form – for new candidates**
- Annex 5: General Terms and Conditions for Service Contracts – Ver2 2012**
- Annex 6: Code of Conduct for Contractors**

ACKNOWLEDGMENT

We appreciate your confirmation on the receipt of this Request for Proposal and your intention to submit an offer by e-mail to: procurement.nairobi@lutheranworld.org and cc procurementfollowup.nairobi@lutheranworld.org

Note! It is not allowed to make changes to the text in this Request for Proposal and its annexes and it is strongly recommended that this document and its Annexes are read carefully. Failure to submit your offer using the Annexes provided and providing the outlined information in this document will result in disqualification from the evaluation process.

A. INSTRUCTIONS

In submitting a Proposal, the Candidate accepts in full and without restriction the special and General conditions including Annexes governing this Proposal as the sole basis of a Contract. The Candidates are expected to examine carefully and comply with all instructions, forms, contract provisions and specifications contained in this Request for Proposal.

A.1. Scope of services

The Services required by the Buyer are described in the Terms of Reference in Annex 1.

The Candidate shall offer the totality of the Services described in the Terms of Reference. Candidates offering only part of the required Services will be rejected.

A.2. Cost of proposal

The Candidate shall bear all costs associated with the preparation and submission of his proposal and the Buyer is not responsible or liable for these costs, regardless of the conduct or outcome of the process.

A.3. Eligibility and qualification requirements

Candidates are not eligible to participate in this procedure if they are in one of the situations listed in article 33 of the General Terms and Conditions for Service Contracts – Ver2 2012.

Candidates shall in the Financial Offer (Annex 3) attest that they meet the above eligibility criteria. If required by the Buyer, the Candidate whose proposal is accepted shall further provide evidence satisfactory to the Buyer of its eligibility.

As a rule, the arrival of a proposal in due time is always the candidate's responsibility. Late proposals refer to any proposal arriving after the Closing date for submitting proposals, and any proposals arriving late due to a delay, for instance, in the delivery of mail or due to a technical problem related to electronic data transmission.

Candidates are also requested to certify that they comply with the Code of Conduct for Contractors.

A.4. Exclusion from award of contracts

Contracts may not be awarded to Candidates who, during this procedure:

- (a) are subject to conflict of interest;
- (b) are guilty of misrepresentation in supplying the information required by the Buyer as a condition of participation in the Contract procedure or fail to supply this information.

A.5. Documents comprising the Request for Proposal

The Candidate shall complete and submit the following documents with his proposal:

- a. Technical Offer (Annex 2)
- b. Financial Offer (Annex 3)
- c. Vendor Registration Form (Annex 4)
- d. C.V. highlighting the Candidates experience in the specific field of the Services and his/her specific experience in the country/region where the Services are to be performed.
- e. Tender guarantee in accordance with article A.6.

The proposal and all correspondence and documents related to the Request for Proposal exchanged by the Candidate and the Buyer must be written in the language of the procedure, which is **ENGLISH**.

A.1. Tender guarantee

The awarded vendor shall have to provide a performance bank guarantee of minimum 10% of the total tender amount. The guarantee shall be issued in favour of LWF and be valid for 45 days beyond the period of validity of the suppliers offer. The tender guarantee shall be issued in the form of a first demand guarantee, by an

internationally recognised bank or other financial institution, and shall be in accordance with the text in the attached guarantee. The tender guarantee may also be issued in the form of a banker's draft, a certified cheque, a bond provided by an insurance company or an irrevocable letter of credit, as long as it creates under the applicable law the same irrevocable, at-first-demand obligations for the guarantor as expressed in the wording in the attached guarantee.

Note: please insert the template at the end of this document. Guarantees are available from: <https://lutheranworld.sharepoint.com/sites/WSSstrategyPolicyandGovernance/SitePages/Section%205%20-ProcurementManual-EN.aspx>

A.2. Financial proposal

The Financial Proposal shall be presented as an amount in **<Kenya Shillings>** in the Financial Offer in Annex 3. The remuneration of the Candidate under the Contract shall be determined as follows:

(Note: please select one of the options or adjust to project requirements and delete the others)

Global price: The Candidate shall indicate in his/her proposal his/her proposed global remuneration for the performance of the Services. The Candidate shall be deemed to have satisfied himself as to the sufficiency of his/her proposed global remuneration, to cover both his/her fee rate, including overhead, profit, all his/her obligations, sick leave, overtime and holiday pay, taxes, social charges, etc. and all expenses (such as transport, accommodation, food, office, etc.) to be incurred for the performance of the Contract. The proposed global remuneration shall cover all obligations of the successful Candidate under the Contract (without depending on actual time spent on the assignment) and all matters and things necessary for the proper execution and completion of the Services and the remedying of any deficiencies therein. Validity

Proposals shall remain valid and open for acceptance for **90** days after the closing date.

A.3. Submission of proposals and closing date

Proposals must be received at the address mentioned on the front page email not later than the closing date and time specified on the front page.

A.4. Administrative Compliance

The Buyer will determine whether the Proposal meets the eligibility requirements, has been properly drafted and signed and is substantially responsive to the Request for Proposal requirements. If a proposal is not substantially responsive, i.e. it contains material deviations from, or reservations to the terms, conditions and specifications of the Request for Proposal, and/or is not technically responsive, it shall be disregarded, unless the Candidate who has submitted the non-responsive proposal is authorized by the Buyer to re-submit a proposal.

A.5. Evaluation of Proposals

The evaluation method will be the quality and cost based selection. A two-stage procedure shall be utilised in evaluating the Proposals; a technical evaluation and a financial evaluation.

A.6. Technical evaluation

For the evaluation of the technical proposals, the Buyer shall take the following criteria into consideration, with the indicated weights:

Technical evaluation		Maximum Points	Candidate				
			A	B	C	D	E
Expertise of the Candidate submitting proposal							
1	(Candidates' specialised knowledge and experience in the field of assignment and selected region)	<10>					
2	(Candidates' relevant qualifications)	<10>					
3	(Candidates' experience in the region/country e.g. knowledge of local language, culture,	<05>					

	administrative system, government etc.)						
4	(Candidates' proficiency in English)	<05>					
5	(Candidates' technical capacity)	<20>					
Sub-total Candidate and/or Organisation		<40>					
Technical Offer							
1	(The understanding of the specific tasks to be carried out by the engineer)	<15>					
2	(The rationale of the input, activities and the expected results to be achieved)	<15>					
3	(The timetable and program suggested)	<10>					
Sub-total Technical Offer		<40>					
Key expert							
1	(Relevant qualifications)	<05>					
2	(Relevant experience in the field of assignment)	<05>					
3	(Experience in the region/country e.g. knowledge of local language, culture, administrative system, government etc.)	<05>					
4	(Proficiency in English language)	<05>					
Sub-total Key expert 1		<20>					
Total Technical Score		100					

A.7. Interviews

The Buyer reserves the right to call to interview the Candidates having submitted proposals determined to be substantially responsive.

A.8. Financial evaluation

Each proposal shall be given a financial score. The lowest Financial Proposal (Fm) will be given a financial score (Sf) of 100 points. The formula for determining the financial scores shall be the following:

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

Sf is the financial score

Fm is the lowest price and

F is the price of the proposal under evaluation

A.9. Negotiations

The Buyer reserves the right to contact the Candidates having submitted proposals determined to be substantially and technically responsive, in order to propose a negotiation of the terms of such proposals. Negotiations will not entail any substantial deviation to the terms and conditions of the Request for Proposal, but shall have the purpose of obtaining from the Candidates better conditions in terms of technical quality, implementation periods, payment conditions, etc.

Negotiations may however have the purpose of reducing the scope of the services or revising other terms of the Contract in order to reduce the proposed remuneration when the proposed remunerations exceed the available budget.

A.10. Overall Evaluation and Award of Contract

Offers will be ranked according to their combined technical (St) and financial (Sf) scores using the weights of <75>% for the technical proposal; and <25>% for the offered price. Each offers overall score shall therefore be: $St \times <75>\% + Sf \times <25>\%$.

The Buyer will award the Contract to the Candidate whose proposal has been determined to be substantially responsive to the documents of the Request for Proposal and which has obtained the highest overall score.

A.11. Signature and entry into force of the Contract

Prior to the expiration of the period of the validity of the proposal, the Buyer will inform the successful Candidate in writing that its proposal has been accepted and inform the unsuccessful Candidates in writing about the result of the evaluation process.

Within **5** days of receipt of the Contract, not yet signed by the Buyer, the successful Candidate must sign and date the Contract and return it to the Buyer. On signing the Contract, the successful Candidate will become the Candidate and the Contract will enter into force once signed by the Buyer.

If the successful Candidate fails to sign and return the Contract within the days stipulated, the Buyer may consider the acceptance of the proposal to be cancelled without prejudice to the Buyer's right to claim compensation or pursue any other remedy in respect of such failure, and the successful Candidate will have no claim whatsoever on the Buyer.

A.12. Cancellation for convenience

The Buyer may for its own convenience and without charge or liability cancel the procedure at any stage.

C. ANNEXES

ANNEX 1: TERMS OF REFERENCE

TERMS OF REFERENCE FOR CONSULTANCY SERVICES:

SOLAR SYSTEM AND BATTERIES ANALYSIS AT DMO COMPOUND, DADAAB, GARISSA COUNTY

Background:

The DMO Compound in Dadaab, Garissa, operates a solar energy system powered by 24 batteries serving as a back up power source with the main one being a shared generator. However, recent routine maintenance revealed that 2 batteries were damaged, leaving the system with only 22 batteries which is less than its design power storage arrangement.

These remaining batteries have been inactive for over the past six months. To ensure optimal performance, a consultancy service is required to assess the current condition of these batteries, determine if new ones are necessary to purchase and evaluate the compatibility of different battery sets, and explore alternative optimum system configurations. Additionally, the consultant will be required to estimate installation costs and recommend the most effective course of action currently required in this regard.

Objectives:

The primary objectives of this consultancy service are to:

1. Assess the operational viability of the 24 inactive batteries.
2. Evaluate the feasibility of purchasing two replacement batteries versus acquiring a complete new set.
3. Analyze the compatibility and potential performance impact of integrating new batteries with the existing system.
4. Estimate the installation costs for the various battery replacement or system upgrade options.
5. Provide recommendations on the most cost-effective and efficient solution to ensure a reliable and uninterrupted solar power supply at the DMO Compound.

Scope of Work:

The consultant shall perform the following tasks:

1. **Battery Assessment:** Conduct a thorough evaluation of the 24 existing batteries to assess their current operational status and determine their potential for continued use.
2. **Compatibility Evaluation:** Review the technical specifications and compatibility of potential replacement batteries with the existing system.
3. **System Impact Analysis:** Analyze the potential effects of integrating two new batteries into the system, assessing risks such as underpowering, overloading, or destabilizing the performance of the remaining batteries.
4. **Cost Estimation:** Provide a detailed cost estimate for purchasing new batteries, covering procurement, transportation, and installation, as well as any additional equipment or modifications required.
5. **Alternative Configurations:** Explore and evaluate alternative system configurations, offering recommendations based on cost-effectiveness, system reliability, and long-term sustainability.
6. **Load Analysis and Power Distribution:** Conduct a load analysis of the entire power distribution network to assess the current energy demand, evaluate the adequacy of the existing power storage system, and determine if adjustments are required to ensure optimal load management and power distribution across the system. **Limit this to LWF premises ONLY**

Deliverables:

The consultant is expected to provide the following:

1. **Assessment Report:** A comprehensive report on the operational viability of the existing batteries, including recommendations on whether new batteries are necessary.
2. **Recommendation on Replacement Strategy:** A clear recommendation on whether to purchase two new batteries or a complete set, supported by a cost-benefit analysis and technical considerations.
3. **Cost Breakdown:** Detailed cost estimates for the procurement, transportation, and installation of new batteries, along with any required system adjustments or additional equipment.
4. **Alternative Configuration Options:** A presentation of alternative system configurations, outlining the advantages and disadvantages of each, to guide decision-making based on long-term sustainability and efficiency.
5. **Load Analysis Report:** A detailed load analysis report that evaluates the current energy demand and power distribution network, providing insights into the adequacy of the battery storage system and recommendations for any necessary adjustments to optimize energy load distribution. **Limit this to LWF premises ONLY**

Location:

The consultancy service will be conducted at the DMO Compound in Dadaab, Garrisa.

Timeline:

The consultancy service is expected to be completed within 21 days from the date of site hand over.

Reporting:

The consultant shall report to the Area Manager through the resident Plant Mechanic and provide regular updates on the progress of the assessment.

The plant mechanic with support of the clerk of works will review and approve the above deliverables by way of a completion certificate

Qualifications of the Consultant:

The consultant must possess and demonstrate the following qualifications:

1. **Technical Expertise:** Proven expertise in solar energy systems, battery technology (including battery chemistry, lifecycle analysis, and power storage optimization), and electrical engineering.
2. **Project Experience:** A proven track record of successfully delivering similar solar energy projects, with a focus on battery-based power storage systems, especially in off-grid or remote locations. Preference will be given to consultants with experience working with '**HOPPECKE**' batteries **or other brands** that the consultant can demonstrate possess technical compatibility with **HOPPECKE**. This is crucial as the new system will need to integrate seamlessly with the existing infrastructure.
3. **Relevant Certifications:** Relevant professional certifications or registrations in electrical engineering, renewable energy, or related fields.
4. **Analytical Skills:** Demonstrated ability to conduct detailed technical assessments, including battery performance analysis, system configuration, and cost-benefit evaluations.
5. **Remote Installations:** Experience in managing and implementing energy projects in remote, challenging environments, with an understanding of logistical, operational, and environmental constraints.

Proposal Submission:

Interested consultants or consulting firms are invited to submit proposals, which should include:

1. **Methodology:** A detailed description of the proposed methodology, outlining the approach for conducting the battery assessment, system analysis, and cost estimation.

2. **Timeline:** A comprehensive project timeline, highlighting key milestones and deliverables.
3. **Team Composition:** Details of the proposed team, including the qualifications and roles of key personnel involved in the project.
4. **Relevant Experience:** A portfolio or case studies of relevant projects previously undertaken, particularly those involving solar energy systems and battery storage in off-grid or remote settings.
5. **Financial Proposal:** A clear and itemized financial proposal, including professional fees, travel expenses, and any other costs associated with the consultancy.

Contact Information:

For inquiries and proposal submissions, please contact procurement.nairobi@lutheranworld.org

ANNEX 2: TECHNICAL OFFER

The Terms of Reference (TORs) of the services requested can be found in Annex 1. Your technical offer should be clear and concise and structured in the following order to include, but not necessarily be limited to, the following information:

Rationale

- Any comments on the Terms of Reference of importance for the successful execution of activities, in particular its objectives and expected results, thus demonstrating the degree of understanding of the Contract. Detailed list of inputs, activities and outputs. Any comments contradicting the Terms of Reference or falling outside their scope will not form part of the final Contract.
- An opinion on the key issues related to the achievement of the Contract objectives and expected results.
- An explanation of the risks and assumptions affecting the execution of the contract.

Strategy

- An outline of the approach proposed for contract implementation.
- A list of the proposed activities considered to be necessary to achieve the contract objectives.
- The related inputs and outputs.

Timetable of activities

- The timing, sequence and duration of the proposed activities, taking into account mobilisation time.
- The identification and timing of major milestones in execution of the Contract, including an indication of how the achievement of these would be reflected in any reports particularly those stipulated in the Terms of Reference.
- Include a programme.

Logical frame

- A Logical frame reflecting the considerations above.

Key experts

- The Candidate shall include a detailed description of the role and duties of each of the key experts or other non-key experts, which the Candidate proposes to use for the performance of the services. The key experts are those whose involvement is considered instrumental in the achievement of the Contract objectives. The CV of each key expert shall be included highlighting his/her experience in the specific field of the services and his/her specific experience in the country/region where the services are to be performed. In addition, the Candidate shall include information on current participation of key experts in other contracts and or commitments to participate in future contracts, including detailed description of their tasks and period of engagement.

ANNEX 3: FINANCIAL OFFER

My financial proposal for my services is as follows:

(Note: please select one of the below options and harmonize this section with article A.7. Financial Proposal)

Global price

	Currency	Amount
Global price (fees and expenses)		
VAT or other tax on services		
Total price incl. taxes		

ANNEX 4: VENDOR REGISTRATION FORM

COMPANY INFORMATION				
Company Name (legal name)				
Street name and no.				
Postal code, city, country				
Phone number, E-mail:				
Website				
Director (Name)				
Other contact (Title and Name)				
Other Branches location:				
Year of Establishment:				
Number of full-time employees:				
SECTOR OF ACTIVITIES, EXPORT AND REPRESENTATION				
Please list your core supplies/services/works offered:				
Countries with Registered Office:				
Countries with Representation:				
Please list your core supplies/services/works offered:				
Nature of Business (tick in one box below):				
<u>Importer:</u>	<u>Wholesaler:</u>	<u>Retailer:</u>	<u>Manufacturer:</u>	<u>Authorised agent:</u>
<u>Consultant:</u>	<u>Candidate:</u>			
REFERENCES (within the last 5 (five) years)				
Name and country of customer:	Type of contract:	Value:	Year:	Contact name, phone, E-mail:
PAST EXPERIENCE:				
Vendors experience with similar service contracts and his/her specific experience in the country/region where the service are to be delivered:				
Number of similar service contracts currently underway:				
CERTIFICATES ETC.				
Have you previously offered your services to other NGOs, to UN organizations and/or other international organizations? If yes, please enclose the details and value of contracts.				

Does your company have CSR related policies in place – e.g. health and safety policy, HR policy, staff policy, climate policy. Is your company a member of the UN Global Compact?		
Does your company have a Code of Conduct?		
List of international quality assurance certification held by your company (a copy of each certificate shall be enclosed):		
List of local and national quality assurance certification held by your company (a copy of each certificate shall be enclosed):		
FINANCIAL INFORMATION		
Please provide a copy of your last financial statement.		
Please provide a copy of the last three years audited accounts and six (6) months current bank statement.		
Has your Company been credit rated? If so, what was the rating?		
Please provide Annual income and total value of sales for the last 3 years (in EUR):		
Fiscal year	Income sales KES	Export sales KES
20__		
20__		
20__		
Bank name:		
Bank account no.:		
Account name:		
Bank Swift / BIC address:		
Street name and no.:		
City and postal code:		
Country:		
Direct phone no.:		

The proposal is valid for a period of **90** days after the closing date in accordance with the article A.10. Validity.

After having read your Request for Proposal no. **LWFDDB/30373/2024** for **PROVISION OF CONSULTANCY SERVICES TO REVIEW THE REHABILITATION OF SOLAR SYSTEM AT DMO COMPOUND, DADAAB, GARISSA COUNTY** dated **22nd Oct 2024** and after having examined the Request for Proposal, I/we hereby offer to execute and complete the services in conformity with all conditions in the Request for Proposal for the sum indicated in our financial proposal.

Further, I/we hereby:

- Accept, without restrictions, all the provisions in the Request for Proposal including the General Terms and Conditions for Service Contracts - Ver2 2012 and the draft Service Contract including all annexes.
- Provided that a contract is issued by the Buyer I/we hereby commit to perform all services described in the Terms of Reference, Annex 1 within the time frame described in our Technical Offer Form.

- Certify and attest compliance with eligibility criteria of article 33 of the General Terms and Conditions for Service Contracts - Ver2 2012.
- Certify and attest compliance with the Code of Conduct for Contractors in Annex 6.

The above declarations will become an integrated part of the Contract and misrepresentation will be regarded as grounds for termination.

Date, signature and stamp:

Signed by:

The Candidate

Name of the company

Address

Telephone no.

Email

Name of contact person

ANNEX 5: GENERAL TERMS AND CONDITIONS FOR SERVICE CONTRACTS – VER2 2012

1. DEFINITIONS

In these general terms and conditions:

- a) "contract" is the agreement entered into by the Buyer and the Candidate for the performance of the services described in the terms of reference, to which these general terms and conditions are made applicable; the contract is constituted of the documents listed in the Service Contract.
- b) The Buyer's "partners" are the organisations to which the Buyer is associated or linked;
- c) "personnel" is any person assigned by the Candidate to the performance of the services or any part hereof, whether through employment, sub-contracting or any other agreement; and "key experts" are those members of the personnel whose involvement is considered instrumental in the achievement of the contract objectives;
- d) "beneficiary country" is the country where the services are to be performed, or where the project to which the services relate is located.

2. RELATIONS BETWEEN THE PARTIES

Nothing contained in the contract shall be construed as establishing a relation of master and servant or of agent and principal as between the Buyer and the Candidate. Except if otherwise provided in the contract, the Candidate shall under no circumstances act as the representative of the Buyer or give the impression that the Candidate has been given such authority. The Candidate has complete charge of the personnel and shall be fully responsible for the services performed by them.

3. SCOPE OF SERVICES

The scope of the services including the methods and means to be used by the Candidate, the results to be achieved by him and the verifiable indicators are specified in the Terms of Reference. The Candidate shall be responsible for everything which is required for the performance of the services in accordance with what is specified in the contract, or which must otherwise be regarded as forming part of the services.

4. COMPLIANCE WITH LAWS AND RESPECT OF TRADITIONS

The Candidate shall respect and abide by all laws and regulations in force in the beneficiary country and shall ensure that its personnel, their dependants, and its local employees also respect and abide by all such laws and regulations. The Candidate shall indemnify the Buyer against any claims and proceedings arising from any infringement by the Candidate, its personnel and their dependants of such laws and regulations.

The Candidate, its personnel and their dependants shall respect human rights and undertake not to offend the political, cultural and religious practices prevailing in the beneficiary country.

5. CODE OF CONDUCT

The Candidate shall at all times act loyally and impartially and as a faithful adviser to the Buyer and shall perform the services with due care, efficiency and diligence, in accordance with the best professional practice.

6. DISCRETION AND CONFIDENTIALITY

The Candidate shall treat all documents and information received in connection with the contract as private and confidential, and shall not, save in so far as may be necessary for the purposes of the performance thereof, publish or disclose any particulars of the contract without the prior consent in writing of the Buyer. It shall, in particular, refrain from making any public statements concerning the project or the services without the prior approval of the Buyer,

7. CONFLICT OF INTEREST

The Candidate shall refrain from engaging in any activity which conflicts with his obligations towards the Buyer under the contract.

The Candidate shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective performance of the Contract. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interests which could arise during performance of the Contract must be notified in writing to the Buyer without delay. The Candidate shall replace, immediately and without compensation from the Buyer, any member of its personnel exposed to such a situation.

8. CORRUPT PRACTICES

The Candidate and the personnel shall refrain from performing, condoning or tolerating any corrupt, fraudulent, collusive or coercive practices, whether such practices are in relation with the performance of the contract or not. "Corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value as an inducement or reward for doing or forbearing to do any act in relation to the contract or any other contract with the Buyer, or for showing favour or disfavour to any person in relation to the contract or any other contract with the Buyer.

The payments to the Candidate under the contract shall constitute the only income or benefit it may derive in connection with the contract and neither it nor its personnel shall accept any commission, discount, allowance, indirect payment or other consideration in connection with, or in relation to, or in discharge of, its obligations under the contract.

The execution of the contract shall not give rise to unusual commercial expenses. Unusual commercial expenses are commissions not mentioned in the contract or not stemming from a properly concluded contract referring to the contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a recipient who is not clearly identified, or commission paid to a company which has every appearance of being a front company.

The Candidate further warrants that no official of the Buyer and/or their partner has received or will be offered by the Candidate any direct or indirect benefit arising from this Contract.

9. JOINT VENTURE OR CONSORTIUM

If the Candidate is a joint venture or a consortium of two or more legal persons, all such persons shall be jointly and severally bound to fulfil the terms of the contract. The person designated by the joint venture or consortium to act on its behalf for the purposes of this contract shall have the authority to bind the joint venture or consortium.

For the purposes of performance of the contract, the joint venture or consortium shall act as, and be considered, a single person and, in particular, shall have bank account opened in its name, shall submit to the Buyer single guarantees if required, and shall submit single invoices and single reports.

The composition of the joint venture or a consortium shall not be altered without the prior written consent of the Buyer.

10. SPECIFICATIONS AND DESIGNS

The Candidate shall prepare all specifications and designs using accepted and generally recognised systems acceptable to the Buyer and taking into account the latest design criteria.

11. INFORMATION

The Candidate shall furnish the Buyer, or any person authorised by the Buyer, with any information relating to the services and the project as the Buyer may at any time request.

12. REPORTS

The frequency, deadlines, format and contents of the reports to be drawn up by the Candidate in relation to the performance of the contract shall be described in the Terms of Reference.

13. CANDIDATE'S PERSONNEL

13.1. The Candidate shall employ and provide such qualified and experienced personnel as are required to carry out the services, and the Candidate shall be responsible for the quality of the personnel.

The names, outputs, duties and CVs of key experts and the titles, job descriptions, minimum qualifications, estimated periods of engagement in the carrying out of the services of each of the personnel and key experts are described in the Organisation and Methodology part of the contract. The Candidate must inform the Buyer of all non-expert personnel it intends to use for the implementation of the contract. The Buyer shall have the right to oppose the Candidate's choice of personnel.

13.2. No changes shall be made in the personnel without the prior consent of the Buyer. The Candidate shall provide a replacement with at least equivalent qualifications and experience and acceptable to the Buyer if:

- a) on account of death, sickness or accident, a member of the Personnel is unable to continue providing his services,

b) any member of the personnel is found by the Buyer to be incompetent in discharging or unsuitable for the performance of his duties under the Contract,

c) for any reasons beyond the control of the Candidate, it becomes necessary to replace any member of the Personnel.

The request for replacement must be made in writing and state the reasons therefore. The Candidate shall proceed swiftly with the request and propose a replacement with at least equivalent qualifications and experience. The remuneration to be paid to the replacement cannot exceed that received by the replaced member of the personnel.

Failure by the Candidate to propose a replacement for a key expert satisfactory to the Buyer, shall give the right to the Buyer to terminate the contract.

Additional costs arising out of a replacement shall be borne by the Candidate.

13.3. Working hours

The days and hours of work of the Candidate or/and its personnel in the beneficiary country shall be fixed on the basis of the laws, regulations and customs of the beneficiary country and the requirements of the services.

13.4. Leave entitlement

Any taking of holiday leave by the personnel during the period of implementation of the contract must be at a time approved by the Buyer.

Overtime, sick leave pay and holidays leave pay are deemed to be covered by the Candidate's remuneration.

14. SUB-CONTRACTING

Except from the sub-contractors listed in the contract, the Consultant shall not subcontract to nor engage another independent Candidate to perform any part of the services without the prior written consent of the Buyer. Sub-contractors must satisfy the eligibility criteria applicable for the award of the contract.

The Buyer shall have no contractual relations with the sub-contractors. The provisions of the contract, including these general terms and conditions, and in particular article 13.2 shall, where practicable, apply to the sub-contractors and their personnel.

15. LIABILITY

At its own expense, the Candidate shall indemnify, protect and defend, the Buyer, its agents and employees, from and against all actions, claims, losses or damages arising from any act or omission by the Candidate in the performance of the services, including any violation of any legal provisions, or rights of third parties, in respect of patents, trademarks and other forms of intellectual property such as copyrights.

Approval by the Buyer of the Candidate's reports and issue of Completion Certificate shall not relieve the Candidate of its liability and shall not prevent the Buyer from claiming damages.

The Candidate shall remain liable for any breach of its obligations under the contract for such period after the services have been performed as may be determined by the law governing the contract (the "liability period"). This time limit does not however apply when the damage arises from gross negligence or wilful misconduct of the Candidate.

During the liability period, or as soon as practicable after its expiration, the Candidate shall, at its expense, upon instruction of the Buyer, remedy any deficiencies in the performance of the services. In case of default on the part of the Candidate to carry out such instructions, the Buyer shall be entitled to hire another Candidate to carry out the same, at the Candidate's expense.

16. INSURANCE

Within 20 days of signing the contract, the Candidate shall take out and maintain, at its own cost, a full indemnity insurance policy covering its professional liability under the contract and article 15 above, from the commencement date and until the end of the liability period.

Within 20 days of signing the contract, the Candidate shall take out and maintain a full indemnity insurance policy for a sum up to the higher of the

maximum amount foreseen by the legislation of the country of the Buyer and the amount foreseen by the legislation of the country in which the Candidate has its headquarters and covering, during the period of implementation of the contract, the following risks:

- a) loss of or damage to property purchased with funds provided under the contract, or produced by the Candidate;
- b) loss or damage to equipment, material and office facilities made available to the Candidate by the Buyer;
- c) civil liability for accidents caused to third parties arising out of acts performed by the Candidate, its personnel and their dependents;
- d) employer's liability and workers' compensation in respect of the personnel as well as sickness, accident or death affecting the personnel and their dependents, including the cost of repatriation on health grounds;
- e) such other insurance as required by the laws in force in the beneficiary country.

Prior to the commencement date, the Candidate shall provide evidence to the Buyer that the above insurances have been effected. During execution of the contract, the Candidate shall, when required, provide the Buyer with copies of the insurance policies and the receipts for payment of premiums.

17. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

All reports and data such as maps, diagrams, drawings, specifications, plans, statistics, calculations, databases, software and supporting records or materials acquired, compiled or prepared by the Candidate in the performance of the contract shall, with the copyright thereto, be the absolute property of the Buyer. The Candidate shall, upon completion of the contract, deliver all such documents and data to the Buyer. The Candidate may not retain copies of such documents and data and shall not use them for purposes unrelated to the contract without the prior written consent of the Buyer.

The Candidate shall not publish articles relating to the services or refer to them when carrying out any services for others, or divulge information obtained from the Buyer, without the prior written consent of the Buyer.

18. RECORDS

The Candidate shall keep separate, accurate and systematic records and accounts in respect of the services in such form and detail as is customary in the profession and sufficient to establish accurately that the number of working days and the actual reimbursable expenditure identified in the Candidate's invoice(s) have been duly incurred for the performance of the services.

For a fee-based contract, timesheets recording the days worked by the Candidate's personnel must be maintained by the Candidate. The timesheets must be approved by the Buyer or any person authorised by the Buyer or the Buyer itself on a monthly basis. The amounts invoiced by the Candidate must correspond to these timesheets. In the case of long-term experts, these timesheets must record the number of days worked. In the case of short-term experts, these timesheets must record the number of hours worked. Time spent travelling exclusively and necessarily for the purpose of the Contract may be included in the numbers of days or hours, as appropriate, recorded in these timesheets.

Such records must be kept for a 7-year period after the final payment made under the contract. These documents comprise any documentation concerning income and expenditure and any inventory, necessary for the checking of supporting documents, including timesheets, plane and transport tickets, pay slips for the remuneration paid to the experts and invoices or receipts for reimbursable expenditure. Failure to maintain such records constitutes a breach of contract and will result in the termination of the contract.

19. OBLIGATIONS OF BUYER

19.1. The Buyer shall provide the Candidate as soon as possible with any information and/or documentation at its disposal which may be relevant to the performance of the contract.

On all matters properly referred to it in writing by the Candidate, the Buyer shall give its decisions so as not to delay the services, and within a reasonable time.

19.2. The contract shall specify whether the Buyer is to provide the Candidate with equipment, facilities, counterpart personnel or specific assistance, and shall detail under which conditions. If the provision of such agreed counterpart personnel, equipment, facilities and assistance is delayed or not forthcoming, the Candidate shall endeavour to perform the Services as far as is possible. The parties shall agree on how the affected parts of the services shall be carried out, and the additional payments, if any is due, to be made by the Buyer to the Candidate as a result of additional expenditures.

20. CONTRACT PRICE AND PAYMENTS

Contracts are either "global price" or "fee-based".

20.1. Fee-based contract

In consideration of the services performed by the Candidate under the contract, the Buyer shall make to the Candidate such payments of fees and such reimbursement of costs as provided in the contract.

Fees shall be determined on the basis of time actually spent by the key experts in the performance of services at the fee rates specified in the contract. Fee rates are deemed to remunerate all the activities of the Candidate in the performance of the services and to cover all expenses and costs incurred by the Candidate which are not included in the agreed reimbursable costs.

The Buyer shall reimburse to the Candidate the reimbursable costs and expenses specified in the contract, actually and reasonably incurred in the performance of the services.

Costs and expenses which are not mentioned in the contract shall be deemed covered by the overhead of profit included in the fees.

The currency of payments of fees and reimbursable costs and applicable exchange rates are set out in the contract.

20.2. Global price contract

The global price covers both the Candidate's and its personnel's fees and all expenses to be incurred for the performance of the contract. The global price is in consideration for all obligations of the Candidate under the contract and all matters and things necessary for the proper execution and completion of the services and the remedying of any deficiencies therein.

20.3. Revision

Unless otherwise stipulated in the contract, the global price of a global price contract and the fee rates of a fee-based contract shall not be revised.

20.4. Guarantees

In the case an advance payment for fees and for reimbursable costs (fee-based contract) or a pre-financing payment (global price contract) is agreed in the contract, its payment by the Buyer shall be subject to the prior presentation by the Candidate to the Buyer of an approved performance security, advance payment or pre-financing guarantee, if so agreed and under the conditions specified in the Service Contract.

20.5. Conditions of Payment

Payments will be made by the Buyer with the frequency, instalments, time limits, amounts and currencies, and under the conditions, in particular on the contents of invoices, specified in the special conditions of the contract. Payment of the final balance shall be subject to performance by the Candidate of all its obligations under the contract and the issue by the Buyer of the completion certificate described in article 25.

20.6. Late payment

If the time periods laid down for payments by the Buyer have been exceeded by more than two months and where the Buyer cannot invoke a case of suspension or withholding of payments provided for in these terms and conditions, the Candidate may claim interest calculated on any amount due, prorated on the number of days of delay at the official bank rate of the beneficiary country (if amounts due are in the currency of that country), or at the rate applied by the European central bank (where amounts due are in Euro), plus 2% per year.

21. DELAYS IN PERFORMANCE

If the Candidate does not perform the services within the period of implementation specified in the contract, the Buyer shall, without formal notice and without prejudice to its other remedies under the contract, be entitled to liquidated damages for every day, or part thereof, which shall

elapse between the end of the period of implementation specified in the contract and the actual end of the period of implementation.

The daily rate for liquidated damages is calculated by dividing the contract value by the number of days of the period of implementation.

If these liquidated damages exceed more than 15% of the contract value, the Buyer may, after giving notice to the Candidate:

- a) terminate the contract; and
- b) complete the services at the Candidate's own expense

22. BREACH OF CONTRACT

Either party commits a breach of contract where it fails to discharge any of its obligations under the contract.

Where a breach of contract occurs, the party injured by the breach shall be entitled to the following remedies:

- a) liquidated damages; and/or
- b) termination of the contract.

In any case where the Buyer is entitled to damages, it may deduct such damages from any sums due to the Candidate or call on the appropriate guarantee.

The Buyer shall be entitled to compensation for any damage which comes to light after the contract is completed in accordance with the law governing the contract.

23. SUSPENSION OF PERFORMANCE

The Candidate shall, on the request of the Buyer, suspend the performance of the services or any part thereof for such time and in such manner as the Buyer may consider necessary.

In such event of suspension, the Candidate shall take immediate action to reduce the costs incident to the suspension to a minimum. During the period of suspension, and except where the suspension is due to any default of the Candidate, the Candidate shall be reimbursed for additional costs reasonably and necessarily incurred by it as a result of the suspension.

24. AMENDMENT OF THE CONTRACT

Substantial modifications to the contract, including modifications to the total contract amount, must be made by means of an addendum.

25. COMPLETION CERTIFICATE

Upon completion of the services, and once (a) the Buyer has approved the Candidate's completion report, (b) the Buyer has approved the Candidate's final invoice and final audited statement, the Buyer shall deliver a completion certificate to the Candidate.

26. TERMINATION BY THE BUYER

26.1 The Buyer may terminate the contract after giving a 7 days' notice to the Candidate in any of the following cases:

- a) the Candidate is in breach of its obligations under the contract and/or fails to carry out the services substantially in accordance with the contract;
- b) the Candidate fails to comply within a reasonable time with the notice given by the Buyer requiring it to make good the neglect or failure to perform its obligations under the contract which seriously affects the proper and timely performance of the services;
- c) the Candidate refuses or neglects to carry out instructions given by the Buyer;
- d) the Candidate's declarations in respect of its eligibility (article 33) and/or in respect of article 31 and article 32, appear to have been untrue, or cease to be true;
- e) the Candidate takes some action without requesting or obtaining the prior consent of the Buyer in any case where such consent is required under the contract;
- f) any of the key experts is no longer available, and the Candidate fails to propose a replacement satisfactory to the Buyer;
- g) any organisational modification occurs involving a change in the legal personality, nature or control of the Candidate or the joint venture or consortium, unless such modification is recorded in an addendum to the contract;

- h) the Candidate fails to provide the required guarantees or insurance, or the person providing the underlying guarantee or insurance is not able to abide by its commitments.

26.2 Termination by Buyer for convenience

The Buyer may terminate the contract in whole or in part for its convenience, upon not less than 14 days' notice. The Buyer shall not use this right of termination in order to arrange for the services to be executed by another Candidate, or to avoid a termination of the contract by the Candidate.

27. TERMINATION BY THE CANDIDATE

The Candidate may terminate the contract after giving a 7 days' notice to the Buyer in any of the following cases:

- a) the Candidate has not received payment of that part of any invoice which is not contested by the Buyer, within 90 days of the due payment date,
- b) the period of suspension of the performance of the contract under article 23 has exceeded six months;
- c) the Buyer is in material breach of its obligations under the Contract and has not taken any actions to remedy the same within 30 days following the receipt by the Buyer of the Candidate's notice specifying such breach.

If the Candidate is a natural person, the contract shall be automatically terminated if that person dies.

28. RIGHTS AND OBLIGATIONS UPON TERMINATION

28.1. Upon termination of the contract by notice of either party to the other, the Candidate shall take immediate steps to bring the services to a close in a prompt and orderly manner and in such a way as to keep costs to a minimum.

28.2. If the Buyer terminates the contract in accordance with article 26.1 it may, thereafter, complete the services itself, or conclude any other contract with a third party, at the Candidate's expense.

The Buyer shall, as soon as is possible after termination, certify the value of the services and all sums due to the Candidate as at the date of termination. It shall, subject to article 28.1 and 28.3, make the following payments to the Candidate:

- (a) remuneration pursuant to the contract for services satisfactorily performed prior to the effective date of termination;
- (b) reimbursable costs (if fee-based contract) for costs actually incurred prior to the effective date of termination;
- (c) except in the case of termination pursuant to article 26.1 reimbursement of any reasonable cost incident to the prompt and orderly termination of the contract;
- (d) in case of termination under article 26.2 and 27, reimbursement for the actual and reasonable costs incurred by the Candidate as a direct result of such termination and which could not be avoided or reduced by appropriate mitigation measures.

The Candidate shall not be entitled to claim, in addition to the above sums, compensation for any loss or injury suffered.

28.3. In case of termination of the contract for any reason whatsoever, any pre-financing guarantee which might have been granted to the Buyer under article 20.4, may be invoked forthwith by the Buyer in order to repay any balance still owed to the Buyer by the Candidate, and the guarantor shall not delay payment or raise objection for any reason whatever.

28.4. If the Buyer terminates the contract under article 26.1, it shall be entitled to recover from the Candidate any loss it has suffered up to that part of the contract value which corresponds to that part of the services which has not, by reason of the Candidate's default, been satisfactorily completed.

29. FORCE MAJEURE

Neither party shall be considered to be in breach of its obligations under the contract if the performance of such obligations is prevented by any circumstances of force majeure which arise after the date of signature of the contract by both parties.

The term "force majeure", as used herein shall mean acts of God, strikes, lock-outs or other industrial disturbances, acts of the public enemy, wars,

whether declared or not, blockades, insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions, and any other similar unforeseeable events, beyond the control of either party and which by the exercise of due diligence neither party is able to overcome.

A party affected by an event of force majeure shall take all reasonable measures to remove such party's inability to fulfil its obligations hereunder with a minimum of delay.

If either party considers that any circumstances of force majeure have occurred which may affect performance of its obligations it shall notify the other party immediately giving details of the nature, the probable duration and likely effect of the circumstances. Unless otherwise directed by the Buyer in writing, the Candidate shall continue to perform its obligations under the contract as far as is reasonably practicable, and shall seek all reasonable alternative means for performance of its obligations which are not prevented by the force majeure event. The Candidate shall not put into effect such alternative means unless directed so to do by the Buyer.

30. APPLICABLE LAW AND DISPUTES

The contract is governed by, and shall be construed in accordance with the laws of the Buyer's country.

Any dispute or breach of contract arising under this contract shall be solved amicably if at all possible. If not possible and unless provided in the Service Contract, it shall be settled finally by court decision, which shall be held under the law of the Buyer's country. Any ruling by the court will be final and directly executable in the country of the Candidate.

31. CHILD LABOUR AND FORCED LABOUR

The Candidate (and each member of a joint venture or a consortium) warrants that it and its affiliates comply with the UN *Convention on the Rights of the Child* - UNGA Doc A/RES/44/25 (12 December 1989) with Annex – and that it or its affiliates has not made or will not make use of forced or compulsory labor as described in the *Forced labor Convention* and in the *Abolition of Forced Labor Convention 105* of the International Labor Organization. Furthermore the Candidate warrants that it, and its affiliates, respect and uphold basic social rights and working conditions for its employees. Any breach of this representation and warranty, in the past or during the performance of the contract, shall entitle the Buyer to terminate this contract immediately upon notice to the Candidate, at no cost or liability for the Buyer.

32. MINES

The Candidate and each member of the joint venture or a consortium) warrants that it and its affiliates is NOT engaged in any development, sale or manufacture of anti-personnel mines and/or cluster bombs or components utilized in the manufacture of anti-personnel mines and/or cluster bombs. Any breach of this representation and warranty shall entitle the Buyer to terminate this contract immediately upon notice to the Candidate, at no cost or liability for the Buyer.

33. INELIGIBILITY

By signing the purchase order, the Candidate (or, if a joint venture or a consortium, any member thereof) certifies that they are NOT in one of the situations listed below:

- (a) They are bankrupt or being wound up, are having their affairs administrated by courts, have entered into an agreement with creditors, have suspended business activities, are the subject of proceedings concerning house matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) They have been convicted of an offence concerning their professional conduct by a judgement that has the force of *res judicata*;
- (c) They have been guilty of grave professional misconduct proven by any means that the Buyer can justify;
- (d) They have not fulfilled obligations relating to the payment of social security contributions or payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Buyer or those of the country where the contract is to be performed;
- (e) They have been the subject of a judgement that has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Buyer or the European Community's financial interests;

- (f) Following another procurement procedure or grant award procedure financed by the European Community budget or following another procurement procedure carried out by the Buyer or one of their partners, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations.

34. CHECKS AND AUDITS

The Seller shall permit the Buyer or its representative to inspect, at any time, records including financial and accounting documents and to make copies thereof and shall permit the Buyer or any person authorized by it, including USAID, the European Commission, the European Anti-Fraud Office and the Court of Auditors in case the Contract is financed by USAID or the European Community budget, at any time, to have access to its financial accounting documents and to audit such records and accounts both during and after the implementation of the Contract. In particular, the Buyer may carry out whatever documentary or on-the-spot checks it deems necessary to find evidence in case of suspected unusual commercial expenses.

35. LIABILITY

Under no circumstances or for no reason whatsoever will the Back donor entertain any request for indemnity or payment directly submitted by the (Buyer's) Candidates.

ANNEX 6: CODE OF CONDUCT FOR CONTRACTORS



CODE OF CONDUCT FOR CONTRACTORS

ETHICAL PRINCIPLES AND STANDARDS

By this Code of Conduct, the Buyer applies ethics to procurement. We expect our Candidates to act socially and environmentally responsible and actively work for the implementation of the standards and principles in this Code of Conduct. The Code of Conduct is applicable for all our Candidates who supply goods, services and works to our operations and projects.

This Code of Conduct and its related principles and standards are based on recommendations from the UN Global Compact principles¹ and ECHO's Humanitarian Aid Guidelines for Procurement 2011².

General Conditions

The Code of Conduct defines the ethical requirements and standards for our Candidates, whom we expect to sign and respect the Code of Conduct, and work actively towards the implementation hereof. By signing the Code of Conduct Candidates agree to place ethics central to their business activities.

The provision of the ethical standards constitutes minimum rather than maximum standards. International and national laws shall be complied with, and where the provisions of law and the Buyer's standards address the same subject, the highest standard shall apply.

It is the responsibility of the Candidate to assure that their Candidates and sub-contractors comply with the ethical requirements and standards set forth in this Code of Conduct.

The Buyer acknowledge that implementing ethical standards and ensuring ethical behaviour in our supply chain is a continuous process and a long term commitment for which we also have a responsibility. In order to achieve high ethical standards for procurement we are willing to engage in dialogue and collaboration with our Candidates. In addition we expect our Candidates to be open and willing to engage in dialogue with us to implement ethical standards for their businesses.

Unwillingness to co-operate or serious violations of the Code of Conduct will lead to termination of contracts.

Human Rights and Labour Rights

Candidates must at all times protect and promote human- and labour rights and work actively to address issues of concern. As a minimum they are obliged to comply with the following ethical standards:

- **Respect for Human Rights** (UN Universal Declaration of Human Rights)
The basic principles of the Universal Human Rights are that all human beings are born free and equal in dignity and in rights, and everyone has the right to life, liberty and security of the person. Candidates must not flaunt their responsibility to uphold and promote the Human Rights toward employees and the community in which they operate.

- **Non exploitation of Child Labour** (UN Child Convention on the Rights of the Child, and ILO Convention C138 & C182)
Candidates must not engage in the exploitation of child labour³ and Candidates must take the necessary steps to prevent the employment of child labour. A child is defined as a person under the age of 18 and children shall not be engaged in labour that compromise their health, safety, mental and social development, and schooling. Children under the age of 15 (in developing countries 14) may not be engaged in regular work, but children above the age of 13 (in developing countries 12) can be engaged in light work if it does not interfere with compulsory schooling and is not harmful to their health and development.
- **Employment is freely chosen** (ILO Convention C29 & C105)
Candidates must not make use of forced or bonded labour and must respect workers freedom to leave their employer.
- **Freedom of association and the right to collective bargaining** (ILO Convention C87 & C98)
Candidates must recognise workers right to join or form trade unions and bargain collectively, and should adopt an open attitude towards the activities of trade unions (even if this is restricted under national law).
- **Living wages are paid** (ILO convention C131)
As a minimum, national minimum wage standards or ILO wage standards must be met by Candidates. Additionally a living wage must be provided. A living wage is contextual, but must always meet basic needs such as food, shelter, clothing, health care and schooling and provide a discretionary income⁴ - which is not always the case with a formal minimum wage.
- **No discrimination in employment** (ILO Convention C100 & C111 and the UN Convention on Discrimination against Women)
Candidates must not practice discrimination in hiring, salaries, job termination, retiring, and access to training or promotion - based on race, national origin, caste, gender, sexual orientation, political affiliation, disability, marital status, or HIV/AIDS status.
- **No harsh or inhumane treatment of employees** (ILO Convention C105)
The use of physical abuse, disciplinary punishment, sexual abuse, the threat of sexual and physical abuse, and other forms of intimidation may never be practiced by Candidates.
- **Working conditions are safe and hygienic** (ILO Convention C155)
Candidates must take adequate steps to provide safe and hygienic working environments. Additionally workers safety must be a

¹ <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html>

² http://ec.europa.eu/echo/partners/humanitarian_aid/procurement_guidelines_en.htm

³ The definition of Child Labour can be found at:
<http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/principle5.html> and
<http://www.ilo.org/ilolex/cgi-lex/convde.pl?C138>

⁴ Discretionary income is the amount of an individual's income that is left for spending, investing, or saving after taxes and personal necessities (such as food, shelter, and clothing) have been paid.

priority and adequate steps must be taken to prevent accidents and injury to health associated with or occurring in the course of work.

- *Working hours are not excessive* (ILO Convention C1 & C14)
Candidates must ensure that working hours comply with national law and international standards. A working week of 7 days should not exceed 48 hours and employees must have one day off per week. Overtime shall be compensated, limited and voluntary.
- *Regular employment is provided* (ILO Convention C143)
All Work performed must be on the basis of a recognised employment relationship established through international conventions and national law. Candidates must protect vulnerable group's regular employment under these laws and conventions and must provide workers with a written contract.

International Humanitarian Law

Candidates linked to armed conflicts or operating in armed conflict settings shall respect civilian's rights under International Humanitarian Law and not be engaged in activities which directly or indirectly initiate, sustain, and/or exacerbate armed conflicts and violations of International Humanitarian Law⁵. Candidates are expected to take a 'do no harm' approach to people affected by armed conflict.

Additionally, Candidates shall not be engaged in any other illegal activity.

Involvement in Weapon Activities

The Buyer advocates for the Ottawa Convention against landmines and the Convention on Cluster Munitions against cluster bombs. Candidates shall not engage in any development, distribution, sale, or manufacturing of anti-personnel mines, cluster bombs, components, or any other weapon which feed into violations of International Humanitarian Law and Human Rights.

Protection of the Environment

The Buyer wishes to minimise the environmental damages applied to nature via our procurement activities and we expect our suppliers and Candidates to act in an environmentally responsible manner. This involves respecting applicable national and international environmental legislation and acting in accordance with the Rio Declaration.

As a minimum Candidates should address issues related to proper waste management, ensuring recycling, conservation of scarce resources, and efficient energy use.

Anti-Corruption

Corruption is by the Buyer defined as the misuse of entrusted power for private gain and it includes bribery, fraud, embezzlement and extortion. The Buyer holds a great responsibility to avoid corruption and ensure high standards of integrity, accountability, fairness and professional conduct in our business relations. Candidates are expected to have the same approach by undertaking good and fair business ethics and practices, take action to prevent and fight corruption, and abide by international conventions as well as international and national laws. To fight corruption and promote transparency, Candidates who are confronted with corrupt practices are advised to file a complaint in a Complaint Mechanism⁶.

A Candidate's involvement in any form of corrupt practice during any stage of a selection process, in relation to the performance of a contract or in any other business context is unacceptable and will lead to the rejection of bids or termination of contracts.

List of International Conventions and Treaties covered by this Code of Conduct for Contractors

- UN Universal Declaration of Human Rights, 1948; <http://www.un.org/en/documents/udhr/index.shtml>
- Un Guiding Principles on Business and Human Rights, 2011; http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf
- Geneva Conventions I-IV, 1949 and additional Protocols; <http://www.icrc.org/eng/war-and-law/treaties-customary-law/geneva-conventions/index.jsp>
- ILO Declaration on Fundamental Principles and Rights at Work, 1998; <http://www.ilo.org/declaration/lang--en/index.htm> and http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_095898.pdf
- UN Child Convention on the Rights of the Child, 1990; <http://www2.ohchr.org/english/law/crc.htm>
- C182, Worst Forms of Child Labour Convention, 1999; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C182>
- C138, Minimum Age Convention, 1973; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C138>
- C87, Freedom of Association and Protection of the Right to Organise Convention, 1948; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C087>
- C98, Right to Organise and Collective Bargaining Convention, 1949; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C098>
- C29, Forced Labour Convention, 1930; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C029>
- C105, Abolition of Forced Labour Convention, 1957; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C105>
- C131, Minimum Wage Fixing Convention, 1970; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C131>
- C100, Equal Remuneration Convention, 1951; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C100>
- C111, Discrimination (Employment and Occupation) Convention, 1958; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C111>
- The UN Convention on the Elimination of All Forms of Discrimination against Women 1979; <http://www.un.org/womenwatch/daw/cedaw/text/econvention.htm>
- C1, Hours of Work (Industry) Convention, 1919; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C001>
- C14, Weekly Rest (Industry) Convention, 1921; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C014>
- C143, Migrant Workers (Supplementary Provisions) convention, 1975; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C143>
- C155, Occupational Safety and Health Convention, 1981; <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C155>
- The Rio Declaration on Environment and Development, 1992; <http://www.unep.org/Documents/Multilingual/Default.asp?DocumentID=78&ArticleID=1163&I=en>
- The Ottawa Convention, 1997; http://www.apminebanconvention.org/fileadmin/pdf/mbc/text_status/Ottawa_Convention_English.pdf
- The Convention on Cluster Munitions, 2007; <http://www.clusterconvention.org/files/2011/01/Convention-ENG1.pdf>
- Arms Trade Treaty, 2013; <http://www.un.org/disarmament/ATT/>

⁵ This includes pillage/looting which is the unlawful taking of private property for personal or private gain based on force, threats, intimidation, pressure and through a position of power accomplished due to the surrounding conflict.

⁶ Candidates who have signed a contract with LWF World Service, shall file a complaint through: <https://www.lutheranworld.org/content/accountability>